

ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OR LOSS
For the year-ended 30 September 2023

	Notes	2023 US\$	2022 US\$
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Other income		42 677	66 677
Net foreign exchange gains		11 078	96 835
Exploration and evaluation expenditure		(68 649)	-
Other operating expenses		(3 723 397)	(2 370 469)
Results from operating activities		(3 738 291)	(2 206 957)
Finance income		604 648	-
Fair value gain (loss) of financial liabilities at fair value through profit or loss		16 768 078	(10 909 009)
Finance costs		-	(138 881)
Profit (loss) before tax		13 634 435	(13 254 847)
Tax	5	(106 462)	(30 888)
Profit (loss) for the year		13 527 973	(13 285 735)
Other comprehensive income			
Total comprehensive profit (loss) for the year		13 527 973	(13 285 735)
Total comprehensive profit (loss) attributable to:			
Owners of the parent		13 592 456	(13 047 792)
Non-controlling interests		(64 483)	(237 943)
Basic and diluted earnings per ordinary share (\$)		273.06	(564.84)
Headline earnings per ordinary share (\$)		(63.86)	(92.59)

ABRIDGED CONSOLIDATED STATEMENT OF POSITION
As at 30 September 2023

	Notes	2023 US\$	2022 US\$
Assets			
Non-current assets			
Property, plant and equipment	6	57 641 948	12 788 645
Deferred tax assets		27 893	6 476
Total non-current assets		57 669 841	12 795 121
Current assets			
Inventory	7	788 431	-
Income Taxation		4 232	-
Trade and other receivables	8	16 792 784	803 076
Cash and cash equivalents	9	62 053 924	12 551 346
Total current assets		79 639 371	13 354 422
Total assets		137 309 212	26 149 543
Equity and liabilities			
Share capital and share premium		98 674 885	33 674 058
Accumulated losses		(13 696 405)	(27 288 861)
Equity attributable to equity holders of the parent		84 978 480	6 385 197
Non-controlling interests		(1 551 584)	(1 487 101)
Total equity		83 426 896	4 898 096
Non-current liabilities			
Borrowings	10	36 391 710	-
Provisions		59 995	-
Other financial liabilities	11	11 000	16 779 078
Total non-current liabilities		36 462 705	16 779 078
Current liabilities			
Borrowings	10	1 049 728	-
Income taxation		-	14 090
Trade and other payables	12	16 369 883	4 458 279
Total current liabilities		17 419 611	4 472 369
Total liabilities		53 882 316	21 251 447
Total equity and liabilities		137 309 212	26 149 543

The consolidated financial statements were authorised for issue by the Board of Directors on 20 December 2023.

BR Pryor
Director

A Henwood
Director

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 September 2023

	Share capital US\$	Share premium US\$	Accumulated losses US\$	Total equity US\$	Non-controlling interest US\$	Total equity US\$
Balance at 1 October 2021	1 000	-	(15 490 227)	(15 489 227)	-	(15 489 22)
Total comprehensive loss for the year	-	-	-	-	(237 943)	(237 943)
Non Controlling Interest loss for the year	-	-	-	-	-	(13 047 792)
Loss for the year	-	-	(13 047 792)	(13 047 792)	-	(13 047 792)
Total comprehensive loss for the year	-	-	(13 047 792)	(13 047 792)	(237 943)	(13 285 735)
Transactions with owners of the Company						
Contributions by and distributions to owners						
Increase in share capital and share premium	44 200	33 628 858	-	33 673 058	-	33 673 058
Non Controlling Interest Loss on GoZ free carry issue	-	-	1 249 158	1 249 158	(1 249 158)	-
Total transactions with owners of the Company	44 200	33 628 858	1 249 158	33 673 058	(1 249 158)	33 673 058
Balance at 30 September 2022	45 200	33 628 858	(27 288 861)	6 385 197	(1 487 101)	4 898 096
Total comprehensive profit/(loss) for the year						
Non Controlling Interest loss for the year	-	-	-	-	(64 843)	(64 843)
Profit for the year	-	-	13 592 456	13 592 456	-	13 592 456
Total comprehensive profit/(loss) for the year	-	-	13 592 456	13 592 456	(64 843)	13 527 973
Transactions with owners of the Company						
Contributions by and distributions to owners						
Increase in share capital and share premium	9 048	64 991 779	-	65 000 827	-	65 000 827
Total transactions with owners of the Company	9 048	64 991 779	-	65 000 827	-	65 000 827
Balance at 30 September 2023	54 248	98 620 637	(13 696 405)	84 978 480	(1 551 584)	83 426 896

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 September 2023

	Notes	2023 US\$	2022 US\$
Cash flows from operating activities			
Profit/(loss) before tax		13 634 435	(13 254 847)
Adjustments for:			
Depreciation of property, plant and equipment	6	339 181	47 607
Net foreign exchange (gain)/loss		11 078	(96 835)
Interest income		(604 648)	-
Fair value (gain)/loss of financial liabilities at fair value through profit or loss		(16 768 078)	10 909 009
Interest expense		-	138 881
Changes in:			
Trade and other receivables		(15 989 708)	(445 458)
Inventory		(788 431)	2 257
Trade and other payables		11 960 522	2 758 034
Income tax paid		(146 201)	(26 013)
Net cash flows (utilised in) / generated from operating activities		(8 351 850)	32 635
Cash flows from investing activities			
Interest received		604 648	-
Additions to property, plant and equipment	6	(42 552 714)	(12 629 137)
Net cash flows utilised in investing activities		(41 948 066)	(12 629 137)
Cash flows from financing activities			
Proceeds from shares issued		65 000 827	25 096 529
Proceeds from loans raised	10	36 391 710	-
Interest paid	10	(1 590 043)	(76)
Net cash flows from financing activities		99 802 494	25 096 453
Net increase in cash and cash equivalents		49 502 578	12 499 951
Cash and cash equivalents at the beginning of the year		12 551 346	53 979
Effect of exchange rate fluctuations on cash held		-	(2 584)
Cash and cash equivalents at the end of the year	9	62 053 924	12 551 346

PROJECT IMPLEMENTATION PROGRESS OVERVIEW

During the period, KMH raised US\$36.8 million (excluding transaction costs) through a US dollar ("US\$") denominated structured debt instrument that was successfully listed on the VFEX. The funds raised were utilised in part-funding the development of Phase 1 of the Karo Platinum Project ("Karo Project"). In addition, the parent company supported the Karo Project with further equity injection of US\$65 million during the period, which continues to be utilised to support the project's working capital requirements. The project is being developed on the Great Dyke in Mhondoro-Ngezi, Mashonaland West Province.

Karo commenced with bulk earthworks and construction of civils in December 2022. The first concrete was poured in June 2023. In the same month, open pit pilot mining commenced with the objective of optimising the mining methods and producing ore to further test and refine metallurgical processing. At name plate capacity, Karo will process approximately 2.5 Mtpa of ore and produce 190kozpa of platinum group metals ("PGMs") (6E basis). The PGMs' price environment necessitated a review of the commissioning timeline. First ore in mill ("FOIM") is now planned for June 2025 whilst the project workstreams have been divided into smaller commitments to ensure continued development aligned with funding availability. Manufacturing of key long-lead items is nearing completion as of statement of financial position date.

As at 30 September 2023, Karo Platinum employed 846 people on site, of which 135 are Karo employees, with the balance being contractor employees. Most of these employees are drawn from the local community. The safety and health of all employees on the Karo Project site is of paramount importance. Karo is proud to report that by the end of September 2023, the project had run fatality free for 1 022 744 hours.

DIRECTORATE AND SENIOR MANAGEMENT CHANGES DURING THE YEAR

The following directorate and senior management changes took place during the year:

- Gloria Zvaravanhu was appointed to the Board as an Independent Non-Executive Director and Chair of the Audit Committee on 1 February 2023
- Rachel Rhodes resigned on 5 June 2023
- Andrew Henwood was appointed as Financial Director on 15 June 2023

Gloria Zvaravanhu, a Zimbabwean national, is a Chartered Accountant and a highly accomplished professional with a number of postgraduate qualifications, including a Master's Degree in Business Leadership from the University of South Africa and a Master's Degree in International Business Law from the University of Cumbria, United Kingdom. Gloria is the Managing Director of a leading insurance company in Zimbabwe, and previously held senior roles in various companies, including KPMG. She is also an experienced non-executive director with board experience on several Zimbabwean companies and is an advisory board member of the International Federation of Accountants. Gloria is an alumnus of the Fortune 500 Global Women Mentoring Program, where she was mentored by one of the top '50 Most Powerful Women in Business' in the United States. In addition, she has received several business accolades in Zimbabwe in recognition of her unparalleled leadership skills and commercial acumen.

Andrew Henwood is the Financial Director of Karo Mining Holdings. He is also responsible for corporate finance at the Tharisa Group. Andrew is a qualified Industrial Engineer and Chartered Accountant with 25 years of corporate finance, financial reporting and capital markets experience in the natural resources, chemicals, fintech and advisory sectors. Andrew has worked across a wide range of jurisdictions and has been part of numerous mergers and acquisitions, restructuring and capital-raising transactions. Prior to joining the Tharisa Group, Andrew held senior roles at EY, Omnia, Tyne Bank and De Beers.

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Karo Mining Holdings plc ("the Company" or "KMH") was incorporated in the Republic of Cyprus ("Cyprus") on 23 February 2018 as a private limited liability company under the Cyprus Companies Law, Cap. 113. The Company, formerly Karo Mining Holdings Limited, was converted to a public company on 9 September 2022. The main subsidiary of the Company is Karo Zimbabwe Holdings (Private) Limited ("Karo Zimbabwe Holdings"), a company incorporated in Zimbabwe. Karo Zimbabwe Holdings is the holding company of Karo Platinum (Private) Limited ("Karo Platinum"), Karo Power Generation (Private) Limited, Karo Refining (Private) Limited and Karo Coal Mines (Private) Limited (collectively referred to as "the Group").

The entity's registered address is Sofoklis Pittokopitis Business Centre, Office 108-110, 17 Neophytou Nicolaides & Kilkis Street, 8011, Paphos, Cyprus. The Group operates an exploration and mining company in all aspects, specifically in the PGMs industry. These consolidated abridged financial statements were authorised for issue by the Board on Directors on 8 December 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these abridged financial statements are more fully set out in the full Consolidated Annual Financial Statement for KMH. The accounting policies adopted by the Group have consistently been applied to all the years presented and are in line with International Financial Reporting Standards. The material notes accompanying these abridged final statements are as published below:

3. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the Listings Requirements of the Johannesburg Stock Exchange. IFRS comprises the standards issued by the International Accounting Standards Board ("IASB") and IFRS Interpretation Committee as issued by the IASB. Statutory financial statements of the Company were additionally prepared in accordance with IFRS as adopted by the EU and the requirements of the Cyprus Companies Law, Cap. 113. These have been approved and issued on the same date and there are no differences in the two sets of financial statements prepared. The consolidated financial statements are prepared on the historical cost basis except as otherwise stated in the accounting policies set out below. The financial statements are presented in US\$ which is the functional and presentation currency of the Company.

The consolidated abridged financial statements are based on statutory records that are maintained under the historical costs conventions as modified by measurements of certain financial assets and liabilities at fair value. They do not include all information and disclosures required in annual financial statements and should be read in conjunction with the Group's Annual Financial Statements for the year ended 30 September 2023.

4. USE OF JUDGEMENTS AND ESTIMATES

4.1 DIRECT AND INDIRECT EXPENSES CAPITALISED TO MINE DEVELOPMENT COSTS

With effect from 31 March 2022, direct project costs are capitalised to mine development in line with IFRS 6, which requires that all such costs be capitalised, including direct qualifying interest. Direct construction related costs are fully capitalised to mine development costs. Other employment costs relating to support functions like finance, safety, health and environmental, legal costs for staff recruited in financial year 2023 in direct support to the project are equally being capitalised with a minor variation in that 5% of the identified aggregate costs are expensed to the Statement of Comprehensive Income or Losses. This is in line with management's best estimation of the time that can not be considered directly allocable to mine development activities as some of the staff's time relates to certain administrative functions and operational readiness preparations, which fall outside the core development project. Whilst the time allocated to these activities is nominal, it is difficult to ascertain the exact time spend with certainty. Management considers that for these identified support overheads, it is fair and reasonable to allocate 5% of such costs to the statement of comprehensive income or losses.

During the period, for these identified costs, in respect of this 5%, US\$442 683 (2022: nil) was expensed to the statement of comprehensive income or losses.

5. TAX CHARGE

	2023 US\$	2022 US\$
Corporate tax for the year		
- Current taxes – Cyprus current year	(96 541)	(30 888)
- Current taxes – Zimbabwe current year	(9 921)	-
Total charge	(106 462)	(30 888)

6. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery US\$	Mine Development US\$	Land US\$	Right-of-use asset and building improvement US\$	Other US\$	Total US\$
Cost						
Balance at 30 September 2021	87 647	-	-	105 347	194 574	387 568
Additions	-	12 626 772	-	-	2 365	12 629 137
Reclassification	(63 494)	63 494	-	-	-	-
Balance at 30 September 2022	24 153	12 690 266	-	105 347	196 939	13 016 705
Additions	94 880	40 621 038	820 647	-	3 655 919	45 192 484
Balance at 30 September 2023	119 033	53 311 304	820 647	105 347	3 852 858	58 209 189
Accumulated depreciation						
Balance at 30 September 2021	(14 377)	-	-	(105 347)	(60 729)	(180 453)
Charge for the year	(6 043)	-	-	-	(41 564)	(47 607)
Balance at 30 September 2022	(20 420)	-	-	(105 347)	(102 293)	(228 060)
Charge for the year	(6 751)	-	-	-	(332 430)	(339 181)
Balance at 30 September 2023	(27 171)	-	-	(105 347)	(434 723)	(567 241)
Net Book Value						
- 30 September 2023	91 862	53 311 304	-	-	3 418 135	57 641 948
- 30 September 2022	3 733	12 690 266	-	-	94 646	12 788 645

7. INVENTORY

	2023 US\$	2022 US\$
Run of mine platinum ore	788 431	-

Inventories are carried at the lower of cost or net realisable value.

8. TRADE AND OTHER RECEIVABLES

	2023 US\$	2022 US\$
Other receivables	1 212 460	269 023
Prepayments*	15 241 000	21 219
Receivables from related parties	339 324	512 834
Total	16 792 784	803 076

Trade and other receivables of the Group are expected to be recoverable within one year from each reporting date. Trade receivables are unsecured, non-interest bearing and payment terms vary from 0 to 120 days (2022: 0 to 120 days) *Prepayments include capital work in progress payments amounting to US\$14 566 044.

9. CASH AND CASH EQUIVALENTS

	2023 US\$	2022 US\$
Bank balances	62 051 371	12 551 346
Petty cash	2 553	-
Cash balances	62 053 924	12 551 346

10. BORROWINGS

	2023			2022		
	VFEX Bond External Bond holders US\$	VFEX Bond Arxo Finance US\$	Total borrowings US\$	Loan from related party US\$	Lease liabilities US\$	Total borrowings US\$
Balance at the beginning of the year	-	-	-	8 353 535	-	8 353 535
Changes from financing cash flows						
Advances received	26 391 710	10 000 000	36 391 710	-	-	-
Repayment of borrowings including interest	(1 115 043)	(475 000)	(1 590 043)	-	-	-
Changes from financing cash flows	25 276 667	9 525 000	34 801 667			
Liability-related changes						
Interest expense	1 879 771	760 000	2 639 771	138 805	-	138 805
Total liability-related changes	1 879 771	760 000	2 639 771	138 805		138 805
Capitalisation of the outstanding loan	-	-	-	(8 492 340)	-	(8 492 340)
Balance at end of year	27 156 438	10 285 000	37 441 438	-	-	-
Non-current borrowings	26 391 710	10 000 000	36 391 710	-	-	-
Current borrowings	764 728	285 000	1 049 728	-	-	-
Total borrowings	27 156 438	10 285 000	37 441 438	-	-	-

In the current year, the company raised US\$36.8 million (excluding issue costs) through the issuance of listed bonds guaranteed by Tharisa plc on the VFEX in Zimbabwe. A fellow Tharisa Group Company, Arxo Finance, subscribed for US\$10 million of the bond raised. The bonds raised have a 3 year maturity, a coupon interest rate of 9.5% per annum and biannual interest payments to bondholders. The 1st coupon payment was fully paid in June 2023. Also, the 2nd coupon payment which was due in December 2023, has already been settled.

11. OTHER FINANCIAL LIABILITIES

	2023 US\$	2022 US\$
Non Controlling Interest option – Republic of Zimbabwe	11 000	16,779,078

On the 22nd of March 2018, the Company and the Republic of Zimbabwe entered into an Investment Project Framework Agreement (IFA) for the development of the Project by the Company in partnership with the Republic of Zimbabwe. On the 30th of March 2022 an Addendum to the Investment Framework Agreement ("IFA") was signed between the Company and Republic of Zimbabwe. Within the Addendum it was agreed that Generation Minerals (Private) Limited, a company under the auspices of the Ministry of Finance, Economic Development and Investment Promotion wholly owned by the Republic of Zimbabwe, would hold 15% shares in the Karo Platinum project on a free carry basis with the option to increase its shareholding in Karo Platinum by 11% from the current 15% to 26% payable in cash, exercisable after 24 months, but before 36 months from 30 March 2022, being the date of signing the IFA. If exercised, the 11% option shares are not held on a free carry basis. The option was fair valued by qualified independent financial experts using the Monte Carlo Simulation method of the Karo Project.

12. TRADE AND OTHER PAYABLES

	2023 US\$	2022 US\$
Trade payables	10 610 913	1 138 652
Accrued expenses	237 111	1 298 203
Salary accruals	58 768	28 223
Leave pay accrual	264 718	6 623
Other payables	4 861 400	120 573
Payables to related parties	336 973	1 866 005
Total	16 369 883	4 458 279

The amounts above are unsecured, non-interest bearing and payable within one year from the reporting period. The amounts reflected above approximate fair value, due to the short-term thereof.

13. CAPITAL COMMITMENTS AND GUARANTEES

	2023 US\$	2022 US\$
Capital commitments		
Authorised and contracted	145 181 372	15 373 819
Authorised and not contracted	-	-
Total	145 181 372	15 373 819

14. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors is not aware of any other matter or circumstance arising since the end of the financial year that will impact these financial results.

15. GOING CONCERN

Tharisa plc initially provided a loan facility of US\$8 million to fund the initial exploration activities. In 2022 this amount was settled by the Company through the issue of new ordinary shares. As part of the equity and quasi equity to be raised by the Company as part of the funding of the Karo Platinum Project, Tharisa plc committed to provide US\$135 million of funding to the Karo Platinum Project, of this amount US\$65 million has been received. The balance of US\$70 million is available for draw-down. In addition, negotiations are in progress to raise US\$260 million debt capital in order to fund the Karo Platinum Project. Negotiations are well advanced by Karo Platinum on a senior project finance facility and a term sheet has been agreed with a consortium of lenders, supported by political and commercial risk insurance, for an amount of US\$160 million. Negotiations for the balance of the funding are on-going and the alternatives include commodity pre-payments, by-product and base metal streaming transactions, working capital facilities and possible strategic investors. Advisors have been appointed to advise Karo Platinum on these alternatives. The prospects of success are considered high based on the long asset life of the project and core commodity fundamentals.

The directors have and will continue to review the spending, investment and commitments in the project; and have prepared scenarios to match the project commitments and funding availability should it be required to maintain available funds for the foreseeable future.

Consequently, the directors consider that, as at the date of approval of the consolidated financial statements, the Group will continue to operate for the foreseeable future. Accordingly, the Company has continued to adopt the going-concern basis in the preparation of the Group's consolidated financial statements.



T+357 22495707
F +357 22495717
nicosia@bdo.com.cy
www.bdo.com.cy

236 Strovolos Avenue
2048 Strovols
P.O. Box 25277, 1308
Cyprus

To the Members of Karo Mining Holdings Plc

Report on the Audit of the Consolidated financials statements and separate financial statements

Opinion

We have audited the consolidated financial statements of Karo Mining Holdings Plc and its subsidiaries (the "Group"), and the separate financial statements of Karo Mining Holdings Plc (the "Company"), which are presented in pages 17 to 71 and comprise the consolidated statement of financial position and the statement of financial position of the Company as at 30 September 2023, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows and the statements of comprehensive income, changes in equity and cash flows of the Company for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements and the separate financial statements give a true and fair view of the financial position of the Group and the Company as at 30 September 2023, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

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

Other information

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

Our opinion on the consolidated financial statements and 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 consolidated financial statements and 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 consolidated financial statements and 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.

Responsibilities of the Board of Directors for the Consolidated Financials Statements and Separate Financial Statements

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

In preparing the consolidated financial statements and the separate financial statements, the Board of Directors is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financials Statements and Separate Financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financials statements and 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 consolidated financials statements and 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 consolidated financials statements and 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 Group's and 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 Group's and 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 consolidated financials statements and 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements , including the disclosures, and whether the consolidated financial statements and 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.

Report on Other Legal Requirements

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

- In our opinion, 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 consolidated financial statements and separate financial statements .
- In our opinion, and in the light of the knowledge and understanding of the Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Management Report.

Other Matter

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



Terence Kiely

**Certified Public Accountant and Registered Auditor
for and on behalf of
BDO Ltd
Certified Public Accountants (CY) and Registered
Auditors**

Nicosia, Cyprus, 22 December 2023