

Date: 08 March 2023

BH HIGH CROSS LTD

365 Agiou Andreou Street
EFTSTAHIOU COURT, 2nd floor, Flat/Office 201
3035
Limassol, Cyprus

Dear Sir/Madame,

During the audit finalisation of the Financial Statements for the year 2022 we would like you to inform you that based on our assessment, pending the tax authority's review; we estimate the company has no tax liabilities for the year ended 31 December 2022.

Thank you for your cooperation.


.....
Markos Kashiouris

On behalf of

BH High Cross Ltd


.....

Theodoros Theodoulou

On behalf of

Kreston Ioannou & Theodoulou Ltd

BH HIGH CROSS LTD

FINANCIAL STATEMENTS

31 December 2022

BH HIGH CROSS LTD

FINANCIAL STATEMENTS

31 December 2022

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BH HIGH CROSS LTD

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Markos Kashiouris Stefanos Kashiouris Dimitrios Hatzis Neodlis Nicolaou (appointed on 23 February 2023)
Company Secretary:	Stelmaco Ltd 365 Agiou Andreou Street EFTSTAHIOU COURT, 2nd floor, Flat/Office 201 3035, Limassol, Cyprus
Independent Auditors:	Kreston Ioannou & Theodoulou Ltd Certified Public Accountants and Registered Auditors 4 Pindou Street Engomi 2409 Nicosia, Cyprus
Registered office:	365 Agiou Andreou Street EFTSTAHIOU COURT, 2nd floor, Flat/Office 201 3035 Limassol, Cyprus
Bankers:	Astrobank Limited
Registration number:	HE425906

Independent Auditor's Report

To the Members of BH HIGH CROSS LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BH HIGH CROSS LTD (the "Company"), which are presented in pages 4 to 16 and comprise the statement of financial position as at 31 December 2022, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

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

Responsibilities of the Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Independent Auditor's Report (continued)

To the Members of BH HIGH CROSS LTD

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

Other Matter

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



Theodoros Theodoulou
Certified Public Accountant and Registered Auditor
for and on behalf of
Kreston Ioannou & Theodoulou Ltd
Certified Public Accountants and Registered Auditors
4 Pindou Street
Engomi
2409
Nicosia, Cyprus

Nicosia, 8 March 2023

BH HIGH CROSS LTD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 31 December 2022

		2022	22 September 2021 (date of incorporation) to 31 December 2021
	Note	€	€
Administration and other expenses	8	<u>(35,014)</u>	<u>(28,982)</u>
Operating loss		(35,014)	(28,982)
Finance costs	9	<u>(666)</u>	<u>(404)</u>
Loss before tax		(35,680)	(29,386)
Tax	10	<u>-</u>	<u>-</u>
Net loss for the year/period		<u>(35,680)</u>	<u>(29,386)</u>

The notes on pages 8 to 17 form an integral part of these financial statements.


BH HIGH CROSS LTD

STATEMENT OF FINANCIAL POSITION 31 December 2022

	Note	2022 €	2021 €
ASSETS			
Non-current assets			
Investment properties	11	<u>3,833,035</u>	<u>3,787,500</u>
		3,833,035	3,787,500
Current assets			
Trade and other receivables	12	<u>711,608</u>	<u>709,133</u>
Cash at bank and in hand	13	<u>6,707</u>	<u>1,096</u>
		718,315	710,229
Total assets		<u>4,551,350</u>	<u>4,497,729</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	14	<u>1,000</u>	<u>1,000</u>
Other reserves		<u>4,576,508</u>	<u>-</u>
Accumulated losses		<u>(65,066)</u>	<u>(29,386)</u>
Total equity		<u>4,512,442</u>	<u>(28,386)</u>
Current liabilities			
Trade and other payables	16	<u>38,908</u>	<u>4,526,115</u>
		38,908	4,526,115
Total equity and liabilities		<u>4,551,350</u>	<u>4,497,729</u>

On 8 March 2023 the Board of Directors of BH HIGH CROSS LTD authorised these financial statements for issue.


Markos Kashiouris
Director


Stefanos Kashiouris
Director

The notes on pages 8 to 17 form an integral part of these financial statements.

BH HIGH CROSS LTD

STATEMENT OF CHANGES IN EQUITY

31 December 2022

	Note	Share capital €	Other reserves €	Accumulated losses €	Total €
Net loss for the period		-	-	(29,386)	(29,386)
Issue of share capital	14	1,000	-	-	1,000
Balance at 31 December 2021/ 1 January 2022		1,000	-	(29,386)	(28,386)
Net loss for the year		-	-	(35,680)	(35,680)
Contribution by parent entity	15	-	4,576,508	-	4,576,508
Balance at 31 December 2022		1,000	4,576,508	(65,066)	4,512,442

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

The notes on pages 8 to 17 form an integral part of these financial statements.

BH HIGH CROSS LTD

CASH FLOW STATEMENT

31 December 2022

	2022	22 September 2021 (date of incorporation) to 31 December 2021
	€	€
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	<u>(35,680)</u>	<u>(29,386)</u>
	(35,680)	(29,386)
Changes in working capital:		
Increase in trade and other receivables	(2,475)	(709,133)
Increase in trade and other payables	<u>43,766</u>	<u>738,615</u>
Cash generated from operations	<u>5,611</u>	<u>96</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	<u>-</u>	<u>1,000</u>
Net cash generated from financing activities	<u>-</u>	<u>1,000</u>
Net increase in cash and cash equivalents	5,611	1,096
Cash and cash equivalents at beginning of the year/period	<u>1,096</u>	<u>-</u>
Cash and cash equivalents at end of the year/period	<u>6,707</u>	<u>1,096</u>

The notes on pages 8 to 17 form an integral part of these financial statements.

BH HIGH CROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

1. General information

Country of incorporation

The Company BH HIGH CROSS LTD (the "Company") was incorporated in Cyprus on 22nd of September 2021 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 365 Agiou Andreou Street, EFTSTAHIOU COURT, 2nd floor, Flat/Office 201, 3035, Limassol, Cyprus.

Principal activity

The principal activity of the Company, which is unchanged from last year, is the holding of investment property.

Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The event did not exist in the reporting period and is therefore not reflected in the recognition and measurement of the assets and liabilities in the financial statements as at 31 December 2022 as it is considered as a non-adjusting event.

The Company has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

Despite the limited direct exposure, the conflict is expected to negatively impact the tourism and services industries in Cyprus. Furthermore, the increasing energy prices, fluctuations in foreign exchange rates, unease in stock market trading, rises in interest rates, supply chain disruptions and intensified inflationary pressures may indirectly impact the operations of the Company. The indirect implications will depend on the extent and duration of the crisis and remain uncertain.

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact in the Company's profitability position. The event is not expected to have an immediate material impact on the business operations.

BH HIGH CROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

Functional and presentation currency

The financial statements are presented in Euro (€) which is the functional currency of the Company.

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. The financial statements have been prepared under the historical cost convention as modified by the revaluation of and investment property.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2022. This adoption did not have a material effect on the accounting policies of the Company.

4. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

Investment properties

Investment property, principally comprising land for commercial development and is held for long-term rental yields and/or for capital appreciation and is not occupied by the Company. Investment property is treated as a non-current asset and is stated at historical cost less depreciation.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the continued use of the asset. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

BH HIGH CROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

4. Significant accounting policies (continued)

Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

Share capital

Ordinary shares are classified as equity.

5. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

6. Financial risk management

Financial risk factors

The Company is exposed to credit risk, liquidity risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

6.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, as credit exposures to outstanding receivables.

(i) Impairment of financial assets

The Company has the following types of financial assets that are subject to the expected credit loss model:

- cash and cash equivalents
- receivable balances

BH HIGH CROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

6. Financial risk management (continued)

6.1 Credit risk (continued)

(i) Impairment of financial assets (continued)

Receivables from related parties

For receivables from related parties lifetime ECL was provided for them upon initial application of IFRS 9 until these financial assets are derecognised as it was determined on initial application of IFRS 9 that it would require undue cost and effort to determine whether their credit risk has increased significantly since initial recognition to the date of initial application of IFRS 9.

For any new loans to related parties, which are not purchased or originated credit-impaired financial assets, the impairment loss is recognised as 12-month ECL on initial recognition of such instruments and subsequently the Company assesses whether there was a significant increase in credit risk.

The Company does not hold any collateral as security for any receivables from related parties.

There were no significant receivables from related parties written off during the year that are subject to enforcement activity.

Cash and cash equivalents

The Company assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

The ECL on current accounts is considered to be approximate to 0, unless the bank is subject to capital controls. The ECL on deposits accounts is calculated by considering published PDs for the rating as per Moody's and an LGD of 40-60% as published by ECB.

The Company does not hold any collateral as security for any cash at bank balances.

There were no significant cash at bank balances written off during the year that are subject to enforcement activity.

6.2 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

31 December 2022	Carrying amounts	Contractual cash flows	3 months or less	3-12 months
	€	€	€	€
Trade and other payables	25,000	25,000	25,000	-
Payables to related parties	12,509	12,509	-	12,509
	37,509	37,509	25,000	12,509

BH HIGH CROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

6. Financial risk management (continued)

6.2 Liquidity risk (continued)

31 December 2021

	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €
Trade and other payables	95,227	95,227	95,227	-
Payables to related parties	4,429,500	4,429,500	-	4,429,500
	<u>4,524,727</u>	<u>4,524,727</u>	<u>95,227</u>	<u>4,429,500</u>

6.3 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

7. Critical accounting estimates, judgments and assumptions

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

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. 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.

- **Calculation of loss allowance**

When measuring expected credit losses the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Critical judgements in applying the Company's accounting policies

- **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 6, Credit risk section.

BH HIGH CROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

7. Critical accounting estimates, judgments and assumptions (continued)

• Impairment of non-financial assets

The impairment test is performed using the discounted cash flows expected to be generated through the use of non-financial assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Company estimates the recoverable amount of the cash generating unit in which the asset belongs to.

8. Administration and other expenses

	2022	22 September 2021 (date of incorporation) to 31 December 2021
	€	€
Incorporation expenses	-	1,078
Municipality taxes	195	188
Immovable property tax	226	-
Water supply and cleaning	443	-
Auditors' remuneration	2,400	1,200
Other professional fees	31,196	26,516
Revenue stamps	554	-
	35,014	28,982

9. Finance costs

	2022	22 September 2021 (date of incorporation) to 31 December 2021
	€	€
Sundry finance expenses	666	404
Finance costs	666	404

10. Tax

The tax on the Company's results before tax differs from theoretical amount that would arise using the applicable tax rates as follows:

	2022	22 September 2021 (date of incorporation) to 31 December 2021
	€	€
Loss before tax	(35,680)	(29,386)
Tax calculated at the applicable tax rates	(4,460)	(3,673)
Tax effect of expenses not deductible for tax purposes	1,491	3,425
Tax effect of tax loss for the year	2,969	248
Tax charge	-	-

The corporation tax rate is 12,5%.

BH HIGH CROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

10. Tax (continued)

Under certain conditions interest income may be subject to defence contribution at the rate of 30%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

Due to tax losses sustained in the year, no tax liability arises on the Company. Under current legislation, tax losses may be carried forward and be set off against taxable income of the five succeeding years.

11. Investment properties

	2022 €	2021 €
Cost		
Balance at 1 January/22 September	3,787,500	-
Additions	45,535	3,787,500
Balance at 31 December	3,833,035	3,787,500
Depreciation		
Balance at 31 December	-	-
Net book amount		
Balance at 31 December	3,833,035	3,787,500

Details of investment properties are as follows:

	2022 €	2021 €
Type		
Land situated in Agios Athanasios, Limassol	3,700,000	3,700,000
Building - architect expenses	112,500	87,500
Building - project management fees	16,000	-
Building - engineering services	2,750	-
Sundry capitalised expenses	1,785	-
	3,833,035	3,787,500

12. Trade and other receivables

	2022 €	2021 €
Receivables from other related parties (Note 17.1)	1,000	1,000
Refundable VAT	710,608	708,133
	711,608	709,133

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

The exposure of the Company to credit risk and impairment losses in relation to trade and other receivables is reported in note 6 of the financial statements.

BH HIGH CROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

13. Cash at bank and in hand

Cash balances are analysed as follows:

	2022	2021
	€	€
Cash at bank and in hand	6,707	1,096
	6,707	1,096

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 6 of the financial statements.

14. Share capital

	2022 Number of shares	2022 €	2021 Number of shares	2021 €
Authorised				
Ordinary shares of €1 each	1,000	1,000	1,000	1,000
Issued				
Balance at 1 January/22 September	1,000	1,000	-	-
Issue of shares	-	-	1,000	1,000
Balance at 31 December	1,000	1,000	1,000	1,000

On 31 January 2023, the Company increased its authorized share capital by 1,000 ordinary shares of nominal value of €1 per share. The total authorized share capital of the Company as at 31 January 2023 was 2,000 ordinary shares of nominal value of €1 per share.

On 10 February 2023, the Company issued one ordinary share at premium (Note 15). As at 10 February 2023, the Company's share capital comprised out of 1,000 ordinary shares of nominal value €1 per share, and 1 ordinary share of nominal value of € issued at a premium of €4,576,507.

On 26 April 2023, the Company increased its authorized share capital by 4,575,508 ordinary shares of nominal value of € 1 per share. The total authorized share capital of the Company as at 26 April 2023 was 4,577,508 ordinary shares of nominal value of €1 per share.

On 11 May 2023, the Company utilized its other reserves by issuing 4,576,507 ordinary shares of nominal value €1 per share (Note 15).

As at 23 May 2023, the Company's authorized and fully issued share capital comprised out of 4,577,508 ordinary shares of nominal value €1 per share.

15. Other reserves

	2022	2021
	€	€
Balance at 31 December	4,576,508	-

The other reserves made available to the Board of Directors for future increases of the share capital of the Company.

On 10 February 2023, the Company utilized its other reserves by issuing one additional share of nominal value of € 1, at a premium of € 4,576,507.

BH HIGH CROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

15. Other reserves (continued)

On 11 May, the Company utilized its share premium account to issue and allot 4,576,507 ordinary shares of nominal value of €1 per share.

16. Trade and other payables

	2022	2021
	€	€
Accruals	1,399	1,388
Other creditors	25,000	95,227
Payables to other related parties (Note 17.2)	12,509	4,429,500
	<u>38,908</u>	<u>4,526,115</u>

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

17. Related party transactions

During the year ended 31 December 2022, the Company was controlled by Blue Horn Trading II Limited, incorporated in Cyprus, which owned 100% of the Company's issued share capital.

As of 10 February 2023, the Company is controlled by Blue Horn Trading V Limited, incorporated in Cyprus, which owns 100% of the Company's issued share capital.

The following transactions were carried out with related parties:

17.1 Receivables from related parties (Note 12)

	2022	2021
	€	€
Receivable from parent entity	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

The receivables from related parties were provided interest free, and there was no specified repayment date.

17.2 Payables to related parties (Note 16)

	2022	2021
	€	€
Payable to related parties	12,509	4,429,500
	<u>12,509</u>	<u>4,429,500</u>

The payables to related parties were provided interest free, and there was no specified repayment date.

18. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2022.

19. Commitments

The Company had no capital or other commitments as at 31 December 2022.

BH HIGH CROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

31 December 2022

20. Events after the reporting period

There were no further material events after the reporting period, which have a bearing on the understanding of the financial statements.

As explained in the geopolitical situation in Eastern Europe intensified on 24 February 2022, with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds and additional sanctions are imposed.

The management decided to proceed with the listing of the Company to the Cyprus Stock Exchange. The financial institution Emergo Wealth Ltd was appointed by the management to proceed with the admission process of the Company which is expected to be completed during 2023.

Independent auditor's report on pages 2 to 3