RB International (UK) Limited
(formerly Hyphen Resources Limited)

Consolidated Annual Reports and Financial Statements

Year ended

31 December 2021

Company number 09268238

RB International (UK) Limited

Company Information

Directors	E M Sawyer (Appointed on 18 February 2022) S A J Nahum M O Saydam (Resigned on 18 February 2022)
Secretary	M J Hill
Registered number	09268238
Registered office	5th Floor, Millbank Tower 21-24 Millbank London SW1P 4QP
Auditor	Gerald Edelman LLP 73 Cornhill London EC3V 3QQ
Country of incorporation	England and Wales
Legal form	Private company limited by shares

RB International (UK) Limited

Contents

Page:

The directors present their strategic report for RB International (UK) Limited (formerly named Hyphen Resources Limited) for the year ending 31 December 2021. The directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

Business review

RB International (UK) Limited ("RBI") and Subsidiaries (collectively the "Group") are owned by the sole shareholder RB Oil, Ltd., a company registered in the British Virgin Islands. RBI is a Limited Company and is registered and domiciled in England and Wales. The registered office of RBI is 5th Floor, Millbank Tower, London, SW1P 4QP, England.

RBI is a holding company and together with its subsidiaries is engaged in different businesses, further analysed below.

	2021	*2020*
	$M	*$M*
Turnover	**105.0**	88.0
EBITDA	**57.1**	(1.7)
Depreciation and amortisation	**(15.7)**	(17.9)
Fair value adjustments	**2.7**	(0.5)
Loss on disposal of assets	**(0.4)**	(1.6)
Non-operating expenses	**(3.2)**	-
Total operating profit/(loss)	**40.4**	(22.8)
Loss after tax including OCI	**(2.8)**	(59.5)

Warehousing unit (Warehousing)

The Group's metals warehousing operations are operated by MITSI Holding (UK) Ltd and its subsidiaries (together the "Warehousing Unit"). The Warehousing Unit is principally engaged in the storage of commodities through agreements governed by the London Metal Exchange (LME). The company earns revenues based on daily storage fees and charges for moving metal out of the warehouses. Its storage locations are in North America, Asia and Europe.

	2021	*2020*
	$M	*$M*
Turnover (net of commissions)	**18.0**	18.4
EBITDA	**6.5**	5.3
Depreciation and amortisation	**(3.6)**	(3.2)
Fair value adjustments	**2.8**	-
Gain on disposal of assets	**1.3**	-
Non-operating expenses	**(0.1)**	-
Total operating profit	**6.9**	2.1
Profit/(Loss) after tax including OCI	**1.3**	(2.8)
Metal at period end (MT)	**23k**	158k
Average metal during the period (MT)	**88k**	180k

Key Chinese economic indicators dipped into contractionary territory in September 2021, while auto production dropped 17.7% year over year, dampened by the chronic shortage of electronic chips. The slowdown in China's manufacturing sector contrasts with the robust activity seen in Europe and the U.S., although surging energy prices and supply chain issues threaten post-pandemic recovery in those regions. China's intensifying decarbonization has also led to restrictions on power usage in the industrial sectors, including some metals smelters; curtailed production of refined copper and zinc led these metals' prices to skyrocket in October, while nickel prices have also soared amid supply disruptions, also due to the strong demand from the EV battery market.

Since the metals are critical components in batteries and other alternative energy initiatives, the increasing demand of EV battery market is also creating large demand for copper, which prices rose to an all-time high in May 2021 before correcting; the same trend is also evident for other metals used in the electrification processes. Pandemic-inspired supply chain bottlenecks and increasing demand have created the potential for supply-demand deficits in many of the metals as supplies must rise to keep pace with the demand.

Exchange stocks have been draining away as pandemic demand recovery collides with disrupted supply chains across the base metals spectrum, but the outlook for LME warehousing companies is very different. Deficit markets have pushed metal out of the LME system and warehousers have responded by aggressively cutting storage capacity. Total LME registered storage space shrank by 290,500 square metres to 4.06 million square metres over the second half of 2021, reversing five consecutive quarters of expansion.

Metals trading unit (Metals trading)

The company Hyphen Trading Limited ("HTL") acquires LME listed metal from 3rd party producers, paying a premium over the quoted LME price, which fluctuates according to the metal and location of delivery. The metal is shipped into a Metro warehouse, part of the Warehousing Unit. Upon acquiring the metal, HTL simultaneously hedges its position by selling futures contracts (usually 1 or 2 months out on a rolling basis) to reduce exposure to price fluctuations. By doing this HTL locks in a minimum amount of profit based on the level of contango (whereby the cash price of a commodity is lower than the forward price) available in the market.

The company also enters into reverse repurchase agreements for metals whereby the company purchases metal from a counter party at a discount to market price, with an agreement to resell equivalent metal at a future agreed date. The legal title of the inventory is therefore transferred to the company upon entry into the transaction. The company trades metal futures through the London Metal Exchange ("LME") to hedge its exposure to any movements in the price of the metal, for the period that it has legal title. Revenue is represented by the discount to market price and any arrangement fees on repurchase agreements.

	2021	*2020*
	$M	*$M*
Turnover	**6.9**	6.6
EBITDA	**2.4**	4.1
Gain on disposal of assets	**0.1**	-
Total operating profit	**2.5**	4.1
Profit after tax including OCI	**0.6**	1.8

Metals Trading acts as a conduit to the Warehousing Unit, as all metal purchased is stored within a Metro warehouse. The Warehousing Unit will also benefit from rent revenue paid by third parties when the Metals Trading Unit elects to dispose of its position, as well as freight out paid when the third parties remove the metal from a Metro Warehouse.

Metals Trading closed the year with an inventory of $32.3m, consisting in 7,520 MT of Aluminium and 999 MT of Copper.

Shipping unit (Shipping)

The Group's shipping operations are operated by RB Marine Holdings (UK) Limited along with RBRD Armatori S.r.l and subsidiaries (together the "Shipping Unit"). The principal activity of the Shipping Unit during the year was that of vessel owning and operation.

The Shipping unit's key financial and other performance indicators during the year were as follows:

	2021	*2020*
	$M	$M
Turnover (net of commissions)	**66.8**	49.4
EBITDA	**47.7**	(16.2)
Depreciation and amortisation	**(8.8)**	(11.3)
Total operating profit/(loss)	**38.9**	(27.5)
Profit/(Loss) after tax including OCI	**30.0**	(47.1)
Fleet average age	**8.4 yrs**	7.4 yrs

The Shipping Unit made a profit for the year, after taxation, of $30.0m, mostly related to the increase of chartering daily rates. The 8 vessels acquired from RBD Armatori S.p.A. bankruptcy were transferred to a related party under common control in May 2022, therefore the results of these units has been included until April. Some vessels were subject to dry-dock and extraordinary maintenance, that significantly reduced their utilization.

The Shipping Unit is financed by way of loans from a related company.

Marina and Hotel unit (Marina)

Portosole owns 776 berths of different sizes (from 9m to 90m) and a 4-star hotel with 29 rooms and a spa, directly managed by the company. The marina offers mooring services, fuel distribution, boatyards, bar and restaurant.

The Marina unit's key financial and other performance indicators during the year were as follows:

	2021	*2020*
	$M	*$M*
Turnover	**10.2**	11.2
EBITDA	**2.2**	5.3
Depreciation and amortisation	**(1.7)**	(1.5)
Fair value adjustments	**(0.2)**	(0.3)
Gain on disposal of assets	**0.1**	-
Total operating profit	**0.4**	3.5
Profit after tax including OCI	**0.7**	10.2

Hotel unit (Hotel)

The Group's hotel activities are operated by Hyphen Leisure (CH) SA in Switzerland and by RB Ca' Molin and RB Roma in Italy.

Hyphen Leisure (CH) SA owns a hotel in Verbier. The property has been rented to a hotel operator.

RB Ca' Molin owns a building in Venice that has been recently converted into a hotel. The property has been rented to a hotel operator. This company was transferred to a related party under common control in May 2021, therefore it's result has been included until April.

RB Roma acquired in 2019 a commercial building in Rome; the property is under conversion to a hotel and will be managed by a primary luxury operator. This company was transferred to a related party under common control in May 2021, therefore it's result has been included until April.

The Hotel unit's key financial and other performance indicators during the year were as follows:

	2021	*2020*
	$M	*$M*
Turnover	**1.0**	2.7
EBITDA	**-**	0.6
Depreciation and amortisation	**(0.6)**	(1.1)
Fair value adjustments	**-**	(0.2)
Loss on disposal of assets	**-**	(1.6)
Total operating loss	**(0.6)**	(2.3)
Loss after tax including OCI	**(4.4)**	(2.5)

Key Performance Indicators

The Group sees the revenue growth, EBITDA (as % of revenues) and total assets as its Key Performance Indicators (KPIs). These KPIs allow the Group to monitor the performance of its financial model as well as its wider responsibility to its stakeholders.

	2021	2020
Revenues vs. prior year	**19.3%**	31.5%
EBITDA (as % of revenues)	**54.4%**	-1.9%
Total assets	**$ 1,059,548,561**	$ 1,037,929,917

Future developments

The Group posted a net loss of $2.0m (before other comprehensive loss for the year of $0.9m), with a positive EBITDA of $57m (FY20 negative $1.7m). The result significantly improved versus prior year but it's still negatively impacted by the detrimental effects of COVID-19.

The Group's cash flow is negative $10.0m, mainly due to the acquisition of the fixed assets and for the cash that was transferred together with the entities disposed; operating cashflow is positive $89m.

Warehousing unit

Warehousing continues to focus on LME metals for storage, to aim to further grow its business outside of the United States, particularly in Asia. Warehousing is also looking to further capitalise on its real estate assets and leasing of owned warehouse space will continue to be an important part of the business going forward. However, the Group decided to reduce its presence in the business, focusing its activity in real estate, and in particular in warehouse leasing; this business benefits from lower pressure on prices and the possibility to provide Free Trade Zone to importers.

Metals trading unit

Metal trading will focus in acquiring metals, provided the premiums are at favourable levels and the contango is present in the market. Metal trading has the capability of financing its metal acquisitions through its existing banking lines. Thanks to the favourable market conditions and the cash availability, in 2022 the unit will also continue its activity on the repurchase agreements, whose revenue are represented by the transaction margin and arrangement fees on repurchase agreements for metals with third parties.

Shipping unit

The COVID-19 pandemic continued to create many challenges during 2021 where the spread of the more contagious delta variant created rife disruption especially across India, Phillipines, South America South East Asia, Australia and China.

Overall during 2021, the disruption caused by Covid has increased demand for transportation of raw materials and has also lessened supply of freight as port disruption has meant that ships, which may otherwise be carrying cargoes, are stuck waiting at anchorage for long periods. This has provided an overall favourable earnings environment for dry-bulk vessels which is evident in the operating results, and it will persist in 2022.

Additional disruption due to the current geopolitical situation connected with the war in Ukraine is a recent development the impact of which is impossible to predict at time of filing. There is certain to be route disruption in the carrying of raw materials which, at face value, should create opportunities for global shipping, however it is also possible that this conflict will result in a shortage of grain and other raw material volumes available to be transported by sea which can negatively affect demand for freight.

In 2022 the vessels owned by RB Armatori, that were transferred to a related party under common control in 2021, have been retransferred back under the Group perimeter.

Marina unit

The Group has recently decided to invest in this business and, after a consolidation of its presence in the business (see note 39), it is currently analysing further investment opportunities.

Hotel unit

During 2021 the hotel unit was subject to a consistent restructuring, with the hotels in Venice, Capri, Rome and Sanremo being transferred to a related party under common control. At the date of filing the only hotel reaming in the business unit is the one in Verbier, which is under lease to a third party. The prospect for the hotel unit remain stable for 2022.

Principal risks and uncertainties

The directors have identified the need to manage the Group's material financial risks, including foreign exchange, liquidity and credit risks. These risks are monitored by the directors on a continuous basis.

Operational risk

The Group has identified the operational risks its business units face and taken appropriate action to mitigate these.

The Warehousing Unit faces the potential risk of damage, loss, or theft of inventory, machinery, or property. These risks are insured against by reputable insurers. Further to this, Metro has internal controls in place, which include an inventory control system and continuous training of all its employees, ensuring it complies with the LME's stringent regulation governing warehouse operations.

The Metals Trading Unit faces the risk of loss or theft of its inventory, for which it is insured with a reputable insurer. Further to this, all inventory is held within a Metro warehouse, ensuring that the Group retains direct control. This further applies to inventory financed with a third-party under a repurchase agreement. All metal is also warranted, allowing for easy transfer of possession if the Unit elects to divest its position. The Unit may purchase unwarranted metal, if its specifications allows for it to be warranted through the LME.

The Shipping Unit faces the risk of loss or damage to its vessels or of potential liabilities arising from third-parties directly related to its shipping operations. These risks have been insured against by reputable insurers. Further to this, the Group retains technical management, ensuring a direct control.

Price risk

The Group faces price risk primarily in the Metals Trading and Shipping Unit.

For the Metals Trading Unit, each metal acquisition is analysed independently and will depend on the current market premiums and the contango present in the market. The Group monitors these rates. If the level of "contango" required to cover trading costs is no longer present, the Group retains the option to sell the metal it is currently holding through the LME. To mitigate the risk the Unit faces in terms of metal price fluctuations, the Unit hedged its position with futures contracts.

The dry bulk freight rates significantly improved from the low levels during the peak of COVID lockdown, with daily rates rising to over $39,000/day in H1 of 2022, with an average of $26,700/day. Focus of the Shipping Unit is directed on long-term and recurring client contracts with a stable cost base such that operating margins can generally be forecast with reasonable accuracy, providing visibility of future earnings.

Foreign exchange risk

The Group's activities are principally conducted in U.S. Dollars.

The Group has outstanding loans of $521.7m (including accrued interest) denominated in Euros and $24.4m (including accrued interest) denominated in Swiss francs. The overall exposure is kept under constant review.

Liquidity risk

Group's liquidity position is adequate for the level of business with $45.6m of cash and cash equivalents at 31 December 2021. The Group seeks to manage liquidity risk by forecasting cash flow and establishing appropriate long-term loans, managing operations thereby ensuring sufficient liquidity is available to be able to finance its operations and investments for the foreseeable future.

Credit risk

The Group seeks to limit counterparty risk by conducting most of its banking activities with a limited number of major international banks, whose status is kept under review.

The Group closely manages its receivables and considers that there are no material exposures in respect of trade and other receivables.

Compliance and regulatory risk

The Warehousing Unit closely monitors new regulation being proposed by the LME for the warehousing sector.

Prior to venturing into new areas, the Shipping Unit performs substantial due diligence work and obtains an understanding of the governing laws and regulations.

Non-compliance with anti-bribery and corruption regulations could damage stakeholder relations and lead to reputational and financial loss. The Group has a Code of Conduct which employees are required to comply with when conducting business on behalf of the Group and this includes anti-bribery and corruption policies. Assessment of anti-bribery and corruption risks form an integral part of the decision-making process when entering new countries or negotiating with potential charterers and major suppliers.

Section 172 (1) Statement

This section describes how we have engaged with and had regard to the interests of our key stakeholders when exercising our duty to promote the success of the Company under section 172(1) of the Companies Act 2006. The principles underpinning section 172 are not something that are only considered at directors level, they are embedded throughout our Group.

Considering the interests of all our stakeholders is an important part of the way in which we make decisions, we always put our effort in balancing those different perspectives.

We describe below how directors seeks to understand what matters to stakeholders and carefully consider all the relevant factors when selecting the appropriate course of action.

<u>*Our stakeholders*</u>

Employees

Our people are our greatest assets and are one of the ways we differentiate ourselves from competition. Although unable to hold our meetings in person for a significant portion of the year, due to the pandemic, we have regularly organised online business updates. In the months where strict lockdown restrictions were in place, directors have organised social calls to ensure the physical and mental wellbeing of employees, together with promoting interaction among those.

Employees have also been encouraged to share with directors ways to strengthen team spirit during such a peculiar period. The management has also provided several training opportunities to employees, in particular in relation to information technology.

During the year the number of employees decreased as a result of the restructuring of the shipping companies. More information is available in note 7.

Customers

The COVID-19 pandemic has continued to impact several industries where we operate.

The hospitality industry has been the most affected, in fact government regulations have imposed the suspension of the activity for several months. Subsequently, the interaction with customers was aligned to the safety standards put in place to ensure the wellbeing of employees and customers. Particular attention was paid to common areas, where the staff ensured that social distancing and mask wearing were respected and provided hand sanitizer.

With respect to the Marina, customers have been unable to reach the location for months, depending on their country of origin and the regulations in place. Additional requirements were mandated by governments for boats coming from overseas: those included Covid-19 testing and declaration of travel history. The management of the Marina has been compliant with the regulations and met the needs of the customers supporting them in the completion of these processes.

The COVID-19 pandemic stressed the global supply chains to a degree never experienced before. Our customers in the Shipping, Metal Trading and Metal Warehouse units had to deal with severe logistic challenges.

Our shipping business was able to support its customers' global transportation needs and supply chains throughout the year under very difficult circumstances.

At the same time, the Metal Warehouse business has operated continuously during the year and has offered improved logistic solutions to customers consolidating their presence worldwide.

We were able to improve our business relationship with customers of the Metal Trading unit through the offering of alternative financing solutions.

Shareholders

The ultimate parent undertaking is RB International Limited, a company registered in the British Virgin Islands. Our UK board comprises two UK directors who meet regularly to ensure that strategies across the Group are aligned.

Suppliers

Our suppliers are also central to our business and we continually strive to streamline our processes and build better relationships with them.

We balance the benefits of maintaining strategic partnerships with key suppliers alongside the need to obtain the highest value for money for our customers.

Our impact on the community and environment

We have a number of targets and initiatives aimed at reducing the adverse impact of our business on the environment and the communities in which we operate.

We also fully support employee fundraising allowing them to advertise their initiatives on our intranet and supporting them with donations or sponsorship when requested.

The Group is continuously focused on reducing its environmental footprint through the application of the newest technologies for pollution reduction and limiting its usage of thermal energy for its agricultural business via cogeneration.

Regulators

As a Group, we recognize the importance of open and continuous dialogue with the regulatory offices that govern us and therefore we have regular communication with them. Our risk and compliance frameworks continue to develop under the leadership of directors and senior management. In addition, because the Group operates in various businesses and jurisdictions, we put a significant effort in complying with regulations, with the objective to avoid any damage to stakeholders and reputation. For more information on the code of conduct adopted by the Group, please refer to the section compliance and regulatory risk in the strategic report.

This report was approved by the Board and signed on its behalf.

E M Sawyer

Director

22/12/2022

Date

The directors present their annual report and the consolidated audited financial statements of the Group and the Company for the year ended 31 December 2021.

Results and dividends

The results for the Group during the year are set out in the consolidated statement of comprehensive income on page 18 and summarised in page 2.

No dividends are proposed by the directors in respect of the year.

Going concern

The COVID-19 pandemic caused a deep global recession. All countries where the company operates were affected by the virus and had to adopt containment measures based on social distancing, the closure of selected business activities and restrictions on travel and tourism. The prospect of potential company closures and rising unemployment prompted governments to take immediate support, with a significant impact on public budgets: postponements of tax payments, provision of credit guarantees subsidies to households, strengthening of social security mechanisms.

Positive news has come from vaccination campaigns undertaken by the different countries, the hospitalisation rate has fallen sharply among the population groups that got vaccinated and therefore there were less severe restrictions in place in the second half of 2021 compared to 2020. The less severe restrictions, together with the recovery plans implemented by governments, will have a positive impact on international trades and the global economy, hopefully recovering a significant part of the GDP lost by the major economies during the first months of the pandemic.

On 24th February 2022, Russia began its invasion of Ukraine with consequences in the commodities markets, causing decrease in supply and soaring prices, especially for methane and electricity, causing a generalized increase of inflation. However, at the reporting date there are currently no signs that the Group or its business partners have been negatively impacted by this event, even if it's difficult to predict the future scenario.

The Group is currently evaluating the potential short-term and long-term implications of COVID-19 and the war in Ukraine on its financial statements including, but not limited to, new repo deals, metal prices, cost of utilities and freight rates. Any of these outcomes could have a material adverse impact on the Company's business, financial results and cash flows. Management currently believes that it has adequate liquidity and business plans to continue to operate the business and mitigate the risks associated with COVID-19 and the war in Ukraine for the next twelve months from the date of this report.

Thus, the going concern basis has been adopted in preparing the financial statements for the year ended 31 December 2021.

Events after the reporting period

Please refer to note 39.

Directors and their interests

The directors who served during the year and up to the date of signing this report were:

MO Saydam (Resigned on 18 February 2022)

SAJ Nahum

None of the directors had any beneficial interest in the issued share capital of the Company.

Disclosure of information to the auditor

Each of the person who are directors at the time when this Directors' report is approved has confirmed that:

- So far as the director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself ware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Statement of directors' responsibilities

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 Group and Company financial statements in accordance with UK adopted International Accounting Standards. 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 Group and Company and of the profit or loss of the Group and Company for that year.

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;
- state whether they have been prepared in accordance with IFRSs as adopted by the UK, subject to any material departures disclosed and explained in the financial statements; and
- 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 to enable them to ensure that the financial statements comply with the requirements of 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.

Auditor

The consolidated and company financial statements of the Group and Company have been audited by Gerald Edelman LLP. The auditor Gerald Edelman LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006, a resolution to reappoint will be proposed at the forthcoming Annual General Meeting.

Energy and Carbon Reporting

Where the company and the parent company prepares consolidated accounts, the information must be presented on a consolidated basis; except that it need only include information from subsidiaries that are both large companies and consume more than 40,000kWh of UK energy annually.

As the neither the parent company or its subsidiaries have exceeded this threshold in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Approval

This directors' report was approved by order of the Board on 22/12/2022..........................

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E M Sawyer

Director

Report of the independent Auditor's
To the members of the Hyphen Resources Limited

Opinion

We have audited the financial statements of RB International (UK) Limited (the 'Company') and its subsidiaries (the "Group") for the year ended 31 December 2021, which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated and Company Statement of Changes in Equity, Consolidated Statement of cash flows, Company 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 UK adopted International Financial Reporting Standards.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as of 31 December 2021 and of the Group's loss for the year then ended;
- the Parent Company and Group's financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company and the group 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 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 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.

Opinion 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 in the Directors' Report for the financial year for which the financial statements; and
- the Strategic Report and the Directors' Report have 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 the Group and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and in the Directors' Report.

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, 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 and 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 directors either intend to liquidate the company or the Group or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

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.

Our audit procedures were primarily directed towards testing the accounting systems in operation upon which we have based our assessment of the financial statements for the period ended 31 December 2021.

We planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations.

The extent to which the audit was considered capable of detecting irregularities including fraud

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, our procedures included are detailed below.

Based on our understanding of the Group and Parent Company industries in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to breaches of employment, health and safety and LME regulations. We considered the extent to which non-compliance might have a material affect on the financial statements and also considered those laws and regulations which have a direct impact on the financial statements such as the Companies Act 2006 and tax legislation.

We considered management's incentives and opportunities for fraudulent manipulation of the financial statements, including override of controls. We determined the principal risks related to the posting inappropriate journal entries were to increase revenue or profits and management bias around the significant accounting estimates and judgements such as the impairment of goodwill and property, plant and equipment. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks when conducting their work.

The audit procedures performed by the Group engagement team and/or the component auditors included:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- Enquiring of management and the Group's solicitors to confirm if they are aware of any non-compliance with laws and regulations and reviewing board minutes for any potential indicators of legal issues
- Enquiring of management whether they have knowledge of any actual, suspected or alleged fraud.
- Enquiring of management their internal controls established to mitigate risk related to fraud or non-compliance with laws and regulations.
- Discussions amongst the engagement team on how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas; posting of unusual journals; carrying value of assets; misstating revenue or profits.

Audit response to risks identified

Fraud due to management override

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Auditing the risk of management override of controls, including through testing journal entries for appropriateness.
- Challenging assumptions and judgements made by management in their significant accounting estimates and judgements, in particular in relation to the impairment of goodwill and the shipping vessels.
- Investigated the rationale behind significant or unusual transactions.

Irregularities and non-compliance with laws and regulations

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but are not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Reviewing minutes of meetings of those charged with governance.
- Enquiring of management as to actual and potential litigation claims.
- Reviewing correspondence with tax authorities and the Group's legal advisors.

The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, mean that there is an unavoidable risk that even some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK). Furthermore, the more removed that laws and regulations are from financial transactions, the less likely that we would become aware of non-compliance.

Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the company and the Group and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors.

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 Auditor.

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 Auditor 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.

Hiten Patel

....

Hiten Patel FCCA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman LLP
Chartered Accountants
Statutory Auditor
73 Cornhill
London
EC3V 3QQ

22 December 2022

....
Date

RB International (UK) Limited

Consolidated statement of comprehensive income
For the year ended 31 December 2021

	Notes	2021 $	2020 $
Turnover	4	**105,039,804**	88,034,571
Operating expenses			
Operating expenses		**(28,748,120)**	(61,195,389)
Administrative expenses		**(22,408,366)**	(29,643,369)
Impairment reversal of assets	12,14,15,16	**(10,190)**	-
Net gain/(loss) on disposal of assets and liabilities		**2,431,341**	(1,571,631)
Impairment of trade receivables		**(200,203)**	(488,802)
Amortisation and depreciation	12,14,15,16	**(15,656,667)**	(17,895,377)
Operating profit/(loss)	5	**40,447,599**	(22,759,997)
Investment portfolio			
- Share of loss from equity accounted investments		**(3,744,429)**	(4,375,808)
Finance income		**8,668,041**	2,934,886
Finance expense	9	**(48,603,715)**	(40,801,327)
Other income		**-**	4,475,228
Loss before taxation		**(3,232,504)**	(60,527,018)
Taxation	11	**1,244,536**	2,219,908
Loss for the year		**(1,987,968)**	(58,307,110)
Other comprehensive income			
Foreign exchange loss arising from translation		**(859,366)**	(1,163,494)
Total comprehensive loss for the year		**(2,847,334)**	(59,470,604)
Result attributable to non-controlling interest		**-**	(11,518,313)
Loss attributable to owners of the parent		**(2,847,334)**	(47,952,291)

All amounts relate to continuing activities.

The notes from page 26 form part of these financial statements.

RB International (UK) Limited

Consolidated statement of financial position
As at 31 December 2021

Registered number: 09268238

	Notes	2021	2020
Assets		**$**	$
Non-current assets			
Intangible assets	12,13	**127,873,245**	132,786,845
Property, plant and equipment	14	**339,758,533**	499,646,902
Investment properties	15	**5,324,880**	102,349,973
Right of use	16	**3,046,098**	2,279,427
Investments:			
- Investments accounted for using the equity method	19	**9,152,173**	9,472,696
- Investments at fair value through profit or loss	19	**36,662,365**	39,223,472
Deferred tax assets	32	**7,942,943**	6,136,783
Long term receivables	22	**81,996,897**	39,340,871
Total non-current assets		**611,757,134**	831,236,969
Current assets			
Inventories	20	**37,248,435**	60,167,783
Trade and other receivables	21	**364,881,677**	90,802,801
Derivative financial instrument assets	23	**-**	-
Cash at bank and in hand	24	**45,661,315**	55,722,364
Total current assets		**447,791,427**	206,692,948
Total assets		**1,059,548,561**	1,037,929,917
Share capital	25	**1**	1
Retained earnings		**(50,772,253)**	(48,784,285)
Other reserves		**109,990,039**	90,162,606
Non controlling interests		**-**	(4,032,870)
Total equity		**59,217,787**	37,345,452
Non-current liabilities			
Deferred tax liabilities	32	**10,902,301**	11,289,869
Other non current liabilities	36	**26,448,708**	33,110,687
Long-term lease liabilities	16,31	**1,978,386**	1,819,946
Long-term loans and borrowings	29	**791,833,409**	802,775,864
Total Non-current liabilities		**831,162,804**	848,996,366
Current liabilities			
Trade and other payables	26	**40,360,687**	53,777,721
Derivative financial instrument liabilities	23	**2,445,040**	6,925,490
Short-term lease liabilities	16,31	**1,107,940**	521,168
Short-term loans and borrowings	29	**125,254,303**	90,363,720
Total current liabilities		**169,167,970**	151,588,099
Total liabilities		**1,000,330,774**	1,000,584,465
Total equity and liabilities		**1,059,548,561**	1,037,929,917

The financial statements were approved and authorised for issue by the Board of directors on 22/12/2022
and were signed on its behalf by:

....

E M Sawyer, Director

The notes from page 26 form part of these financial statements

RB International (UK) Limited

Company statement of financial position
As at 31 December 2021

	Notes	2021	2020
Assets		**$**	$
Non-current assets			
Investments	18	**23,317,742**	23,317,742
Deferred tax assets	32	**522,619**	433,494
Long term receivables	22	**450,779,294**	445,888,614
Total non-current assets		**474,619,655**	469,639,850
Current assets			
Trade and other receivables	21	**68,455,736**	28,965,811
Cash at bank and in hand	24	**546,674**	188,348
Total current assets		**69,002,410**	29,154,159
Total assets		**543,622,065**	498,794,009
Share capital	25	**1**	1
Retained earnings		**(40,325,594)**	(18,712,723)
Total equity		**(40,325,593)**	(18,712,722)
Non-current liabilities			
Other non current liabilities	36	**578,222**	101,092
Long-term loans and borrowings	29	**482,245,072**	463,142,670
Total Non-current liabilities		**482,823,294**	463,243,762
Current liabilities			
Trade and other payables	26	**5,268,194**	4,481,652
Short-term loans and borrowings	29	**95,856,170**	49,781,317
Total current liabilities		**101,124,364**	54,262,969
Total liabilities		**583,947,658**	517,506,731
Total equity and liabilities		**543,622,065**	498,794,009

As permitted by section 408 of the Companies Act 2006, the Statement of comprehensive income of the parent company is not presented as part of these accounts. The parent company's net loss after tax for the financial year amounted to $ 21,612,871 (2020: loss $6,058,827).

The financial statements were approved and authorised for issue by the Board of directors on 22/12/2022 and were signed on its behalf by:

E M Sawyer, Director

The notes from page 26 form part of these financial statements.

RB International (UK) Limited

Consolidated and company statement of changes in equity
For the year ended 31 December 2021

Group	Share capital $	Retained earnings/ (losses) $	Other reserve $	Non controlling Interests $	Total equity $
At 31 December 2019	**1**	**(1,897,499)**	**47,229,713**	**(1,061,419)**	**44,270,796**
Fair value adjustments	-	-	18,401,206	-	18,401,206
Acquisition of RBD assets from bankruptcy	-	-	25,814,821	8,547,426	34,362,247
Interest contribution from shareholder	-	-	1,110,944	-	1,110,944
Reduction Interest contribution from shareholder	-	-	(1,388,575)	-	(1,388,575)
Transaction with owners	1	(1,897,499)	91,168,109	7,486,007	96,756,618
Loss for the year	-	(46,886,786)	-	(11,420,324)	(58,307,110)
Adjustments	-	-	60,002	(564)	59,438
Reserve reclassification	-	-	-	-	-
Foreign exchange on translation of subsidiaries	-	-	(1,065,505)	(97,989)	(1,163,494)
At 31 December 2020	**1**	**(48,784,285)**	**90,162,606**	**(4,032,870)**	**37,345,452**
Fair value adjustments	-	-	65,762	-	65,762
Disposal of companies and businesses	-	-	11,781,809	4,032,870	15,814,679
Acquisition of Marina Piccola	-	-	(3,785,577)	-	(3,785,577)
Interest contribution from shareholder	-	-	14,969,627	-	14,969,627
Reduction Interest contribution from shareholder	-	-	(2,338,602)	-	(2,338,602)
Transaction with owners	1	(48,784,285)	110,855,625	-	62,071,341
Loss for the year	-	(1,987,968)	-	-	(1,987,968)
Adjustments	-	-	(6,220)	-	(6,220)
Foreign exchange on translation of subsidiaries	-	-	(859,366)	-	(859,366)
At 31 December 2021	**1**	**(50,772,253)**	**109,990,039**	**-**	**59,217,787**

Company	Share capital $	Retained earnings/ (losses) $	Other reserve $	Non controlling Interests $	Total equity $
At 31 December 2019	**1**	**(12,653,896)**	**-**	**-**	**(12,653,895)**
Loss for the period	-	(6,058,827)	-	-	(6,058,827)
At 31 December 2020	**1**	**(18,712,723)**	**-**	**-**	**(18,712,722)**
Loss for the period	-	(21,612,871)	-	-	(21,612,871)
At 31 December 2021	**1**	**(40,325,594)**	**-**	**-**	**(40,325,593)**

The notes from page 26 form part of these financial statements.

RB International (UK) Limited

Consolidated statement of cash flows
For the year ended 31 December 2021

	Note	2021	2020
		$	$
Operating activities			
Result before tax		**(3,232,504)**	(60,527,018)
Adjustments for non-operating items *		**50,913,124**	85,689,751
Net cash from operating activities		**47,680,620**	25,162,733
Net changes in working capital			
(Increase)/Decrease in inventories	20	**22,580,500**	(9,995,279)
(Increase)/Decrease in trade and other receivables		**17,487,632**	(1,395,890)
Increase in trade and other payables		**1,495,228**	13,219,076
Total changes in working capital		**41,563,360**	1,827,907
Income tax (paid)/received		**(186,373)**	650,661
Net cash generated by operating activities		**89,057,607**	27,641,301
Investing activities			
Purchase of property, plant, and equipment	14	**(35,967,236)**	(106,836,044)
Purchase of intangible assets	12	**-**	-
Acquisitions of subsidiaries, net of cash acquired		**(9,619,618)**	(50,968,909)
Disposal of other investments		**(40,342,162)**	(30,302,650)
Acquisition of minorities		**-**	-
Proceeds from disposition of property, plant and equipment		**5,658,114**	9,215
Net cash used by investing activities		**(80,270,902)**	(188,098,388)
Financing activities			
Proceeds from borrowings		**163,939,164**	174,095,227
Repayment of borrowings		**(165,833,977)**	(169,933,714)
Interest		**(10,891,751)**	(11,522,324)
(Payments)/Proceeds from financing		**(6,061,190)**	10,599,888
Net cash (used)/generated by financing activities		**(18,847,754)**	3,239,077
Net decrease in cash and cash equivalents		**(10,061,049)**	(157,218,010)
Cash and cash equivalents, beginning of period		**55,722,364**	212,940,374
Cash and cash equivalents, end of period		**45,661,315**	55,722,364

The notes from page 26 form part of these financial statements.

	2021	2020
	$	$
***Total adjustments for non-operating items**		
Depreciation (including Right of Use)	**14,793,247**	17,387,484
Fair value adjustments	**65,762**	(68,102)
Impairment of receivables	**210,446**	488,802
Other IFRS16 adjustments	**(1,004,849)**	(505,002)
Amortisation	**863,420**	507,893
Result from equity accounted investments	**3,744,429**	4,375,808
Finance income	**(8,668,041)**	(2,934,886)
Finance expense	**48,603,715**	40,801,327
Other non cash items	**(7,695,005)**	25,636,427
Total	**50,913,124**	85,689,751

In 2021 and 2020 there were no further non-cash movement adjustments in relation to investing and financing activities.

RB International (UK) Limited

Company statement of cash flows
For the year ended 31 December 2021

	Note	2021	2020
		$	$
Operating activities			
Result before tax		**(21,701,996)**	(6,492,321)
Adjustments for non-operating items*		**21,070,788**	21,240,731
Net cash from operating activities		**(631,208)**	14,748,410
Net changes in working capital			
Decrease in trade and other receivables		**(227,540)**	(803,100)
Increase in trade and other payables		**1,217,051**	1,086,527
Total changes in working capital		**989,511**	283,427
Income tax paid		**-**	-
Net cash generated by operating activities		**358,303**	15,031,837
Investing activities			
Acquisitions of subsidiaries, net of cash acquired		**-**	-
Net cash used by investing activities		**-**	-
Financing activities			
Proceeds from borrowings		**109,361,620**	24,542,000
Repayment of borrowings		**(30,481,977)**	(29,671,278)
Interest		**(6,575,174)**	(10,078,952)
Loans extended to subsidiaries		**(109,361,620)**	(209,097,840)
Loans reimbursed by subsidiaries		**37,057,174**	39,756,072
Net cash generated/(used) by financing activities		**23**	(184,549,998)
Net increase/(decrease) in cash and cash equivalents		**358,326**	(169,518,161)
Cash and cash equivalents, beginning of period		**188,348**	169,706,509
Cash and cash equivalents, end of period		**546,674**	188,348

The notes from page 26 form part of these financial statements.

RB International (UK) Limited

Company statement of cash flows
For the year ended 31 December 2021

	2021	2020
	$	$
***Total adjustments for non-operating items**		
Impairment of receivables	**52**	-
Finance income	**(7,181,532)**	(18,008,782)
Finance expense	**28,741,608**	21,552,706
Other non cash items	**(489,340)**	17,696,807
Total	**21,070,788**	21,240,731

In 2021 and 2020 there were no further non-cash movement adjustments in relation to investing and financing activities.

1. General information

RB International (UK) Limited ("RBI" or "the Company") and its subsidiaries (collectively the "Group") are owned by RB Oil Ltd., a company registered in the British Virgin Islands. RBI is a private limited company and is registered and domiciled in England and Wales. The registered office is shown on the Company Information page.

RBI is a holding company and, together with its subsidiaries, is engaged in different businesses run through its subsidiaries:

i. Mitsi Holding (UK) Limited (and subsidiaries) – active in the storage of commodities through agreements governed by the London Metal Exchange ("LME");
ii. RB Marine Holdings (UK) Limited (and subsidiaries) – active in the shipping industry;
iii. Hyphen Trading Limited – active in metal trading and repurchase agreements;
iv. Hyphen Malta Holdings Ltd (Malta) and RB Italy Holding S.r.l. (Italy) – active in the acquisition of potential business from distressed situations; and
v. Hyphen Leisure (CH) SA.– active in hotel real estate opportunities.

2. Significant accounting policies

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted in the European Union and those parts of the Companies Act 2006 that are applicable As a result of the UK leaving the EU, the International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019 (SI 2019/685) require all companies with accounting periods beginning on or after 1 January 2021 to apply UK-adopted IAS. In the previous year the company applied International Financial Reporting Standards as adopted in the European Union (EU-adopted IFRS). Prior year comparatives have not been restated for this change. On 1 January 2021 UK-adopted IAS and EU-adopted IFRS were identical. Since this date timing differences in endorsement have arisen, however no amendments would be required to these financial statements if they were to be prepared in accordance with EU-adopted IFRS as at 31 December 2021.

Basis of accounting and general information

The Group's functional and presentation currency is the US dollar. The majority of the Group's operations are billed and collected in US dollars.

The preparation of the financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group'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 3.

Basis of measurement

The financial statements have been prepared under the historical cost convention except for:
- Metal trading Inventory held at fair value
- Metal trading repurchase financing held at fair value
- Metal trading derivatives held at fair value
- Investments in RB Eurosa S.ar.l. held at fair value
- Investment in Reginella S.r.l. held at fair value
- Investment in technology and medical development companies held at fair value

2. Significant accounting policies (continued)

Basis of consolidation

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

All subsidiaries are wholly owned. Adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income and expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Business combinations and goodwill

The acquisition of subsidiaries from entities not under common control is accounted for using the acquisition method.

On acquisition, the acquirer's identifiable assets (including intangible assets), liabilities and contingent liabilities of such an acquired entity are measured at their fair value and recognised at the acquisition date. The determination of these fair values is based upon management's judgement and includes assumptions on the timing and amount of future incremental cash flows generated by the assets acquired and the selection of an appropriate cost of capital.

Goodwill represents the excess of the cost of acquisition of a businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less impairment losses.

The gain on a bargain purchase is recognised in profit or loss in the period of the acquisition.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units, to which goodwill has been allocated, are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not subsequently reversed.

For business combinations, cost comprises the fair value of the assets given, liabilities assumed and equity investments issued. If the business combination is achieved in stages, the acquirer accounts for its investment in the equity interests of the acquiree in accordance with the nature of the investment by applying the relevant standard. The acquirer remeasures any previously held interest at fair value and takes this amount into account in the determination of goodwill. Contingent consideration is included in cost at its acquisition date fair value, and in the case of contingent consideration classified as a financial liability, remeasured subsequently through profit or loss. Direct costs of acquisitions are recognised immediately as an expense.

Common control transfer of ownership

The acquisition of subsidiaries from entities under common control is accounted for using merger accounting.

Under the merger accounting method the carrying values of the assets and liabilities of the parties to the combination are not required to be adjusted to fair value. Rather, the net assets of the two companies are combined using existing book values, with adjustments made as necessary to ensure that the same accounting policies are applied to the calculation of the net assets of both companies. No amount is recognised as consideration for goodwill or negative goodwill. The difference between the consideration exchanged for the net assets acquired is adjusted for in reserves.

2. Significant accounting policies (continued)

Going concern

The consolidated financial statements have been prepared on a going concern basis. The Group made a loss of $2,847,334 (2020: loss of $47,952,291) for the year ended 31 December 2021, net of minority interests.

The Group manages its capital through focusing on its borrowing from related parties. Any changes in its capital structure are often achieved via additional borrowings from associated companies.

After making enquiries and reviewing cash flow forecasts, the directors have formed the judgement that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future which is not less than 12 months from the date of approving these financial statements.

The directors consider that in preparing the Group and parent company financial statements they have taken into account all information that could reasonably be expected to be available. On this basis, they consider that it is appropriate to prepare the financial statements on the going concern basis.

Changes in accounting policies

New standards, interpretations and amendments effective from 1 January 2021

The following new standards, interpretations and amendments effective for the first time for periods beginning on or after 1 January 2021 have been reflected, if applicable, on the Group's financial statements.

- *Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) (effective 1 Jan 2021)*
- *Amendment to IFRS 16 - Covid-19-Related Rent Concessions beyond June 2021 (effective 1*
- *Jan 2021)*

New standards, interpretations and amendments not yet effective

The following new standards, interpretations and amendments, which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the Group's future financial statements:

- *Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) (effective 1 Jan 2022)*
- *Annual Improvements to IFRS Standards 2018-2020 (effective 1 Jan 2022)*
- *Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) (effective 1 Jan 2022)*
- *Reference to the Conceptual Framework (Amendments to IFRS 3) (effective 1 Jan 2022)*
- *IFRS 17 Insurance Contracts (effective 1 Jan 2023)*
- *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) (effective 1 Jan 2023)*
- *Definition of Accounting Estimate (Amendments to IAS 8) (effective 1 Jan 2023)*
- *Amendment to IAS 12: Deferred Tax Related to Assets and Liabilities arising from a single transaction (effective 1 January 2023)*

At this stage management are continuing to evaluate the impact of the introduction of these standards.

As yet, none of these have been endorsed for use in the UK and will not be adopted until such time endorsement is confirmed.

2. Significant accounting policies (continued)

Revenue recognition

Metal warehousing business

A significant amount of the Group's revenue is generated from the storage of commodities and freight out charges ("FOT" fees) through arrangements governed by the LME. The Group earns storage revenue based on daily storage rates and revenues are recognised as services are provided. FOT fees received upon warrant cancellation (i.e. customer requests delivery of commodity) are recorded as deferred revenues on the Consolidated statement of financial position and recognised straight line through profit or loss over the established remaining storage period.

The commodities stored in the Group's warehouses are represented by a warrant which is openly traded on the LME market. The Group records an unbilled receivable for metal storage until a customer requests to take physical delivery of the metal, at which point the unbilled receivable is invoiced to that customer.

If the customer does not request warrant cancellation, they are invoiced annually on 31 March. The associated revenue is recognised evenly over the period. For metals not yet warranted or for which the customer requested the cancellation, the Group bills on a monthly basis.

Metal trading

The Group is involved in a commodity trading business which trades in metal futures. Revenue, in terms of the trade in these derivatives, is represented by both realised and mark to market profits on the trades conducted during the period and of those contracts held at period end. Turnover is presented on a net basis as the gains and losses arise from a group of similar transactions which are aggregated in accordance with arrangements in place with the Group's brokers.

Reverse repurchase agreements

Revenue is represented by the transaction margin and arrangement fees on repurchase agreements for metals with third parties.

The net of the repurchase transaction is recognised as revenue.

Shipping business

Revenues, net of sales tax such as VAT where applicable, are recorded when services are rendered, the Group has a charter agreement or other evidence of an arrangement, the price is fixed or determinable, and collection is reasonably assured. The Group primarily generates revenues from the transportation of cargo and the time charter of vessels. Estimated losses on voyages are provided for in full at the time such losses become evident. Voyages in progress at period end are accounted for on a percentage completion basis.

Deferred voyage or charter revenues relate to amounts received prior to being earned. These amounts are recognised as revenues over the related voyage or charter period and include both amounts received from charterers and compensation for acquiring a vessel with an existing charter at below market rate.

Where the Group employs its vessels on time charters, for which it receives a fixed hire rate per day, the hire income is recognised on an accrual basis in line with the provision of the vessel to the charterer. Due allowance is made for off-hire when the vessel is unavailable to the charterer.

Revenue from time charters is accounted for as operating leases and recognised on a straight-line basis over the rental periods of such charters, as performance obligations are fulfilled, to the end of the financial reporting period. Due to the nature of revenue from time charters, no contract assets or liabilities are generated.

2. Significant accounting policies (continued)

In discharging its obligations under such characters, revenue is disaggregated into a lease component (bareboat charter), the charter is provided with an identified asset, specified in the respective charter party with little or no right of substitution, and a non-lease component (contract fulfilment costs) since the charterer obtains substantially all of the economic benefits from using the vessels and has the right to direct how and for what purpose the vessel will be used during the contract term but the crew and technical management of the vessel are borne by the Company. For these reasons, the revenue attributable to each component is disclosed separately in the revenue note being two distinct income streams

Marina business

Revenues derive from mooring services and lease of the retail spaces; revenues are recorded when services are rendered. Deferred revenues deriving from berths sold in prior years are recognised along the duration of the sale contract. Hotel revenues are recognised when services are rendered.

Hotel business

Rental income under operating leases is charged to the profit or loss account on a straight-line basis over the lease term.

Interest income

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Income and expenses

Income and expenses are included in profit or loss on an accrual basis. All the group's income and expenses are derived from continuing operations.

Foreign currencies

The Group has several functional currencies (USD, EUR, GBP, CHF) while presentation currency is US dollar. Transactions in currencies other than US dollar are translated at year end rate.

Monetary assets and liabilities arising from foreign currency transactions are retranslated at exchange rates prevailing at the reporting date. Exchange differences on foreign currency translations are recognised in operating profit in the Group's accounting records. Non-monetary items arising from foreign currency transactions are not retranslated in the Group's accounting records. Transactions covered by foreign exchange contracts are recorded at the forward contract rate. Any gains or losses are incorporated into profit or loss.

Translation of foreign subsidiaries is recognised in OCI.

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the Consolidated Statement of Profit or Loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

2. Significant accounting policies (continued)

Current tax

Current income taxes are recognised for the estimated income taxes payable or receivable on taxable profit or loss for the current year and any adjustment to income taxes payable in respect of previous years.

Current income taxes are measured at the amount expected to be recovered from or paid to the taxation authorities. This amount is determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available which allow the deferred tax asset to be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The amount of the deferred tax asset or liability is measured at the amount expected to be recovered from or paid to the taxation authorities. This amount is determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date and are expected to apply when the liabilities/assets are settled/recovered.

Intangible assets other than goodwill

Recognition, measurement and amortisation

Externally acquired intangible assets with a finite life are initially recognised at cost and subsequently amortised on either a straight-line or effective interest rate basis over their economic lives.

Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques.

Amortisation is charged on a straight-line basis over the useful life of the asset and is recognised within the operating expenses in profit or loss, on the following bases:

In-Place Metal Warrants	2 years
Software	3 – 5 years
Start up and extension costs	5 years

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite life are reviewed at least at the end of each reporting period.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is recognised.

2. Significant accounting policies (continued)

Property, plant and equipment

Recognition and measurement

Property, plant and equipment is initially recorded at cost being the purchase price and directly attributable cost of acquisition required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Group.

Property, plant and equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses.

Where an item of property, plant and equipment comprises significant components with different useful lives, the components are accounted for as separate items of plant and equipment.

Depreciation

Depreciation is recognised in the profit or loss and begins when the asset is available for use, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is provided on a straight-line basis over the estimated useful life of the assets. The estimated useful lives of the Group's property, plant and equipment is as follows:

Buildings	20 – 40 years
Leasehold improvements	Based on lease duration
Machinery and equipment	2 – 10 years
Furniture and fixtures	3 – 5 years
Assets under concessions	Based on concession duration
Vessels	25 years
Other fixed assets	1 – 13 years

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if necessary.

Shipping business

<u>Vessel</u>

Management review the estimated useful lives, residual values and depreciation method applied to vessels at the end of each financial year. The useful lives of vessels, estimated in 25 years, are not changed unless there is a change in the intended period of ownership of the vessel. Residual values are updated at the end of each financial year to reflect the current scrapping prices for steel as quoted in an active market. The depreciation method is on a straight-line basis, reflecting the consistent usage of each vessel during the course of each year. Management would only consider changing the method of depreciation where the pattern of vessel usage was determined to have changed.

At the end of the reporting year, management reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

<u>Dry-docking cost</u>

Vessels are subject to a major service (dry-dock) typically every 30 months. Dry-docking costs are capitalised and written off to the profit or loss account on a straight-line basis over the estimated year to the next dry-dock.

2. Significant accounting policies (continued)

If a dry-docking occurs prior to the next anticipated date, any remaining capitalised dry-docking costs are written-off.

On delivery of a new vessel a portion of the acquisition cost is allocated to the dry-dock and amortised over 60 months.

Investment properties

Recognition and measurement

Investment Property refers to property (land and/or buildings) held to earn rentals or for capital appreciation (or both). Investment property is initially measured at cost, including transaction costs; such cost doesn't include start-up costs, abnormal waste, or initial operating losses incurred before the investment property achieves the planned level of occupancy.

Measurement subsequent to initial recognition

After initial recognition, investment property is accounted for in accordance with the cost model as set out in IAS 40 Investment Properties – cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised in the profit or loss and, on a straight-line basis over the estimated useful life of the assets. The estimated useful lives of the Group's investment properties is as follows:

Investment properties	2 – 40 years

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if necessary.

Impairment of non-financial assets

Impairment tests on goodwill are undertaken annually at the financial year end. Other assets with finite life are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs'). Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

During the year ended 31 December 2021, the Group had no goodwill impairment.

Impairment of non-financial asset other than goodwill

Non-financial assets including intangible assets, plant and equipment, property and investment properties are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

2. Significant accounting policies (continued)

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ("CGU's"). Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income.

Investment in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments held at fair value through profit and loss

RB Italy Holding S.r.l., a wholly owned subsidiary of RBI, has the characteristics of a Venture Capital organisation and, in line with the exemption in IAS 28, management has chosen to account at fair value through profit and loss for investments held by this entity and with characteristic similar to a venture capital investment.

Management considers the fair value of these investments to be the consideration paid. Each transaction occurred close to the reporting date, they were conducted with independent third parties and there are no significant changes to the net assets in the period to the year end. At the end of each subsequent reporting period management will revalue the investments with the movement in fair value going through the profit or loss.

For the existing and/or any future investments made by RB Italy Holding, management will make an assessment to evaluate whether these should be consolidated (where control exists under the requirements of IFRS 10), equity accounted (in line with the requirements of IAS 28) or recognised at fair value through profit or loss where the investment forms the part of the Venture Capital portfolio.

During the year, 90% of the shares of Reginella S.r.l. were transferred to a related company under common control. Subsequently 100% of the shares of RB Ca' Molin S.r.l., RB Roma S.r.l. and RB Armatori S.r.l. were transferred to Reginella S.r.l. The investment in Reginella S.r.l. (and its subsidiaries) has the characteristic of a venture capital investment, therefore management elected it as an investment held at fair value through profit and loss.

Investments in joint ventures and associates

The Group is party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries. The Group has classified its interest in joint arrangements as an investment in joint venture as the group has rights to the net assets, rather than the underlying assets and liabilities. When assessing that the joint arrangement is an investment in joint venture, Management has considered the structure of the joint arrangement, the legal form in that it is structured through a separate vehicle and the contractual terms.

An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee without the power to control or jointly control those policies.

Management has accounted for the Investment in Joint Venture and associates using the equity accounting method. The investment is initially recognised at cost. Subsequently, the Group recognises their share of post-acquisition profits and losses and other comprehensive income. Where there is objective evidence of that the investment has been impaired the carrying value of the invested is tested in the same way as other non-financial assets.

2. Significant accounting policies (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value using the first in first out valuation method.

Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate and is recognised in profit or loss as operating expenses.

Inventory held for commodity trading

Part of the group's day to day business activity is the trading of commodities, specifically metal futures. In order to support its trading activities, the entity holds certain levels of metal inventory. This metal inventory is carried at fair value with movements going through profit and loss as allowed IAS 2 Inventories for entities which conduct commodity trading.

Sale and repurchase agreements

Inventory may be sold subject to a commitment to repurchase them (a "repo"). Such inventory is retained on the Statement of financial position when substantially all the risks and rewards of ownership remain with the Group. The transactions are treated as collateralised borrowing and the counterparty liability is presented separately on the Statement of financial position as short-term liabilities under sale and repurchase agreements. The net of the repo transaction is recognised as a finance cost within cost of sales.

Financial instruments

Financial assets and financial liabilities are recognised in the Consolidated statement of financial position when the Group becomes a party to the contractual provisions of the financial instrument.

All financial instruments are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs.

The fair value measurement utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the year they occur.

Financial assets and liabilities are measured subsequently depending on their classification as discussed below.

Financial assets

IFRS 9 has a number of measurement categories, whilst eliminating some of the previous categories under IAS 39. Under IFRS 9, financial assets are classified into one of the four categories:

- Financial assets at amortised cost
- Debt instruments at Fair Value through Other Comprehensive Income (FVOCI)
- Equity investments at Fair Value through Other Comprehensive Income (FVOCI)
- Financial assets at Fair Value through Profit or Loss (FVTPL)

2. Significant accounting policies (continued)

The Group classifies its financial assets into one of these categories, depending on the purpose for which the asset was acquired and on contractual cash flow characteristics. Reclassification is required between FVTPL, FVTOCI and amortised cost, if and only if the entity's business model objective for its financial assets changes so its previous model assessment would no longer apply.

Financial assets at amortised cost
A financial asset is classified as subsequently measured at amortised cost under IFRS 9 if it meets both of the following criteria:

- The asset is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows rather than with a view to selling the asset to realise a profit or loss; and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates (SPPI test).

They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

From time to time, the Group elects to renegotiate the terms of such receivables due from customers. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the Consolidated statement of comprehensive income.

The Group's Financial assets at amortised cost comprise trade receivables, loan receivables with 'basic' features, investments in government bonds that are not held for trading, investments in term deposits at standard interest rates and cash and cash equivalents in the Consolidated statement of financial position.

Cash and cash equivalents include cash in hand, deposits held at call with banks, money market accounts, and other short term highly liquid investments with original maturities of three months or less.

Debt instruments at FVOCI

A debt instrument is classified as subsequently measured at fair value through other comprehensive income (FVOCI) under if it meets both of the following criteria:

- The asset is held within a business model whose objective is achieved by both holding the financial asset in order to collect contractual cash flows and selling the financial asset; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. Significant accounting policies (continued)

The accounting requirements for debt instruments classified as FVOCI are:

- Interest income is recognised in profit or loss using the effective interest rate method that is applied to financial assets measured at amortised cost;
- Foreign exchange gains and losses on the amortised cost are recognised in profit or loss;
- Credit impairment losses/reversals are recognised in profit or loss using the same credit impairment methodology as for financial assets measured at amortised cost (please refer to Chapter 6 of this publication for further details);
- Other changes in the carrying amount on remeasurement to fair value are recognised in OCI;
- The cumulative fair value gain or loss recognised in OCI is recycled from OCI to profit or loss when the related financial asset is derecognised

Equity investments at FVOCI

IFRS 9 requires all equity investments to be measured at fair value. The default approach is for all changes in fair value to be recognised in profit or loss. However, for equity investments that are neither held for trading nor contingent consideration recognised by an acquirer in a business combination, entities can make an irrevocable election at initial recognition to classify the instruments as at FVOCI, with all subsequent changes in fair value being recognised in other comprehensive income (OCI). This election is available for each separate investment.

Under this new FVOCI category, fair value changes are recognised in OCI while dividends are recognised in profit or loss (unless they clearly represent a recovery of part of the cost of the investment). On disposal of the investment the cumulative change in fair value is not recycled to profit or loss. However, the Group can transfer amounts between reserves within equity (i.e. between the FVOCI reserve and retained earnings).

Financial assets at FVTPL

Fair value through profit or loss (FVTPL) is the residual category in IFRS 9. A financial asset is classified and measured at FVTPL if the financial asset is:

- A held-for-trading financial asset;
- A debt instrument that does not qualify to be measured at amortised cost or FVOCI;
- An equity investment which the entity has not elected to classify as at FVOCI.

The Group's Financial assets at FVTPL comprise investments in shares of listed companies that the entity has not elected to account for as at FVOCI, derivatives that have not been designated in a hedging relationship, investments in convertible notes, contingent consideration receivable from the sale of a business and any other financial assets that fail SPPI.

Financial liabilities

Financial liabilities are classified as either:

- Financial liabilities at amortised cost; or
- Financial liabilities as at fair value through profit or loss (FVTPL)

Financial liabilities are measured at amortised cost unless either the financial liability is held for trading and is therefore required to be measured at FVTPL (e.g. derivatives not designated in a hedging relationship), or the Group elects to measure the financial liability at FVTPL (using the fair value option).

2. Significant accounting policies (continued)

Related party loans and bank borrowings are measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the year to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Where loans have been provided at below market interest rates, the interest expense recognised in the profit or loss must be measured at a market interest rate; these below market interest rates are usually on loans with related parties. Management has used a market interest akin to the wider RB group's borrowing with independent third parties.

Hedge accounting

The Group has derivative financial instruments in the form of forward contracts taken out by the metal trading business. These forward contracts are fair valued at mark to market at each reporting year with the movement being taken to the profit or loss. The Group has elected to apply hedge accounting by designating the derivative as a hedging instrument in an eligible hedging relationship. Hedge accounting allows the Group to reflect risk management activities in the financial statements by matching gains or losses on financial hedging instruments with losses or gains on the risk exposures hedged.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Leases and Right of Use

According IFRS16, at inception of a contract the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

2. Significant accounting policies (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lastly, the Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (i.e., lease term of 12 months or less) by making the short-term lease policy election and will not apply the recognition and measurement requirements of IFRS 16.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specified performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied are recognised as a liability

Accounting Policies, Changes in Accounting Estimates and Errors

Changes in accounting policies, prior period errors, omissions and misstatements in the financial statements, arising from a failure to use, or misuse of, reliable information that was available and could reasonably be expected to have been obtained and taken into account in preparing prior years statements, are retrospectively accounted for, whereas changes in accounting estimates are accounted for on a prospective basis.

3. Critical judgements, estimates and assumptions

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical judgement

Sale and repurchase financing agreement

The Group has entered into a sale and repurchase agreement secured on the underlying metal held for trading. Whilst the legal form of this transaction is such that the rights to ownership of this metal inventory is divested to the third party, management note that the form of the subsequent repurchase means that these agreements are in fact a financing transaction with the metal inventory pledged as security and overall legal title of the inventory is maintained by the group. As such, management do not recognise a sale of inventory each time a sale and repurchase agreement is entered into. Management will recognise a liability for the amount of the repurchase due at a later date. The financial liability is measured at fair value which represents the market value of the underlying inventory, which is linked to the LME price of the underlying metal at the reporting date. Management has noted that there is an embedded derivative within the contractual arrangement linked to the variability of the ultimate price that would be paid. This embedded derivative is not deemed separable to the overall contract and its value is included within the overall fair value of the underlying liability

Investments held at fair value through profit and loss

RB Italy S.r.l. acquired 100% of the ordinary share capital of RB Eurosa S.a.r.l. through an intermediary subsidiary Mandeville Investments Ltd. There are contractual arrangements in place which restrict the Group's ability to control and govern the underlying operations of RB Eurosa to extract economic benefit and therefore management has judged that as of 31 December 2021 no control exists.

Management notes that the third-party counterparty to the acquisition has a call option to acquire back 100% of the share capital of RB Eurosa if certain conditions are met. This option has been recognised as a financial liability on the statement of financial position at fair value. Management has concluded that in this, the group does not have sole control of this investment and therefore has not consolidated the underlying operations into the group results from the date of acquisition. Management has therefore elected to hold the investment at fair value through profit or loss.

The fair value of the investment reflects the consideration paid considering that was entered into with independent third parties at arm's length. There has been no change in the underlying operations of each investment which would create a material change in the fair value of these investments.

Management has assessed that RB Italy Holding S.r.l., the intermediary subsidiary, in which each investment was made through is deemed a Venture Capital Organisation. This is based on the following characteristics:

- RB Italy Holding S.r.l. has a clear strategy to look for opportunities for future investments to be held in the short to mid-term (3-5 years)
- For each investment to date Management has included terms which allow an exit and there are exit plans in place
- Management assesses the value of the investments based on fair value of the underlying equity rather than the potential return from managing the operations
- As at 31 December 2021 there are clear arrangements in place that limit the group's ability to control the underlying operations

3. Critical judgements, estimates and assumptions (continued)

There has been no change in the underlying operations which would create a material change in the fair value of the investment.

Management has assessed its investments in real estate, medical development and technology companies; considering that the ownership percentage is not significant, the Group doesn't have control and the investments have been done to benefit from future value increase. Management has therefore elected to hold the investments at fair value through profit and loss.

Sources of estimation uncertainty

Carrying value of property, plant and equipment

The Group reviews its property, plant and equipment whenever events or changes in circumstances indicate that the estimated period of use or the recoverable amount of these assets have changed.

Management review the vessels for impairment at the end of each financial year. Impairment of the vessels is identified where the fleet carrying amount exceeds the recoverable amount, which is determined by the fair value less cost to sell the vessels.

Management has assessed for impairment indicators on all assets during the year and note indicators of impairment in relation to vessels. In 2021, the market value of the vessels was pretty stable, therefore no fair value adjustment was required to the vessels value.

Carrying value of goodwill

In line with the requirements of IAS 38 Management has carried out an annual impairment test of the goodwill recognised. Goodwill have been recognised on the acquisition of Mitsi Holding LLC, Portosole, and Kingsverbier. The key estimates and judgements pertaining to this impairment test have been disclosed in note 13.

Carrying value of investment properties

The Group reviews its investment properties whenever events or changes in circumstances indicate that the estimated period of use or the recoverable amount of these assets have changed. There was no evidence of any loss of value of the properties at the year end.

Related party loans

The group has a number of loans with related parties. Some of these loans are long term and interest free. In line with the requirements of IAS 39 Management has imputed a rate of interest and included this as the interest expense within the profit or loss. The interest has been calculated at 5%. The difference on discounting the loans at the imputed interest is taken to a contribution reserve.

4. Turnover

An analysis of the Group's turnover by class of business is as follows:

	2021	2020
	$	$
Commodity trading	**6,658,831**	6,455,863
Rental income:		
Metal warehousing	**16,676,469**	16,105,297
Hire of vessels - lease component	**53,740,455**	31,711,593
Hire of vessels - non lease component	**13,107,829**	17,686,011
Berth rent	**8,787,438**	9,600,767
Hotel Lease	**1,918,770**	2,690,313
Hotel revenues	**489,611**	1,258,785
Sale of agricultural products	**1,025,589**	1,207,644
Other revenues	**2,634,812**	1,318,298
	105,039,804	88,034,571

An analysis of the turnover by geographical segment has not been included as the directors are of the opinion that disclosure of this information would be prejudicial to the interests of the Group.

5. Operating profit

Operating profit for the year has been arrived at after charging/(crediting):

	2021	2020
	$	$
Depreciation of tangible assets	**14,793,247**	17,387,484
Amortisation of intangible assets	**863,420**	507,893
Net loss on disposal of assets and liabilities	**434,183**	1,571,631
Impairment of receivables	**210,393**	488,802

6. Auditor's remuneration

The Group paid the following amounts to its auditor in respect of the audit of the financial statements and for other services provided to the Group:

	2021	2020
	$	$
Group auditor's remuneration		
Fees payable to the Company's auditor for the audit of the Group and Company's annual accounts	113,260	118,755
Fees payable to the Company's auditor and its associates for other services:		
- Audit of the accounts of the subsidiaries	71,748	71,748
- Taxation services	-	6,143
Audit fees and tax service payable to other accountancy firms		
Audit and tax service of subsidiaries	241,772	295,388

7. Employee costs

Employee costs during the year:

	2021	2020
	$	$
Wages and salaries	16,984,084	27,635,218
Social security costs	1,770,886	4,057,726
	18,754,970	31,692,944

The average monthly number of employees, during the year was as follows:

	2021	2020
Administration	51	72
Operations	280	344
	331	416

Decrease of personnel costs and number of employees is connected to the restructuring of RB Armatori, no longer part of the Group

8. Directors' remuneration

Director's remuneration was borne by other entities within the RB International Ltd group. The directors do not believe that it is practical to apportion these amounts between the Company and the other entities concerned.

9. Finance expense

	2021	2020
	$	$
Interest payable to third parties at amortised cost	1,018,676	1,058,296
Interest payable to related parties at amortised cost	47,585,039	39,743,031
	48,603,715	40,801,327

10. Other income

	2021	2020
	$	$
Government grants	-	4,475,228
	-	4,475,228

Government grants in 2020 relate to COVID-19 relief for personnel costs

11. Taxation

	2021	2020
	$	$
Current tax		
Corporate income taxes	**(968,943)**	(1,184,233)
Total current tax	**(968,943)**	(1,184,233)
Deferred tax		
Origination and reversal of timing differences	**(275,593)**	(1,035,675)
Total tax charge	**(1,244,536)**	(2,219,908)

Factors affecting the tax charge for the year

The tax assessed for the (loss)/profit on ordinary activities for the year differs from that resulting from applying the standard rate of corporation tax in each specific country to the profit before tax. The differences are explained below:

	2021	2020
	$	$
Loss on ordinary activities before tax	**(3,232,504)**	(60,527,018)
Loss on ordinary activities at the standard rate of corporation tax in the UK 19% (2019: 19%)	**(614,176)**	(11,500,133)
Effects of:		
Tonnage Tax	**(5,114,466)**	688,603
Effect of different tax rates of subsidiaries operating in other jurisdictions	**48,011**	3,626,044
Expenses not deductible for tax	**5,570,985**	5,910,842
Change of local tax rate	-	(870,953)
US state tax	**8,784**	(129,578)
Over provision in prior periods	**(1,478)**	55,267
Losses carried forward not recognised for deferred tax	**(1,142,196)**	-
Current tax expense/(credit) for period	**(1,244,536)**	(2,219,908)

12. Intangible assets

	Goodwill	Marketing related	Customer related	Technology related	Contract related	Other intangible assets	Total
Group	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Costs							
At 31 December 2020 brought forward	**131,526,520**	**57,674**	**45,723,572**	**625,203**	**91,526**	**2,497,028**	**180,521,523**
Additions	-	-	-	8,556	1	6,057,222	6,065,779
Disposals	-	-	-	(424,868)	(77,837)	(27,164)	(529,869)
Disposal of companies and businesses	-	-	-	(15,965)	-	(6,578,279)	(6,594,244)
Currency translation	(4,341,881)	(4,442)	-	(3,454)	-	316,393	(4,033,384)
At 31 December 2021	**127,184,639**	**53,232**	**45,723,572**	**189,472**	**13,690**	**2,265,200**	**175,429,805**
Accumulated depreciation							
At 31 December 2020 brought forward	-	**57,674**	**45,723,572**	**609,996**	**80,689**	**1,262,747**	**47,734,678**
Charge for the period	-	-	-	5,247	6,845	852,007	864,099
Disposals	-	-	-	(424,868)	(77,837)	(27,164)	(529,869)
Disposal of companies and businesses	-	-	-	(2,646)	-	(440,739)	(443,385)
Currency translation	-	(4,442)	-	(3,310)	-	(61,211)	(68,963)
At 31 December 2021	-	**53,232**	**45,723,572**	**184,419**	**9,697**	**1,585,640**	**47,556,560**
Carrying amount							
At 31 December 2021	**127,184,639**	-	-	**5,053**	**3,993**	**679,560**	**127,873,245**
At 31 December 2020	131,526,520	-	-	15,207	10,837	1,234,281	132,786,845

Customer related intangible assets include "In place metal warrants", warrants issued by an LME-approved warehouse company to facilitate the easy transfer of possession of that metal. The warrants recognised in the financial statements relate to the previous acquisition of the Metro metal warehousing business prior to the transfer of ownership to RBI. The warrants represented identifiable intangible assets at the point of the original acquisition of the business.

The company has no intangible assets.

13. Goodwill and impairment

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

The recoverable amount of this CGU was based on the value in use for the underlying business, estimated using market transactions or, when not available, the discounted cash flows. The fair value measurement was categorised as level 3 fair value based on the inputs in the valuation technique used.

Metal Warehousing CGU

The terminal value includes assessment of the business as a continuing going concern.

The discount rate was a pre-tax measure based on the historical industry average weighted cost of capital, with a debt leverage of 61% at an interest rate of 7.5% and average tax rate of 30%.

13. Goodwill and impairment (continued)

The cash flow projections include specific estimates for a 5 year period, from 2022 to 2025. The growth rate was determined based on management's estimates of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

	Warehousing CGU
Discount rate	7.1%
Implied Goodwill value	$69,653,978
Budgeted growth rate (g) after 2033	2%

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately $2.8 million (with a book value of the Goodwill at $67m). Management has identified that a reasonable possible change in assumptions could cause the carrying amount to exceed the recoverable amount. In order for the recoverable amount to equal the carrying amount the revenues would need to decline by 5% or the variable costs would have to increase by 30% over the estimations.

Hotel CCU

The Hotel CGU recognised Goodwill arising from the acquisition in 2017 of Kingsverbier. At the acquisition date (24 November 2017) a valuation prepared by a third party recognised a terminal value of the investment equal to CHF 27.5m ($31.2m), and there were no significant events that would materially change such valuation. The recoverable amount of the CGU exceeded its carrying amount, therefore management decided to not impair the Goodwill.

Marina CGU

The Marina CGU recognised Goodwill arising from the step-acquisition in 2016, 2018 and completed in 2019 of RB Marinas and Portosole; in 2018 a primary advisor prepared a budget plan 2018-2034 to estimate the maximum capital needs of Portosole to complete the hotel and strengthen the breakwater. Based on this plan, management extended its budget till 2064, expiration date of the concession on the marina. The key assumptions used to extend the plan represent Management's assessment of future trends in the marina industry in the area and have been based on historical data and competitor's selling plan of their berths.

The terminal value does not include assessment of the business as a continuing going concern and there is further upside here, in the event that the concession is extended.

The discount rate was a pre-tax measure based on the historical industry average weighted cost of capital, with a debt leverage of 30% at an interest rate of 4% and average tax rate of 27%.

The cash flow projections include specific estimates for a 43 year period, from 2022 to 2064 (date of expiration of the concession). The growth rate after 2034 was determined based on management's estimates of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

13. Goodwill and impairment (continued)

	Marina CGU
Discount rate	7.2%
Implied Goodwill value	$225,867,000
Budgeted growth rate (g) after 2034	3%

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately $176 million (with a book value of the Goodwill at $45.7m). Management has identified that a reasonable possible change in the discount rate assumption could cause the carrying amount to exceed the recoverable amount. In order for the recoverable amount to equal the carrying amount the discount rate would have to increase to approximately 18%.

14. Property, plant and equipment

Group	Land $	Building $	Leasehold Improvements & Construction Period $	Plant & Equipments $	Vessels $	Furniture & Fixtures $	Electronic Machineries $	Hardware $	Motor Vehicles $	Other tangible assets $	Assets under concession $	Construction in progress $	Total $
Costs													
At 31 December 2020 brought forward	**7,175,232**	**110,423,506**	**51,758,549**	**8,299,602**	**374,600,475**	**2,984,858**	**343,612**	**2,194,169**	**2,934,231**	**39,716**	**55,647,049**	**8,321,203**	**624,722,202**
Reclassification	-	-	9,528	-	995,650	-	-	-	-	-	-	(1,005,178)	-
Acquisitions	74,752	622,513	-	23,082	-	883	917	-	-	1,313	-	-	723,460
Additions	18,122	1,617,144	1,172,532	1,181,927	23,818,939	124,360	54,805	41,832	38,394	1,681	440,754	1,078,280	29,588,770
Disposals	(292,574)	(1,608,119)	(1,430,689)	(984,303)	(1,900,000)	(7,391)	-	-	(280,691)	-	-	-	(6,503,767)
Disposal of companies and businesses	-	(44,534,942)	-	-	(129,713,011)	(2,161,274)	(16,004)	(33,286)	(100,083)	(38,025)	-	(2,067,482)	(178,664,107)
Currency translation	(120,629)	(1,878,706)	-	(462,538)	89,592	(7,062)	(25,229)	(166,412)	(12,287)	(130)	(4,285,427)	(480,871)	(7,349,699)
At 31 December 2021	**6,854,903**	**64,641,396**	**51,509,920**	**8,057,770**	**267,891,645**	**934,374**	**358,101**	**2,036,303**	**2,579,564**	**4,555**	**51,802,376**	**5,845,952**	**462,516,859**
Accumulated depreciation													
At 31 December 2020 brought forward	**14,892**	**25,016,003**	**12,501,701**	**5,778,682**	**61,216,301**	**878,565**	**298,948**	**1,989,074**	**2,804,109**	**39,716**	**14,537,309**	**-**	**125,075,300**
Charge for the period	13,745	1,848,310	1,482,995	385,009	8,370,392	87,124	30,608	106,801	25,595	-	870,712	-	13,221,291
Acquisitions	-	-	-	17,419	-	883	917	-	-	1,313	-	-	20,532
Disposals	-	(488,398)	(467,758)	(953,769)	(1,900,000)	(7,256)	-	-	(280,691)	-	-	-	(4,097,872)
Disposal of companies and businesses	-	(4,710,363)	(584)	(193)	(4,578,497)	(84,107)	(13,733)	(7,312)	(31,207)	(36,204)	-	-	(9,462,200)
Currency translation	(1,147)	(507,756)	45	(274,264)	93,874	(6,361)	(21,965)	(152,617)	(8,734)	(270)	(1,119,530)	-	(1,998,725)
At 31 December 2021	**27,490**	**21,157,796**	**13,516,399**	**4,952,884**	**63,202,070**	**868,848**	**294,775**	**1,935,946**	**2,509,072**	**4,555**	**14,288,491**	**-**	**122,758,326**
Carrying amount													
At 31 December 2021	6,827,413	43,483,600	37,993,521	3,104,886	204,689,575	65,526	63,326	100,357	70,492	-	37,513,885	5,845,952	339,758,533
At 31 December 2020 brought forward	7,160,340	85,407,503	39,256,848	2,520,920	313,384,174	2,106,293	44,664	205,095	130,122	-	41,109,740	8,321,203	499,646,902

Disposal of companies and businesses in 2021 refers to the transfer of RB Armatori and Hotel La Palma to a related company under common control.

The Group has no contractual commitments for acquisition of property, plant and equipment as at year end.

The company has no property, plant and equipment.

15. Investment properties

Group	2021 $	2020 $
Costs		
Opening Balance	**111,107,494**	91,959,732
Additions	603,454	10,591,652
Disposals	(2,263,924)	-
Disposal of companies and businesses	(95,286,622)	-
Currency translation	(628,567)	8,556,110
Total Historical cost	13,531,835	111,107,494
Accumulated depreciation		
Opening Balance	**8,757,521**	7,000,180
Charge for the period	597,002	1,087,483
Reclassifications from tangible assets	-	(11,310)
Disposal of companies and businesses	(871,991)	-
Currency translation	(275,577)	681,168
Total Accumulated depreciation	8,206,955	8,757,521
Carrying amount	5,324,880	102,349,973

Disposal of companies and businesses in 2021 refers to the transfer of RB Roma and RB Ca' Molin to a related company under common control. Additions in 2020, refers to the acquisitions of the building in Rome, under conversion to hotel at the date of filing.

The Company has no investment property.

16. Right of use

Reported below are the movements during the year for the right of use:

Group	Land $	Buildings $	Total $
Costs			
At 31 December 2020 brought forward	**1,282,366**	**2,008,978**	**3,291,344**
Fair Value Adjustments	-	1,750,061	1,750,061
At 31 December 2021	**1,282,366**	**3,759,039**	**5,041,405**
Accumulated depreciation			
At 31 December 2020 brought forward	**131,524**	**880,393**	**1,011,917**
Charge for the period	-	983,390	983,390
Reclassifications	1	(1)	-
At 31 December 2021	**131,525**	**1,863,782**	**1,995,307**
Carrying amount			
At 31 December 2021	**1,150,841**	**1,895,257**	**3,046,098**
Carrying amount			
At 31 December 2020	1,150,842	1,128,585	2,279,427

16. Right of use (continued)

Reported below are the amounts recognised on both Statements of Financial Position and Comprehensive income:

Amounts recognised in the Statement of Financial Position not Balance Sheet	**2021**	2020
	$	$
Right of use assets		
Land	1,150,841	1,150,842
Buildings	1,895,257	1,128,585
	3,046,098	2,279,427
Lease liabilities		
Non current	1,978,386	1,819,946
Current	1,107,940	521,168
	3,086,326	2,341,114

Amounts recognised in the Statement of Comprehensive income	**2021**	2020
	$	$
Depreciation charge of right-of-use assets		
Land	-	65,762
Buildings	983,390	478,355
	983,390	544,117
Interest expenses	133,495	102,532
Rent adjustment	(1,138,345)	(607,534)
Total costs	**(21,460)**	39,115

The Company has no right of use assets.

17. Subsidiaries

The principal subsidiaries of RBI as of 31 December 2021, included in these consolidated financial statements, are as follows:

Name	Status	Country of incorporation and Principal Place of Business	Registered Office	Proportion of Ownership at 31 December 2021	Proportion of Ownership at 31 December 2020
MITSI Holding (UK) Ltd	Active	*United Kingdom*	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
Metrus, Inc.	Active	USA	Corporation Service Company 2711 Centerville Road, Suite 400 Wilmington, Delaware	100%	100%
MCEPF Metro I, Inc.	Active	USA	1209 Orange Street, Wilmington, County of New Castle	100%	100%
MITSI Holdings LLC	Active	USA	The Corporation Trust Company 1209 Orange Street, Wilmington, Delaware 19801	100%	100%
MetalStore LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Metro International Trade Services LLC	Active	USA	The Corporation Trust Company 1209 Orange Street, Wilmington, Delaware 19801	100%	100%
Cabot Street Real Estate LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Metro International Trade Services (UK) Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
Hyphen Leisure (CH) SA	Active	Switzerland	Route de Verbier-Station 23, 1936, Verbier, Switzerland	100%	100%
Metro International Property Holdings LLC	Active	USA	The Corporation Trust Company 1209 Orange Street, Wilmington, Delaware 19801	100%	100%
Highland Park Real Estate LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Warren Real Estate Enterprises LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Metro International Trade II LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Detroit Helen Street Real Estate LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Wyandotte Real Estate LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Allen Park Real Estate LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
River Rouge Real Estate LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Mt. Clemens Real Estate LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Lincoln Park Real Estate LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Detroit Mt. Elliott Real Estate LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Portage Real Estate Enterprises LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Highland Park Real Estate II LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Chesterfield Real Estate Enterprise LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Metro International Trade IV LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
San Souci Enterprises LLC	Active	USA	500 Louisiana Avenue, New Orleans, Louisiana 70115	100%	100%
RB Properties (US) Holding LLC	Active	USA	The Corporation Trust Company 1209 Orange Street, Wilmington, Delaware 19801	100%	100%
Metro International Holdings LLC	Active	USA	39533 Woodward Ave., Suite 170 Bloomfield Hills MI 48304	100%	100%
Brandon International LLC	Active	USA	500 Louisiana Avenue, New Orleans, Louisiana 70115	100%	100%
RB Marine Holdings (UK) Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
RB Shipping (UK) Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
RB Jake Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
RB Jordana Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
RB Eden Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
RB Lisa Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
RB Leah Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
RB Mya Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
RB Ariana Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
RB Dylan Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
Hyphen Jenny Ltd	Dormant	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
RB British Marine UK Ltd.*	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	50%	50%
Hyphen Trading Ltd	Active	United Kingdom	4th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP	100%	100%
Hyphen Malta Holdings Ltd	Active	Malta	40 Mistral Court, Flat 2, Triq I-Ispiera, Swieqi SWQ 3081, Malta	100%	100%
Battersea Agri Ltd	Active	Malta	40 Mistral Court, Flat 2, Triq I-Ispiera, Swieqi SWQ 3081, Malta	100%	100%
Mandeville Investments Ltd	Active	Malta	40 Mistral Court, Flat 2 Triq L-Ispiera, Swieqi, Malta, SWQ3081	100%	100%
RB Italy Holding SRL	Active	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Eurosa Sarl	Active	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
Pharma Puglia Sarl	Active	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Roma S.r.l.	Active	Italy	Via dell'Orso 9, Milan, Italy	0%	100%
Portosole CNIS S.r.l.	Active	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Yacht Services SRL	Dormant	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Ca' Molin S.r.l	Active	Italy	Via dell'Orso 9, Milan, Italy	0%	100%
RB Armatori Srl	Active	Italy	Via dell'Orso 9, Milan, Italy	0%	75%
SPV RR Armatori S.r.l.	Active	Italy	Largo Nitti Valentini 3, Bari, Italy	0%	75%
RB Marinas S.r.l	Active	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Service Srl	Active	Italy	Via dell'Orso 9, Milan, Italy	0%	100%
Hotel La Palma SpA	Active	Italy	Via dell'Orso 9, Milan, Italy	0%	100%
RB Navigazione Srl	Active	Italy	Via dell'Orso 9, Milan, Italy	0%	100%
Reginella Srl **	Active	Italy	Via dell'Orso 9, Milan, Italy	10%	100%
Marina di Sanremo Srl	Active	Italy	Via del Castillo 17, Sanremo, Italy	100%	100%
Marina Piccola di Mennillo Srl	Active	Italy	Via Mulo 76, Capri, Italy	100%	0%
RB Hotel Management Srl	Active	Italy	Via dell'Orso 9, Milan, Italy	0%	100%
RB Armatori Services Srl	Dormant	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Rhodes Armatori Srl	Dormant	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Rubicon Armatori Srl	Dormant	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Richmond Armatori Srl	Dormant	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Rio Dulce Armatori Srl	Dormant	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Rumford Armatori Srl	Dormant	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Rosewood Armatori Srl	Dormant	Italy	Via dell'Orso 9, Milan, Italy	100%	100%
RB Royal Armatori Srl	Dormant	Italy	Via dell'Orso 9, Milan, Italy	100%	100%

** Represents a joint venture with British Marine Limited.*
*** Actually consolidated at fair value*

18. Investments in subsidiaries – Company

	2021	2020
	$	$
Mitsi Holding (UK) Limited	**23,200,001**	23,200,001
RB Marine Holdings (UK) Limited	**2**	2
Hyphen Malta Holdings Limited	**5,155**	5,155
Hyphen Trading Limited	**1**	1
RB Italy Holding SRL	**10,438**	10,438
Hyphen Leisure (CH) SA	**102,145**	102,145
	23,317,742	23,317,742

19. Investments

Investments accounted for using the equity method

	2021	2020
	$	$
Investment in RB British Marine Limited	**433,701**	374,146
Investment in HiSky	**8,718,472**	9,098,550
	9,152,173	**9,472,696**

The investment in RB British Marine Limited is accounted for using the equity method considering that RB British Marine is a Joint Venture with British Marine Limited, a third party not controlled by the Group.

In 2019 and 2020 Hyphen Malta Holdings Limited acquired, in stages, 45% of Hisky SSC Ltd, an Israeli company sole shareholder of HiskySat Ltd, for a total consideration of $15m. HiSky brings innovative technology to the field of voice and data satellite communications, offering affordable mobile connectivity. In 2021 the Group slightly diluted its ownership to 40.19%. Considering that the Group has significant influence, Management have therefore elected to hold the investment using the equity method.

Investments held at fair value through profit and loss

	2021	2020
	$	$
Investment in RB Eurosa Sarl	**2,435,090**	2,638,265
Investment in medical development companies	**28,897,257**	31,308,338
Investment in Docker	**5,330,018**	5,276,869
	36,662,365	39,223,472

On 28 September 2016 RB Italy Holding S.r.l., a wholly owned subsidiary of RBI, acquired a 100% investment in the share capital of RB Eurosa S.a.r.l. for a consideration paid of €2.2m. The accounting for this investment has been described in note 3 to these financial statements. Management determined that the fair value of the investment at 31 December 2021 is equal to the consideration paid ($2.6m) as this was the price agreed with an independent third party in an arm's length transaction and there has been no change in the underlying operations of the business from the date of acquisition. This is deemed a level 3 valuation as disclosed in note 28.

The Company has no investments accounted for using equity or FVTPL method.

20. Inventories

	Group 2021 $	Group 2020 $	**Company 2021 $**	Company 2020 $
Finished goods and supplies	**37,248,435**	60,167,783	-	-
	37,248,435	60,167,783	-	-

The inventory held at the year-end mostly relates to metal inventory held for the purposes of commodity trading. The residual amount relates to supplies used by the Shipping and Marina divisions.

No inventory was written off during the year.

21. Trade and other receivables

Trade and other receivables are comprised of the following:

	Group 2021 $	Group 2020 $	**Company 2021 $**	Company 2020 $
Trade receivables	**16,230,279**	41,799,355	-	-
Amounts owed by related parties	**317,521,625**	4,195,218	**68,396,994**	28,906,541
Prepayments	**3,580,689**	4,034,209	-	-
Accrued income	**2,322,472**	207,692	-	-
Dividend receivables	**19,071,260**	-	-	-
Tax receivable	**859,876**	5,113,563	**58,742**	59,270
Other assets	**606,258**	946,086	-	-
Deposits	**4,689,218**	34,506,678	-	-
	364,881,677	90,802,801	**68,455,736**	28,965,811

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value due to its short-term nature. The Group has financial risk management policies in place to ensure that all receivables are received within the pre-agreed credit terms. The collectability of receivables is monitored.

The increase in amounts owed by related parties is mainly related to receivables (both financial and trade) from entities previously under the Group and transferred to a related party under common control in 2022 but declared before the disposal.

Dividend receivables refers to dividend declared to be distributed by RB Ca' Molin, no longer part of the Group

Deposits decreased in 2021 as the amount Reginella S.r.l. deposited to acquire Baglioni Hotel 2 S.r.l., owner of the Hotel Baglioni building, was fully paid. The acquisition was completed in February 2021. Baglioni Hotel 2 S.r.l. is not part of the Group, as Reginella was transferred to a related party under common control.

22. Long term receivables

Long term receivables are comprised of the following:

	Group 2021 $	Group 2020 $	**Company 2021 $**	Company 2020 $
Amounts receivable from related parties	**1,700,000**	3,800,000	**450,779,294**	445,888,614
Notes from Dudaim Loan Trading Srl	**68,333,312**	30,384,212	-	-
Receivables from third parties	**8,389,025**	920,325	-	-
Other deposits and leased incentives	**3,574,560**	4,236,334	-	-
	81,996,897	39,340,871	**450,779,294**	445,888,614

23. Derivative financial instruments

	Group 2021 $	Group 2020 $	**Company 2021 $**	Company 2020 $
Forward Contract derivative assets	-	-	-	-
Forward Contract derivative liabilities	**2,445,040**	6,925,490	-	-

All amounts relate to forward contracts taken out in the metal trading business. These are recognised at fair value based on the mark to market value at the year end. See note 28 for details of valuation techniques applied and note 37 for the risk management strategy applied by management in relation to these contracts.

24. Cash and cash equivalents

	Group 2021 $	Group 2020 $	**Company 2021 $**	Company 2020 $
Cash at bank and in hand	**45,661,315**	55,722,364	**546,674**	188,348
	45,661,315	55,722,364	**546,674**	188,348

25. Share Capital

Share capital consists of 1 share, issued, and fully paid. The par value of the share is $1 and no movement in share capital occurred during the year. There are no restrictions on the rights of the ordinary share capital.

26. Trade and other payables

Trade and other payables are comprised of the following:

	Group 2021 $	Group 2020 $	**Company 2021 $**	Company 2020 $
Trade payables	**13,341,661**	21,862,160	**145,966**	186,721
Amounts owed to related parties	**18,358,960**	16,886,181	**5,122,228**	4,294,931
Accruals	**434,421**	1,599,609	**-**	-
Deferred income	**4,520,404**	5,828,788	**-**	-
Tax payable	**1,270,151**	4,962,718	**-**	-
Call option - RB Eurosa	**2,435,090**	2,638,265	**-**	-
	40,360,687	53,777,721	**5,268,194**	4,481,652

The Group has financial risk management policies (see note 37) in place to ensure that all payables are paid within the pre-agreed credit terms. All amounts are due to be paid in less than one year and their carrying amount is equivalent to the fair value.

27. Repurchase obligations

Repurchase obligations pertains to inventory pledged against a financing line in a form of a "repo agreement" which in substance is a short-term source of financing secured against the inventory. See note 28 for details of fair valuation of the contract.

At year end there isn't any repurchase obligation.

28. Fair value

The following table summarises the measurement techniques used in the fair value assessments that Management has made:

Valuation level	Valuation technique and item valued	Unobservable inputs
Level 3	Unlisted investments in RB Eurosa and Docker and Medical companies. Investment has been valued at the consideration paid as this was a transaction completed at arms-length with an independent third party.	The underlying variables Management has used in the assessment of the consideration to be paid. These would include long term growth rates for the underlying operations, operating margins, pre-tax discount rates.

Valuation level	Valuation technique and item valued
Level 2	Derivatives held at fair value through profit or loss. The fair value of forward metal contracts is based on the forward LME prices at the reporting date.
Level 2	The Sale and repurchase financing arrangement and the underlying metal inventory have been valued at the LME price at the year end.
Level 2	The loan term related party loans which are interest free have been discounted at 5% interest rate.

The carrying value of all other financial instruments (trade debtors, trade creditors and cash) are deemed to represent the fair value due to their short-term nature.

29. Loans and borrowings

The terms of all loans are included in the table below.

	Group 2021 $	Group 2020 $	**Company 2021 $**	Company 2020 $
Current Loans and borrowings	**125,254,303**	90,363,720	**95,856,170**	49,781,317
Non-current Loans and borrowings	**791,833,409**	802,775,864	**482,245,071**	463,142,671
	917,087,712	893,139,584	**578,101,241**	512,923,988

Loans totalling $ 591,257,858 are secured by way of debenture.

The aging of Loans and borrowings are detailed within note 37.

30. Commitments and contingencies

The Company manages routine legal matters in the normal course of business.

At year end there is no significant pending litigation.

31. Lease liabilities

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	Group	Group	Company	Company
	2021	2020	2021	2020
Lease liabilities	$	$	$	$
Non current	1,978,386	1,819,946	-	-
Current	1,107,940	521,168	-	-
	3,086,326	2,341,114	-	-

Below is reported a breakdown by maturity:

	Group	Group	Company	Company
	2021	2020	2021	2020
Maturity	$	$	$	$
Up to 3 Months	(276,575)	(128,123)	-	-
Between 3 and 12 Months	(831,365)	(393,045)	-	-
Between 1 and 2 Years	(770,194)	(528,224)	-	-
Between 2 and 5 Years	(335,344)	(360,252)	-	-
Over 5 Years	(872,848)	(931,470)	-	-
	(3,086,326)	(2,341,114)	-	-

See note 2 for further details about methods used to assess lease liabilities.

32. Deferred Tax

Deferred tax is calculated in full on temporary differences under the liability method using the applicable tax rate of each country. The movement on the deferred tax account is as shown below:

Group deferred assets	Group 2021	Group 2020	Company 2021	Company 2020
	$	$	$	$
Interest accrued not paid	**3,838,353**	3,114,903	-	-
Amortisation of transaction costs	**535,727**	636,829	-	-
Amortisation of goodwill and intangibles	**210,101**	227,504	-	-
Other deferred cost	**203,344**	191,259	-	8,801
Group relief	-	-	**(449,592)**	(135,503)
Losses on credits impairment	**740,851**	765,525	-	-
Losses recognised as deferred tax asset	**2,414,567**	1,200,763	**972,211**	560,196
	7,942,943	6,136,783	**522,619**	433,494

Group deferred liabilities	2021	2020	2021	2020
	$	$	$	$
Statutory revaluation of assets	-	2,135,154	-	-
Lease incentives	**550,696**	-	-	-
Deferred tax acquired as part of common control acquisition	**9,987,348**	9,154,715	-	-
Other accruals	**364,257**	-	-	-
	10,902,301	11,289,869	-	-

Deferred tax assets have been mainly recognised in respect of US Warehouse business (Metrus Inc) and Marina business (Portosole), where management believes it is probable that these assets will be recovered.

33. Financial commitments

The group enters into repurchase agreements for metals in which the company has an agreement with the counter party to resell the metal at a future agreed date. The legal title of the inventory is transferred to Hyphen Trading Ltd upon entry into the transaction. The financial liability is measured at fair value which represents the market value of the underlying inventory, which is linked to the LME price of the underlying metal at the reporting date. Management has noted that there is an embedded derivative within the contractual arrangement linked to the variability of the ultimate price that would be paid. This embedded derivative is not deemed separable to the overall contract and its value is included within the overall value of the underlying liability. As at 31 December 2021, the total mark to market value of these commitments was $ 2,812,928. The metal has been hedged forward to the sale date, ensuring that the market price fluctuation has no economic effect to Group.

34. Common control acquisition

In February 2021 a related party, transferred to Hyphen Malta its investment in medical development companies. The investment has the characteristic of a venture capital investment, therefore Management elected it as an investment held at fair value through profit and loss. Management considers the fair value of these investments to be the consideration paid.

35. Related party transactions

During the year ended 31 December 2021 the group has entered into related party transactions with other corporate entities of the wider group which are separate to the Group. Transactions with the joint venture interest are comprised in the other related party transactions during the year. In addition to the amounts loaned to the business under formal agreements (detailed in note 29), the outstanding amount deriving from the transactions the group has entered into with related parties are:

	Group	Group	**Company**	Company
	2021	2020	**2021**	2020
	$	$	**$**	$
Affiliated entities of the Group	**(30,515,849)**	(17,983,386)	**(4,006,369)**	(3,320,687)
Entities under joint control and associates	**1,512,029**	1,220,451	**493,606**	643,606
Entities held at FVTPL	**337,764,756**	662,672	**529,505**	-

During the reporting period the following transactions occurred with related parties:

	Group	Group	**Company**	Company
	2021	2020	**2021**	2020
Transactions with related parties	**$**	$	**$**	$
Management fees income	**961,409**	747,276	**500,000**	650,000
Management fees expenses	**(1,911,164)**	(2,553,600)	**(21,164)**	(162,402)
Rent expenses	**(221,056)**	(223,860)	**(221,056)**	(223,860)
Financial income	**-**	181,125	**-**	-
Financial expenses	**(47,585,040)**	(39,743,031)	**(28,741,568)**	(21,554,085)
	(48,755,851)	(41,592,090)	**(28,483,788)**	(21,290,347)

35. Related party transactions (continued)

Details of the loans entered with related parties are as follows:

	Group 2021 $	Group 2020 $	Company 2021 $	Company 2020 $
Loan payables to related party	**886,117,042**	847,994,393	**578,101,242**	512,923,987
	886,117,042	847,994,393	**578,101,242**	512,923,987
Interest recognised in Statement of Comprehensive income	**47,585,039**	39,743,032	**28,741,569**	21,554,086
	47,585,039	39,743,032	**28,741,569**	21,554,086

36. Other non-current liabilities

Below is reported a breakdown of the Group's Other non-current liabilities:

	Group 2021 $	Group 2020 $	Company 2021 $	Company 2020 $
Employee termination benefits	**295,452**	435,606	-	-
Provision	**1,854,560**	5,800,552	-	-
Long term deferred rent	**4,090,402**	6,686,770	-	-
Preference shares classified as liabilities	**20,000,000**	20,000,000	-	-
Deposits	**208,294**	187,759	-	-
Other liabilities owed to related parties	-	-	**578,222**	**101,092**
	26,448,708	33,110,687	**578,222**	101,092

On 6 June 2019, following duly passed written resolutions of Hyphen Trading Ltd pursuant to section 288 of the Companies Act 2006, (i) new articles of association were adopted, in substitution for and to the exclusion of the existing articles of association and, (ii) in accordance with section 551 of the Companies Act 2006, the directors of Hyphen Trading Ltd were generally and unconditionally authorised to allot up to 15,789,900 redeemable preference shares of £0.01, each having the rights and being subject to the restrictions set out in the new articles of association.

Following this, Hyphen Trading Ltd issued 15,789,900 redeemable preference shares to RB International Ltd, its ultimate parent company, for a consideration of GBP 15,789,900.

After a review of the accounting principles and the terms of the redeemable preference shares, Management decided to classify the preference shares as long-term liabilities, according to IAS 32. Dividends have been classified as interest expenses and unpaid dividend included in short term liabilities.

37. Financial instruments – risk management

The Group's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, and foreign exchange risk. The Group's exposure to these risks and its methods of managing the risks remain consistent.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises includes trade and other receivables, accrued income, cash and cash equivalents, trade and other payables, accruals, loans and borrowings.

Financial instruments by category

Financial assets

Below is a listing of Group's financial assets.

	2021	2020
	$	$
Cash and cash equivalents	**45,661,315**	55,722,364
Trade and other receivables	**334,358,161**	46,940,658
Investments at fair value	**36,662,365**	39,223,472
Accrued income	**2,322,472**	207,692
Long term receivables	**81,996,897**	39,340,871
	501,001,210	181,435,057

Financial liabilities

Below is a listing of Group's financial liabilities.

	2021	2020
	$	$
Trade and other payables	**31,700,621**	38,748,341
Accruals	**434,421**	1,599,609
Loans and borrowings	**917,087,712**	893,139,584
Derivatives held at fair value through profit or loss	**2,445,040**	6,925,490
Call option	**2,435,090**	2,638,265
Lease liabilities	**3,086,326**	2,341,114
	957,189,210	**945,392,403**

37. Financial instruments – risk management (continued)

Financial assets

Below is a listing of the Company's financial assets.

	2021	2020
	$	$
Cash and cash equivalents	546,674	188,348
Trade and other receivables	47,697,295	28,965,811
	48,243,969	29,154,159

Financial liabilities

Below is a listing of the Company's financial liabilities.

	2021	2020
	$	$
Trade and other payables	5,268,194	4,481,652
Loans and borrowings - *see note 29*	578,101,241	512,923,988
	583,369,435	517,405,640

Financial instruments measured at amortised cost

The following financial instruments are measured at amortised cost and details regarding the valuations undertaken are disclosed in note 28.

Group

	2021	2020
	$	$
Financial liabilities		
Loans and borrowings	917,087,712	893,139,584
Call option	2,435,090	2,638,265
	919,522,802	895,777,849
Financial assets		
Investments held at fair value through profit or loss	36,662,365	39,223,472
	36,662,365	39,223,472

Company

	2021	2020
	$	$
Financial liabilities		
Loans and borrowings	578,101,241	512,923,988
	578,101,241	512,923,988

37. Financial instruments – risk management (continued)

General objectives, policies, and processes

The Board of Directors has overall responsibility for the determination of the Group's and Company's risk management objectives and policies, and whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's and Company's management. The Board receives monthly reports from management through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's and Company's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk of financial loss to the Group and Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group and Company is mainly exposed to credit risk from cash held in bank accounts and receivables due from commodity traders and financiers for both warehousing and shipping activities. The risk on the operating companies is low because the trade receivables in the shipping are secured on the cargo and the receivables in the metal warehousing are de-risked by the LME warehousing rules. Management manages the credit risk on bank deposits by only banking with institutions with high credit ratings.

Management determines concentrations of credit risk by reviewing its allowance for doubtful accounts monthly. Past due balances are reviewed individually for collectability. Accounts are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

The Group's and Company's maximum exposure to credit risk is limited to the carrying amount of the trade receivables on cash on the statement of financial position.

Liquidity risk

Liquidity risk arises from the Group's and Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group and Company will encounter difficulty in meeting its financial obligations as they fall due. All of the Group's debt instruments carry interest between 0-7.5%. All of Company's debt instruments are at 0-7% interest rate.

The Group's and Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they come due. To achieve this aim, the Group and Company have a planning and budgeting process in place to help determine the funds required to support the Group's and Company's normal operating requirements on an ongoing basis. The Group and Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

The Board receives rolling 12-month cash flow projections on a monthly basis as well as information regarding cash balances. At the end of the financial year, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

37. Financial instruments – risk management (continued)

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

Group

At 31 December 2021	Up to 3 Months	Between 3 and 12 Months	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years	Total
	$	$	$	$	$	$
Trade and other payables	32,135,042	-	-	-	-	32,135,042
Loans and borrowings	80,294,431	44,959,872	36,915,399	462,379,281	292,538,729	917,087,712
Call option	2,435,090	-	-	-	-	2,435,090
Tax payables	1,270,151	-	-	-	-	1,270,151
Derivatives	627,210	1,817,830	-	-	-	2,445,040
	116,761,924	**46,777,702**	**36,915,399**	**462,379,281**	**292,538,729**	**955,373,035**

Company

At 31 December 2021	Up to 3 Months	Between 3 and 12 Months	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years	Total
	$	$	$	$	$	$
Trade and other payables	5,268,194	-	-	-	-	5,268,194
Loans and borrowings	56,369,366	39,486,803	-	190,780,807	291,464,265	578,101,241
	61,637,560	**39,486,803**	**-**	**190,780,807**	**291,464,265**	**583,369,435**

Foreign exchange risk

Foreign exchange risk arises when the Group enters into transactions denominated in a currency other than their functional currency. To minimise this risk, the Group primarily transacts in US dollars; however, the following balances were held in various currencies at the year end. The numbers presented below are the US dollar equivalent

Group	EUR	CHF	GBP	USD	Total 2021
Trade and other payables	6,538,547	21,168	-	25,140,906	31,700,621
Trade and other receivables	106,463,764	-	-	348,269,873	454,733,637
Loans and borrowings	521,719,136	24,408,601	-	370,959,975	917,087,712
Other assets	416,969	-	-	189,289	606,258
Call option	2,435,090	-	-	-	2,435,090
Cash and cash equivalent	3,152,839	374,072	54,947	42,079,457	45,661,315
	640,726,345	**24,803,841**	**54,947**	**786,639,500**	**1,452,224,633**

37. Financial instruments – risk management (continued)

Company	EUR	CHF	GBP	USD	Total 2021
Trade and other payables	-	-	-	5,268,194	5,268,194
Trade and other receivables	-	-	-	47,697,295	47,697,295
Loans and borrowings	521,719,136	24,408,601	-	31,973,504	578,101,241
Cash and cash equivalent	10,973	7	11,690	524,004	546,674
	521,730,109	**24,408,608**	**11,690**	**85,462,997**	**631,613,404**

Price risk

The Group is subject to price risk on the metal trading operations and shipping operations however this is mitigated to immaterial levels due to the internal policies in place. The group manages the price risk on the trading business by hedging all positions and therefore reducing the risk to an immaterial level. Management takes out long term contracts in the shipping business which mitigates the price risk.

Interest rate risk

The Group and Company are not exposed to interest rate risk as all borrowings carry a fixed interest rate.

Capital management

The Group's capital consists of borrowings, share capital and reserves. The Company's policy is to ensure that it has sufficient reserves to meet its requirements.

In addition, the group's policy is to maintain sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet expected requirements. The group's Board review rolling cash-flow projections on a monthly basis as well as information regarding cash balances. At the end of the year these projections indicated that the group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances for a period of at least 12 months from the year end date.

The group has policies in place to ensure that deposits are placed with high-credit quality banks. The Board manages borrowings to ensure that sufficient funding is maintained, and to ensure that market driven rates are negotiated for the borrowings.

The table below shows the total capital considered by the group as of 31 December:

	2021	2020
	$	$
Share capital	**1**	1
Reserves	**59,217,786**	37,345,451
Loan and Borrowings	**917,087,712**	893,139,584
Preference shares	**20,000,000**	20,000,000
	996,305,499	950,485,036

38. Ultimate parent company

The ultimate parent undertaking is RB International Limited, a company registered in the British Virgin Islands. The registered address of RB International Ltd is 2nd Floor, O'Neal Marketing Associates Building, PO Box 3174, Wickham's Cay II, Road Town, Tortola, British Virgin Islands.

There is no ultimate controlling party.

39. Events after the reporting date

The COVID-19 pandemic caused a deep global recession. All countries where the company operates were affected by the virus and had to adopt containment measures based on social distancing, the closure of selected business activities and restrictions on travel and tourism. The prospect of potential company closures and rising unemployment prompted governments to take immediate support, with a significant impact on public budgets: postponements of tax payments, provision of credit guarantees subsidies to households, strengthening of social security mechanisms.

Additional disruption due to the current geopolitical situation connected with the war in Ukraine is a recent development, the impact of which is impossible to predict at time of filing. There is certain to be route disruption in the carrying of raw materials which, at face value, should create opportunities for global shipping, however it is also possible that this conflict will result in a shortage of grain and other raw material volumes available to be transported by sea which can negatively affect demand for freight.

The Group is currently evaluating the potential short-term and long-term implications of COVID-19 and the war in Ukraine on its financial statements including, but not limited to, new repo deals, metal prices, cost of utilities and freight rates. Any of these outcomes could have a material adverse impact on the Company's business, financial results and cash flows. Management currently believes that it has adequate liquidity and business plans to continue to operate the business and mitigate the risks associated with COVID-19 and the war in Ukraine for the next twelve months from the date of this report.

Shipping Unit

On April 2022 RB Italy acquired 100% of RB Armatori S.r.l. from Reginella S.r.l., which in June 2021 decided to terminate the joint venture in RB Armatori with New Horizon (previously owning 25% of RB Armatori), acquiring 100% of shares on commercial terms on an arms-length basis. RB Armatori, as of April 2022, also transferred Hotel La Palma S.r.l. (ex Hotel La Palma S.p.A.) to Reginella, before being acquired by RB Italy.

In June 2022, the on going liquidation of RB Navigazione S.r.l. (ex Bottiglieri di Navigazione S.p.A.) has been revoked.

Investments Unit

In September 2022 RB Italy incorporated RB Energy Italy S.r.l. for future developments on renewable energies.