

TRENESMA DEVELOPMENT LIMITED

**REPORT AND SEPARATE FINANCIAL
STATEMENTS**

31 December 2023

TRENESMA DEVELOPMENT LIMITED

REPORT AND SEPARATE FINANCIAL STATEMENTS

31 December 2023

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TRENESMA DEVELOPMENT LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Nicolas Italos
Michalis Hadjinestoros

Company Secretary:

D.H. Nominees Ltd

Independent Auditors:

KPSA
CHARTERED ACCOUNTANTS
15 Themistokli Dervi Street
1st floor, P.O. Box 27040
1641 Nicosia
Cyprus

Registered office:

Klimentos, 41-43
KLIMENTOS TOWER, 1st floor, Flat/Office 11/B
1061, Nicosia
Cyprus

Bankers:

J&T Banka, a.s.

Registration number:

HE398212

TRENESMA DEVELOPMENT LIMITED

MANAGEMENT REPORT

The Board of Directors presents its report and audited separate financial statements of the Company for the year ended 31 December 2023.

Incorporation

The Company Trenesma Development Limited was incorporated in Cyprus on 28 May 2019 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113.

Principal activity and nature of operations of the Company

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

Review of current position, future developments and performance of the Company's business

The Company has incurred losses during the year. However, the Board of Directors is making an effort to reduce the Company's losses in the future and expects that the market situation will develop in a positive direction in the forthcoming periods.

Principal risks and uncertainties

The principal risks and uncertainties faced by the Company are disclosed in notes 6, 7 and 19 of the separate financial statements.

Results

The Company's results for the year are set out on page 6. The net loss for the year is carried forward.

Dividends

The Company did not have any distributable profits as at 31 December 2023, thus the Board of Directors cannot recommend the payment of a dividend.

Share capital

There were no changes in the share capital of the Company during the year under review.

Board of Directors

The members of the Company's Board of Directors as at 31 December 2023 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 December 2023.

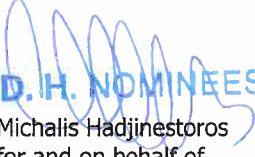
In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Independent Auditors

The Independent Auditors, KPSA, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,


D.H. NOMINEES LTD
Michalis Hadjinestoros
for and on behalf of
D.H. Nominees Ltd
Secretary

Nicosia, 23 January 2025

KPSA

P.O.Box 27040

1641 Nicosia

Cyprus

15 Themistokli Dervi street, 1st floor

1066 Nicosia

Cyprus

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Independent Auditor's Report

To the Members of Trenesma Development Limited

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the accompanying separate financial statements of parent company Trenesma Development Limited (the "Company"), which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes of the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, 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 relating to separate financial statements.

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 Separate 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 separate 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.

Material Uncertainty Related to Going Concern

We draw attention to note 4 of the separate financial statements which indicates that the Company incurred a loss of €1.230.951 during the year ended 31 December 2023, and, as of that date the Company's liabilities exceeded its assets by €4.732.502. As stated in note 4, these events or conditions, along with other matters as set forth in note 4, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report, but does not include the separate financial statements and our auditor's report thereon.

Our opinion on the separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report (continued)

To the Members of Trenesma Development Limited

Responsibilities of the Board of Directors for the Separate Financial Statements

The Board of Directors is responsible for the preparation of separate financial statements that give a true and fair view in accordance with IFRSs 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 separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate 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 Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate financial statements.

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 separate 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 separate 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 separate financial statements, including the disclosures, and whether the separate 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.

Independent Auditor's Report (continued)

To the Members of Trenesma Development Limited

Report on Other Legal Requirements

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, based on the work undertaken in the course of our audit, the Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the separate financial statements.
- In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Management Report. We have nothing to report in this respect.

Other Matters

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.

We have reported separately on the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2023.



Stelios Saphiris
Certified Public Accountant and Registered Auditor
for and on behalf of

KPSA
CHARTERED ACCOUNTANTS

Nicosia, 23 January 2025

TRENESMA DEVELOPMENT LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 31 December 2023

	Note	2023 €	2022 €
Revenue		-	-
Administration expenses		(128.568)	(89.143)
Net impairment profit on financial and contract assets		<u>7.749</u>	<u>-</u>
Operating loss	8	(120.819)	(89.143)
Finance costs	10	<u>(1.110.132)</u>	<u>(1.097.618)</u>
Loss before tax		(1.230.951)	(1.186.761)
Tax	11	<u>-</u>	<u>-</u>
Net loss for the year		(1.230.951)	(1.186.761)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive (expense) for the year		<u>(1.230.951)</u>	<u>(1.186.761)</u>

The notes on pages 10 to 33 form an integral part of these separate financial statements.


TRENESMA DEVELOPMENT LIMITED

STATEMENT OF FINANCIAL POSITION

31 December 2023

	Note	2023 €	2022 €
ASSETS			
Non-current assets			
Property, plant and equipment	12	921	1.110
Investments in subsidiaries	13	<u>17.242.092</u>	<u>17.234.343</u>
		17.243.013	17.235.453
Current assets			
Receivables	14	401	401
Cash at bank and in hand	15	<u>7.159</u>	<u>11.809</u>
		7.560	12.210
Total assets		<u>17.250.573</u>	<u>17.247.663</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	16	1.000	1.000
Accumulated losses		<u>(4.733.502)</u>	<u>(3.502.551)</u>
Total equity		<u>(4.732.502)</u>	<u>(3.501.551)</u>
Non-current liabilities			
Borrowings	17	<u>4.640.271</u>	<u>20.695.916</u>
		4.640.271	20.695.916
Current liabilities			
Trade and other payables	18	32.031	53.298
Borrowings	17	<u>17.310.773</u>	<u>-</u>
		17.342.804	53.298
Total liabilities		<u>21.983.075</u>	<u>20.749.214</u>
Total equity and liabilities		<u>17.250.573</u>	<u>17.247.663</u>

On 23 January 2025 the Board of Directors of Trenesma Development Limited authorised these separate financial statements for issue.



 Nicolas Italos
 Director

.....
 Michalis Hadjinestoros
 Director

The notes on pages 10 to 33 form an integral part of these separate financial statements.

TRENESMA DEVELOPMENT LIMITED

STATEMENT OF CHANGES IN EQUITY

31 December 2023

	Share capital €	Accumula- ted losses €	Total €
Balance at 1 January 2022	1.000	(2.315.790)	(2.314.790)
Comprehensive income			
Net loss for the year	-	(1.186.761)	(1.186.761)
Total comprehensive income for the year	-	(1.186.761)	(1.186.761)
Balance at 31 December 2022/ 1 January 2023	1.000	(3.502.551)	(3.501.551)
Comprehensive income			
Net loss for the year	-	(1.230.951)	(1.230.951)
Total comprehensive income for the year	-	(1.230.951)	(1.230.951)
Balance at 31 December 2023	1.000	(4.733.502)	(4.732.502)

The advance from shareholders is made available to the Board of Directors for future increases of the share capital of the Company and are not refundable.

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 10 to 33 form an integral part of these separate financial statements.

TRENESMA DEVELOPMENT LIMITED

CASH FLOW STATEMENT

31 December 2023

	Note	2023 €	2022 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(1.230.951)	(1.186.761)
Adjustments for:			
Depreciation of property, plant and equipment	12	189	133
Reversal of impairment - investments in subsidiaries	13	(7.749)	-
Interest expense	10	1.110.129	1.097.615
		(128.382)	(89.013)
Changes in working capital:			
Decrease in trade and other payables		(21.268)	(35.696)
Cash used in operations		(149.650)	(124.709)
Tax paid		-	(1.576)
Net cash used in operating activities		(149.650)	(126.285)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment	12	-	(1.243)
Net cash used in investing activities		-	(1.243)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		145.000	135.721
Interest paid		-	(721)
Net cash generated from financing activities		145.000	135.000
Net (decrease)/increase in cash and cash equivalents		(4.650)	7.472
Cash and cash equivalents at beginning of the year		11.809	4.337
Cash and cash equivalents at end of the year	15	7.159	11.809

The notes on pages 10 to 33 form an integral part of these separate financial statements.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

1. Incorporation and principal activities

Country of incorporation

The Company Trenesma Development Limited (the "Company") was incorporated in Cyprus on 28 May 2019 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at Klimentos, 41-43, KLIMENTOS TOWER, 1st floor, Flat/Office 11/B, 1061, Nicosia, Cyprus.

Principal activity

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

2. Basis of preparation

The separate financial statements of the Company 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.

As of the date of the authorisation of the financial statements, all International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) that are effective as of 1 January 2023 and relevant to the Company have been adopted by the EU through the endorsement procedure established by the European Commission.

The separate financial statements have been prepared under the historical cost convention.

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. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 7.

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 (IFRSs) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2023. This adoption did not have a material effect on the accounting policies of the Company.

4. Significant accounting policies

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

Management seeks not to reduce the understandability of these separate financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

Going concern basis

The Company incurred a loss of €1.230.951 for the year ended 31 December 2023, and, as of that date the Company's liabilities exceeded its assets by €4.732.502. The Company is dependent upon the continuing financial support of its shareholder without which there would be significant doubt about its ability to continue as a going concern as well as its ability to realise its assets and discharge its liabilities in the ordinary course of business. The shareholder has indicated his intention to continue providing such financial assistance to the Company to enable it to continue as a going concern and to meet its obligations as they fall due.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Consolidated financial statements

The Company has subsidiary undertakings for which section 142(1)(b) of the Cyprus Companies Law Cap. 113 requires consolidated financial statements to be prepared and laid before the Company at the Annual General Meeting. The Group consolidated financial statements comprise the financial statements of the parent company Trenesma Development Limited and the financial statements of the following subsidiaries, (1) Eurovea 2, s.r.o., (2) Eurovea 2 financing, s.r.o. and (3) Sklad 7, s.r.o. (all Slovak Republic).

The financial statements of all the Group companies are prepared using uniform accounting policies. All inter-company transactions and balances between Group companies have been eliminated during consolidation.

Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

Revenue

Recognition and measurement

Revenue represents the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, value-added taxes); the transaction price. The Company includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Company's experience with similar contracts and forecasted sales to the customer.

The Company recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the Company can identify each party's rights and the payment terms for the goods or services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract), it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific criteria have been met for each of the Company's contracts with customers.

The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. In evaluating whether collectability of an amount of consideration is probable, the Company considers only the customer's ability and intention to pay that amount of consideration when it is due.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates are reflected in the statement of profit or loss and other comprehensive income in the period in which the circumstances that give rise to the revision become known by Management.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Revenue (continued)

Identification of performance obligations

The Company assesses whether contracts that involve the provision of a range of goods and/or services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified on the basis of its stand-alone selling price. A good or service that is promised to a customer is distinct if the customer can benefit from the good or service, either on its own or together with other resources that are readily available to the customer (that is the good or service is capable of being distinct) and the Company's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (that is, the good or service is distinct within the context of the contract).

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

• Income from investments in securities

Dividend from investments in securities is recognised when the right to receive payment is established. Withheld taxes are transferred to profit or loss. Interest from investments in securities is recognised on an accruals basis.

Profits or losses from the sale of investments in securities represent the difference between the net proceeds and the carrying amount of the investments sold and is transferred to profit or loss.

The difference between the fair value of investments at fair value through profit or loss as at 31 December 2023 and the mid cost price represents unrealised gains and losses and is included in profit or loss in the period in which it arises. Unrealised gains and losses arising from changes in the fair value of financial assets at fair value through other comprehensive income are recognised in other comprehensive income and then included in the fair value reserve in equity. When financial assets at fair value through other comprehensive income are sold or impaired, the accumulated fair value adjustments are transferred to retained earnings.

Finance income

Interest income is recognised on a time-proportion basis using the effective method.

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.

Dividends

Dividend distribution to the Company's shareholders is recognised in the Company's financial statements in the year in which they are approved by the Company's shareholders.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Property, plant and equipment (continued)

Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life. The annual depreciation rates used are as follows:

	%
Property, plant and equipment	20
Office furniture	10

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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 - Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Financial assets - Classification (continued)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Financial assets - Recognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets - impairment - credit loss allowance for ECL

The Company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within "net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Financial assets - impairment - credit loss allowance for ECL (continued)

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For trade receivables and contract assets, including trade receivables and contract assets with a significant financing component, and lease receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the financial assets.

For all other financial instruments that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to note 6, Credit risk section, for a description of how the Company determines when a SICR has occurred. If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Company's definition of credit impaired assets and definition of default is explained in note 6, Credit risk section.

Additionally the Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 6, Credit risk section for a description of how the Company determines low credit risk financial assets.

Financial assets -Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets - modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Financial assets - modification (continued)

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

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.

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.

Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

Credit related commitments

The Company issues commitments to provide loans. Such commitments are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight-line basis over the life of the commitment, except for commitments to originate loans if it is probable that the Company will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination; such loan commitment fees are deferred and included in the carrying value of the loan on initial recognition. At the end of each reporting period, the commitments are measured at (i) the remaining unamortised balance of the amount at initial recognition, plus (ii) the amount of the loss allowance determined based on the expected credit loss model, unless the commitment is to provide a loan at a below market interest rate, in which case the measurement is at the higher of these two amounts. The carrying amount of the loan commitments represents a liability. For contracts that include both a loan and an undrawn commitment and where the Company cannot separately distinguish the ECL on the undrawn loan component from the loan component, the ECL on the undrawn commitment is recognised together with the loss allowance for the loan. To the extent that the combined ECLs exceed the gross carrying amount of the loan, they are recognised as a liability.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Borrowings

Borrowings are recorded initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Trade payables

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

Financial liabilities - Modifications

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. (In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in loan covenants are also considered.)

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset, when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

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.

Prepayments

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Company has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognised in profit or loss.

Share capital

Ordinary shares are classified as equity.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Non-current liabilities

Non-current liabilities represent amounts that are due more than twelve months from the reporting date.

5. New accounting pronouncements

At the date of approval of these separate 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 separate 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.

(i) Risk management

Credit risk is managed on an individual basis. For banks and financial institutions, the Company has established policies whereby the majority of bank balances are held with independently rated parties with a minimum rating of 'C'.

If debtor/borrower are independently rated, these ratings are used. Otherwise, if there is no independent rating, Management assesses the credit quality of the debtor/borrower, taking into account its financial position, past experience and other factors. Individual credit limits and credit terms are set based on the credit quality of the customer in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The Company's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

These policies enable the Company to reduce its credit risk significantly.

(ii) Impairment of financial assets

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

- trade receivables
- financial assets at amortised cost
- cash and cash equivalents
- credit commitments

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

- For trade receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected losses to be recognised from initial recognition of the financial assets.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

6. Financial risk management (continued)

6.1 Credit risk (continued)

(ii) Impairment of financial assets (continued)

- For all other financial assets that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial asset that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Impairment losses are presented as net impairment losses on financial and contract assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Significant increase in credit risk

The Company considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's/counterparty's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant increases in credit risk on other financial instruments of the same borrower/counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the Company and changes in the operating results of the borrower/counterparty.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Low credit risk

The Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

6. Financial risk management (continued)

6.1 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

Write-off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a debt financial asset for write off when a debtor fails to make contractual payments greater than 180 days past due. Where debt financial assets have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Company's exposure to credit risk for each class of (asset/instrument) subject to the expected credit loss model is set out below:

Cash and cash equivalents

The Company assesses, on an individual 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.

Bank deposits held with banks with investment grade rating are considered as low credit risk.

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 December 2023 and 31 December 2022:

Company internal credit rating	External credit rating	2023 €	2022 €
Performing	Baa3	7.159	11.809
Total		7.159	11.809

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.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

6. Financial risk management (continued)

6.2 Liquidity risk (continued)

31 December 2023	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-2 years €	2-5 years €	More than 5 years €
Other loans	17.310.773	18.024.891	-	18.024.891	-	-	-
Trade and other payables	3.599	3.599	3.599	-	-	-	-
Loans from subsidiaries	4.640.271	5.208.942	-	-	-	5.208.942	-
	21.954.643	23.237.432	3.599	18.024.891	-	5.208.942	-

31 December 2022	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-2 years €	2-5 years €	More than 5 years €
Other loans	16.318.718	17.915.729	-	-	17.468.416	447.313	-
Trade and other payables	5.307	5.307	1.731	3.576	-	-	-
Loans from subsidiaries	4.377.198	5.208.942	-	-	-	5.208.942	-
	20.701.223	23.129.978	1.731	3.576	17.468.416	5.656.255	-

6.3 Capital risk management

Capital includes equity shares and share premium, convertible preference shares and loan from parent company.

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.

- **Going concern basis**

Management has made an assessment of the Company's ability to continue as a going concern.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

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

- **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.

- **Income taxes**

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Critical judgements in applying the Company's accounting policies

- **Impairment of investments in subsidiaries**

The Company periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries may be impaired, the estimated future discounted cash flows associated with these subsidiaries would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

- **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.

- **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.

- **Useful live of depreciable assets**

The Board of Directors assesses the useful lives of depreciable assets at each reporting date, and revises them if necessary so that the useful lives represent the expected utility of the assets to the Company. Actual results, however, may vary due to technological obsolescence, mis-usage and other factors that are not easily predictable.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

8. Operating loss

	2023 €	2022 €
Operating loss is stated after charging the following items:		
Depreciation of property, plant and equipment (Note 12)	189	133
Staff costs including Directors in their executive capacity (Note 9)	37.741	37.741
Auditors' remuneration for the statutory audit of annual accounts	7.000	7.000
Auditors' remuneration for other assurance services	20.000	20.000
Auditors' remuneration - prior years	8.930	9.310

9. Staff costs

	2023 €	2022 €
Salaries	34.100	34.100
Social security costs	3.199	3.199
Social cohesion fund	442	442
	37.741	37.741

Average number of employees (including Directors in their executive capacity):

Full time	-	-
Part time	3	3
	3	3

On 1 November 2021, the Company ("Employer") entered into a "Contract of Employment" with Athinoulla Sphika ("Employee") according to which the Employee shall serve the Company as Assistant and the employment shall continue for a period of two years i.e. until 30 October 2023. The Company shall pay the Employee a gross salary of €150 per month.

On 1 November 2021, the Company ("Employer") entered into a "Contract of Employment" with Nicolas Italos ("Employee") according to which the Employee shall serve the Company a Chief Financial Officer and the employment shall continue for a period of two years i.e. until 30 October 2023. The Company shall pay the Employee a gross salary of €1.000 per month.

On 1 November 2021, the Company ("Employer") entered into a "Contract of Employment" with Anna Iuliana Anaxagorou ("Employee") according to which the Employee shall serve the Company as Accountant and the employment shall continue for a period of two years i.e. until 30 October 2023. The Company shall pay the Employee a gross salary of €400 per month.

On 27 October 2023, the Company entered into an Amendment No.1 to the Contracts of Employment with all three employees according to which the employment shall continue until terminated by the parties.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

10. Finance costs

	2023 €	2022 €
Finance costs		
Interest expense		
Loan interest	1.110.129	1.097.615
Sundry finance expenses		
Bank charges	3	3
	<u>1.110.132</u>	<u>1.097.618</u>

11. Tax

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

	2023 €	2022 €
Loss before tax	<u>(1.230.951)</u>	<u>(1.186.761)</u>
Tax calculated at the applicable tax rates	(153.869)	(148.345)
Tax effect of expenses not deductible for tax purposes	154.838	148.362
Tax effect of allowances and income not subject to tax	<u>(969)</u>	<u>(17)</u>
Tax charge	<u>-</u>	<u>-</u>

The corporation tax rate is 12,5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 30% (reduced to 17% as of 1 January 2024). 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%.

Gains on disposal of qualifying titles (including shares, bonds, debentures, rights thereon etc) are exempt from Cyprus income tax.

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.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

12. Property, plant and equipment

	Furniture, fixtures and office equipment €
Cost	
Balance at 1 January 2022	-
Additions	<u>1.243</u>
Balance at 31 December 2022	<u>1.243</u>
 Balance at 31 December 2022/ 1 January 2023	 <u>1.243</u>
Balance at 31 December 2023	<u>1.243</u>
 Depreciation	
Balance at 1 January 2022	-
Charge for the year	<u>133</u>
Balance at 31 December 2022/ 1 January 2023	<u>133</u>
Charge for the year	<u>189</u>
Balance at 31 December 2023	<u>322</u>
 Net book amount	
Balance at 31 December 2023	<u>921</u>
Balance at 31 December 2022	<u>1.110</u>

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

13. Investments in subsidiaries

	2023 €	2022 €
Balance at 1 January	17.234.343	17.234.343
Reversal of impairment	7.749	-
Balance at 31 December	17.242.092	17.234.343

The details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	2023 Holding %	2022 Holding %	2023 €	2022 €
Eurovea 2, s.r.o. (former Eurovea 2, a.s.)	Slovak Republic	Holding a building permission for developing of retails, offices and shopping centre	100	100	17.234.343	17.234.343
Eurovea 2 financing, s.r.o.	Slovak Republic	Holding a building permission for developing of retails, offices and shopping centre	100	100	-	-
Sklad 7, s.r.o.	Slovak Republic	Holding a building permission for developing of retails & offices	100	100	7.749	-
					17.242.092	17.234.343

Investments in Subsidiaries relate to the following:

(I) Investment in Eurovea 2, s.r.o. (former Eurovea 2, a.s.)

(i) On 17 September 2019, the Company ("Assignee"), a third party ("Assignor") and another third party ("Beneficiary") entered into an Agreement for assignment of rights and assumption of obligations, according to which the Assignor assigns to the Company all existing and future rights out of the Contract on future contract dated 8 August 2018. Under the Contract on future contract, the Assignor has paid to the Beneficiary security in the amount of €1.500.000 and the Beneficiary is obliged to return paid security to the Assignor within 15 days from the date of this Contract.

(ii) On 18 September 2019, the Company ("Purchaser") and a third party ("Seller") entered into a Securities Transfer Agreement for the transfer of the 100% shareholding in Eurovea 2, a.s., which corresponds to 3.175 registered ordinary shares with a nominal value of €15.875.000. The purchase price is €17.234.343,01.

The purchase price was settled on the same day.

The Issuer has not issued any bonds, bills of exchange or any other securities or financial instruments through which it secured its liabilities from business except for the blank note issued to secure Issuer's obligation to return a loan granted by the Seller under the Loan Agreement concluded on 9 August 2018 for €35.400.000 at an interest rate of 7,00% per annum and the Loan Agreement entered into on 17 January 2019 in the amount of €900.000 at an interest rate of 7,00% per annum. The Seller informs the Purchaser that the Loans are payable no later than 6 months after the termination of the Seller's ownership in the Issuer company. The current balance of the loan principal is €36.080.000 and accrued interest is €2.787.054,79.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

13. Investments in subsidiaries (continued)

(II) Investment in EUROVEA 2 financing, s.r.o.

(i) On 16 October 2019, the Company incorporated Eurovea 2 financing, s.r.o., a company registered in the Slovak Republic, the share capital of which consists of 5.000 shares of nominal value of €1 each. The share capital was paid by the shareholder on 16 October 2019.

On 31 December 2019, the net equity of EUROVEA 2 financing, s.r.o. was lower than the cost recorded in the books of the Company and an impairment in the amount of €3.200 was made.

On 31 December 2020, the net equity of EUROVEA 2 financing, s.r.o. was negative and an additional impairment in the amount of €1.800 was made, reducing the carrying cost of the investment after accumulated impairment to €nil.

(III) Investment in Sklad 7, s.r.o.

(i) On 13 May 2020, the Company ("Transferee") concluded an Agreement on Transfer of Business Share with an individual ("Transferor 1") and another third party ("Transferor 2") for the transfer of the business shares representing 100% share of the registered share capital of Alesia, s.r.o. The Company undertakes to pay the Transferor 1 a remuneration in the amount of €3.874,50 ("Remuneration 1") and the Transferor 2 a remuneration in the amount of €3.874,50 ("Remuneration 2"). The Remuneration 1 and Remuneration 2 are payable within 7 days from the date of the signature of this Agreement.

The remunerations were indeed paid on 14 May 2020.

On 28 May 2020, the subsidiary changed its name from Alesia, s.r.o. to Sklad 7, s.r.o.

On 31 December 2020, the net equity of Sklad 7, s.r.o. was lower than the cost recorded in the books of the Company and an impairment in the amount of €3.468 was made.

On 31 December 2021, the net equity of Sklad 7, s.r.o. was negative and an impairment in the amount of €4.281 was made (fully impaired).

On 31 December 2023, the net equity of Sklad 7, s.r.o. was positive and a full reversal of impairment in the amount of €7.749 was made.

14. Receivables

	2023	2022
	€	€
Shareholders' current accounts - debit balances (Note 20.4)	1	1
Deposits and prepayments	400	400
	<u>401</u>	<u>401</u>

The fair values of 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 receivables is reported in note 6 of the separate financial statements.

15. Cash at bank and in hand

Cash balances are analysed as follows:

	2023	2022
	€	€
Cash at bank and in hand	7.159	11.809
	<u>7.159</u>	<u>11.809</u>

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

15. Cash at bank and in hand (continued)

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 separate financial statements.

16. Share capital

	2023 Number of shares	2023 €	2022 Number of shares	2022 €
Authorised				
Ordinary shares of €1 each	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Issued and fully paid				
Balance at 1 January	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Balance at 31 December	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>

17. Borrowings

	2023 €	2022 €
Balance at 1 January	20.695.916	19.463.301
Additions	145.000	135.000
Interest expense	<u>1.110.128</u>	<u>1.097.615</u>
Balance at 31 December	<u>21.951.044</u>	<u>20.695.916</u>

	2023 €	2022 €
Current borrowings		
Other loans	<u>17.310.773</u>	-
	<u>17.310.773</u>	-

Non-current borrowings

Other loans	-	16.318.718
Loans from subsidiaries (Note 20.3)	<u>4.640.271</u>	<u>4.377.198</u>
	<u>4.640.271</u>	<u>20.695.916</u>
Total	<u>21.951.044</u>	<u>20.695.916</u>

Maturity of non-current borrowings:

	2023 €	2022 €
Between one to two years	-	16.318.718
Between two and five years	<u>4.640.271</u>	<u>4.377.198</u>
	<u>4.640.271</u>	<u>20.695.916</u>

The weighted average effective interest rates at the reporting date were as follows:

	2023 %	2022 %
Other loans	5,40%-8,00%	5,40%-8,00%
Loans from subsidiaries	6,40%	6,40%

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

17. Borrowings (continued)

(A) Other loans relate to the following:

(i) On 18 September 2019, the Company ("Debtor") concluded a Loan Contract with a third party ("Creditor") for the provision of a loan in the amount of €17.234.343,01, which bears interest at the rate of 5,40% per annum and is repayable until 30 April 2020.

On 13 March 2020, the Company ("Debtor"), a third party ("Assignor") and another third party ("Assignee") entered into an Agreement on Assignment to the Loan Contract dated on 18 September 2019 for the assignment of the Receivable of the Loan Contract against the Company ("Debtor") amounting to €17.685.646,71 ("Receivable") consisting of the loan principal in the amount of €17.234.343,01 and of the outstanding interest calculated to 13 March 2020 in the amount of €451.303,70. The Receivable is payable until 30 April 2020 on the Assignor's Current Account.

Per Amendment No.1 signed on 17 April 2020, the maturity date was extended until 9 September 2020.

Per Amendment No.2 signed on 9 September 2020, the maturity date was extended until 9 September 2021.

Per Amendment No.3 signed on 9 September 2021, the maturity date was extended until 9 September 2024.

Per Amendment No.4 signed on 9 September 2024, the maturity date was extended until 20 December 2024.

On 17 April 2020, the Company ("Debtor") and a third party ("Creditor") entered into an Amendment No.1 to the Loan Contract dated on 18 September 2019 for the assignment of all existing and future rights and obligations of the Credit Contract No. 2/TRSM/2019/JTPE against the Company ("Debtor") amounting to €18.366,18 ("Reward") consisting of the loan principal in the amount of €18.073,86 and of the outstanding interest calculated to 2 April 2020 in the amount of €292,32. The Reward is payable until 31 May 2020 on the Assignor's Current Account.

Per Amendment No.4 signed on 9 September 2024, the maturity date was extended until 20 December 2024.

(ii) On 23 December 2019, the Company ("Debtor") concluded a Credit Contract with a third party ("Creditor") for the provision of a loan with a credit limit of €50.000, which bears interest at the rate of 8,00% per annum and is repayable until 30 December 2020.

On 2 April 2020, the Company ("Debtor"), a third party ("Assignor") and another third party ("Assignee") entered into an Agreement on Assumption of rights and obligations to Credit Contract dated on 23 December 2019 for the assignment of all existing and future rights and obligations of the Credit Contract No. 2/TRSM/2019/JTPE against the Company ("Debtor") amounting to €18.366,18 ("Reward") consisting of the loan principal in the amount of €18.073,86 and of the outstanding interest calculated to 2 April 2020 in the amount of €292,32. The Reward is payable until 31 May 2020 on the Assignor's Current Account.

Per Amendment No.1 signed on 7 July 2020, the credit limit increased to €65.000.

Per Amendment No.2 signed on 30 December 2020, the maturity date was extended until 31 March 2022.

Per Amendment No.3 signed on 23 November 2021, the credit limit increased to €150.000.

Per Amendment No.4 signed on 30 March 2022, the maturity date was extended until 31 March 2024.

Per Amendment No.5 signed on 4 July 2022, the credit limit increased to €250.000.

Per Amendment No.6 signed on 28 February 2023, the credit limit increased to €400.000.

Per Amendment No.7 signed on 6 February 2024, the maturity date was extended until 31 March 2025 and the credit limit increased to €600.000.

(B) Loans from subsidiaries relate to the following:

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

17. Borrowings (continued)

On 20 December 2021, the Company ("Debtor") entered into a "Credit Agreement" with Eurovea 2 financing, s.r.o. ("Creditor") for the provision of a loan with a credit limit in the amount of €7.000.000, which bears interest at the rate of 6,40% per annum and is repayable until 28 February 2026.

18. Trade and other payables

	2023	2022
	€	€
Trade payables	-	400
Accruals	28.432	47.991
Other creditors	3.599	4.907
	<u>32.031</u>	<u>53.298</u>

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

19. 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 separate 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 Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. Management will continue to monitor the situation closely and take appropriate actions when and if needed.

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 Company has no direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

TRENESMA DEVELOPMENT LIMITED

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

19. Operating Environment of the Company (continued)

Despite the absence of 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. Management will continue to monitor the situation closely and will assess the need for any actions in case the crisis becomes prolonged.

20. Related party transactions

The Company is controlled by Mr. Peter Korbacka, resident in the Slovak Republic, who owns 99,9% of the Company's shares. The remaining 0,1% is held by Profel Corporate Limited.

The following transactions were carried out with related parties:

20.1 Directors' remuneration

The remuneration of Directors and other members of key management was as follows:

	2023	2022
	€	€
Directors' remuneration	<u>12.000</u>	<u>12.000</u>
	<u>12.000</u>	<u>12.000</u>

On 1 November 2021, the Company entered into an "Agreement for Appointment of President of the Board of Directors" with Michalis Hadjinestoros ("Director") according to which the Director's appointment shall commence on 1 November 2021 and shall expire upon his resignation or removal of director. The remuneration of the Director as approved by the last Annual General Meeting is the amount of a yearly compensation of €7.000 and the amount of €1.000 for every director meeting he attends which will be paid on a quarterly base.

20.2 Interest expense to related parties

	2023	2022
	€	€
Eurovea 2 financing, s.r.o. (subsidiary)	<u>263.073</u>	<u>263.794</u>
	<u>263.073</u>	<u>263.794</u>

20.3 Loans from related parties (Note 17)

	2023	2022
	€	€
Eurovea 2 financing, s.r.o. (subsidiary)	<u>4.640.271</u>	<u>4.377.198</u>
	<u>4.640.271</u>	<u>4.377.198</u>

20.4 Shareholders' current accounts - debit balances (Note 14)

	2023	2022
	€	€
Issued share capital	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2023

21. Significant agreements

At the end of the year, the following agreements existed:

- On 27 May 2021, the Company ("Pledgor") entered into a Subordinated Receivables Pledge Agreement with a financial institution ("Pledgee") and Eurovea 2, s.r.o. ("Underlying Obligor") for the creation of a pledge over the Collateral, in the form of existing and future rights of the Company from the Underlying Obligor, for the benefit of the Pledgee to secure the Secured Receivables up to the amount of €150.000.000 ("Maximum Principal Amount").
- On 27 May 2021, the Company ("Pledgor") entered into an Ownership Interest Pledge Agreement with a financial institution ("Pledgee") and Eurovea 2, s.r.o. ("Underlying Obligor") for the creation of a pledge over the Collateral, in the form of 100% of the shares in the Underlying Obligor, for the benefit of the Pledgee to secure the Secured Receivables up to the amount of €150.000.000 ("Maximum Principal Amount").
- On 2 November 2023, the Company ("Pledgor") provided J&T BANKA, a.s. ("Pledgee") with a guarantee of payment of all granted obligations by Sklad 7, s.r.o. ("Debtor"). The Guarantor must repay all outstanding obligations up to the total amount of the loan of €69.000 ("Maximum Principal Amount").

22. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2023.

23. Commitments

The Company had no capital or other commitments as at 31 December 2023.

24. Events after the reporting period

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements, except from the following:

As explained in note 19 the geopolitical situation in Eastern Europe and the Middle East remains intense with the continuation of the conflict between Russia and Ukraine and the Israel-Gaza conflict. As at the date of authorising these separate financial statements for issue, the conflicts continue to evolve as military activity proceeds and additional sanctions are imposed.

Depending on the duration of the conflict between Russia and Ukraine, the Israel-Gaza conflict and continued negative impact on economic activity, the Company might experience further negative results, and liquidity restraints and incur additional impairments on its assets in 2024 which relate to new developments that occurred after the reporting period.

The impact of events after the reporting date on the going concern is described in note 4.

Independent auditor's report on pages 3 to 5

TRENESMA DEVELOPMENT LIMITED

ADDITIONAL INFORMATION TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

CONTENTS	PAGE
Detailed income statement	1
Administration expenses	2
Finance costs	3
Computation of wear and tear allowances	4
Computation of corporation tax	5
Calculation of tax losses for the five-year period	5

TRENESMA DEVELOPMENT LIMITED

DETAILED INCOME STATEMENT

31 December 2023

	Page	2023 €	2022 €
Revenue			
Other operating income			
Reversal of impairment of investments in subsidiaries		<u>7.749</u>	-
		7.749	-
Operating expenses			
Administration expenses	2	<u>(128.568)</u>	(89.143)
Operating loss		(120.819)	(89.143)
Finance costs	3	<u>(1.110.132)</u>	(1.097.618)
Net loss for the year before tax		<u>(1.230.951)</u>	<u>(1.186.761)</u>

TRENESMA DEVELOPMENT LIMITED

ADMINISTRATION EXPENSES

31 December 2023

	2023 €	2022 €
Administration expenses		
Directors' remuneration	12.000	12.000
Staff salaries	22.100	22.100
Social insurance	2.851	2.851
Medical fund	348	348
Social cohesion fund	442	442
Rent	2.440	2.400
Municipality taxes	250	250
Annual levy	350	350
Sundry expenses	143	818
Courier expenses	1.427	451
Computer software	3.713	3.663
Certification and legalisation expenses	450	2.028
Auditors' remuneration for the statutory audit of annual accounts	7.000	7.000
Auditors' remuneration for other assurance services	20.000	20.000
Auditors' remuneration - prior years	8.930	9.310
Accounting fees	2.707	714
Legal fees	1.190	-
Other professional fees	3.944	4.186
Consolidation services	37.500	-
Fines	202	99
Travelling	392	-
Depreciation	189	133
	128.568	89.143

TRENESMA DEVELOPMENT LIMITED

FINANCE COSTS

31 December 2023

	2023 €	2022 €
Finance costs		
Interest expense		
Loan interest	1.110.129	1.097.615
Sundry finance expenses		
Bank charges	3	3
	<u>1.110.132</u>	<u>1.097.618</u>

TRENESMA DEVELOPMENT LIMITED

COMPUTATION OF WEAR AND TEAR ALLOWANCES

31 December 2023

Year	%	COST			ANNUAL ALLOWANCES				Net value 31/12/2023 €
		Balance 1/1/2023 €	Additions for the year €	Disposals for the year €	Balance 31/12/2023 €	Balance 1/1/2023 €	Charge for the year €	On disposals €	
<u>Furniture, fixtures and office equipment</u>									
2022	20	648	-	-	648	94	129	-	425
2022	10	595	-	-	595	40	59	-	496
		1,243	-	-	1,243	134	188	-	921

TRENESMA DEVELOPMENT LIMITED

COMPUTATION OF CORPORATION TAX

31 December 2023

Net loss per income statement	Page	€	€
	1		(1.230.951)
<u>Add:</u>			
Depreciation		189	
Annual levy		350	
Fines		202	
Non-allowable interest		1.110.129	
Other non-allowable expenses		<u>127.830</u>	
			<u>1.238.700</u>
			7.749
<u>Less:</u>			
Reversal of impairment of investments in subsidiaries		<u>7.749</u>	
			<u>(7.749)</u>
Chargeable income for the year			<u><u>-</u></u>
Loss brought forward			<u>(20.400)</u>
Loss carried forward			<u><u>(20.400)</u></u>

CALCULATION OF TAX LOSSES FOR THE FIVE-YEAR PERIOD

Tax year	2018	2019	2020	2021	2022	2023
	€	€	€	€	€	€
Profits/(losses) for the tax year	-	-	11.462	(20.400)	-	-
Gains Offset (€)	-	-	-	-	-	-
- Year						
Gains Offset (€)	-	-	-	-	-	-
- Year						
Gains Offset (€)	-	-	-	-	-	-
- Year						
Gains Offset (€)	-	-	-	-	-	-
- Year						
Gains Offset (€)	-	-	-	-	-	-
- Year						

Net loss carried forward (20.400)