RONIN EUROPE LIMITED

ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2024

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BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Tatiana Elkina – Executive Artem Delendik – Executive Alexander Papadopoulos – Non-Executive Yuliy Shleper – Non-Executive Varnavas Playbell – Non-Executive
Company Secretary:	Bizserve Secretarial Services Limited Nicosia, Cyprus
Independent Auditors:	Deloitte Limited Certified Public Accountants and Registered Auditors Maximos Plaza, Tower 1, 3rd Floor 213 Arch. Makariou III Avenue 3030 Limassol Cyprus
Registered office:	19 Promachon Eleftherias street Floor 2 Agios Athanasios 4103, Limassol, Cyprus
Bankers:	J.P. Morgan New York Euroclear Bank S.A. Alpha Bank Cyprus Ltd Converse Bank CJSC Bank Freedom Finance Kazakhstan JSC Al Salam Bank B.S.C. Hellenic Bank Public Company Ltd Sohar International Bank SAOG YES Bank First Abu Dhabi Bank PJSC Sygnum Bank AG Revolut Bank UAB
Registration number:	HE 182457

MANAGEMENT REPORT

The Board of Directors of Ronin Europe Limited (the "Company") presents to the members its Management Report and audited financial statements of the Company for the year ended 31 December 2024.

Incorporation
The Company Ronin Europe Limited was incorporated in Cyprus on 21 August 2006 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113.

Principal activities and nature of operations of the Company
The principal activities of the Company, which are unchanged from last year, are the operation as an investment firm and the provision of investment and related services. On 31 October 2007 the Company received a Financial Services license from the Cyprus Securities and Exchange Commission (CySEC) for the provision of these services. The Company's license was subsequently amended on 7 November 2011, whereby the Company has also been granted a license for trading on own account.

Review of current position, future developments and performance of the Company's business
The Company's development to date, financial results and position as presented in the financial statements are considered satisfactory.

Principal risks and uncertainties
The principal risks and uncertainties faced by the Company are disclosed in notes 6, 7 and 24 of the financial statements.

Existence of branches
The Company does not maintain any branches.

Results
The Company's results for the year are set out on page 6.

Dividends
The Board of Directors does not recommend the payment of a dividend and the net profit for the year is retained.

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 2024 and at the date of this report are presented on page 1.

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.

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.

Independent Auditors
The independent auditors, Deloitte Limited, have expressed their willingness to continue in office and a resolution authorising the Board of Directors to fix their remuneration will be submitted at the forthcoming Annual General Meeting.

By order of the Board of Directors,

Tatiana Elkina
Director

Limassol, 17 April 2025

Deloitte Limited
Maximos Plaza
Tower 1, 3rd Floor
213 Arch. Makariou III Avenue
CY-3030 Limassol, Cyprus
Mail: P.O. Box 58466
CY-3734 Limassol, Cyprus

Tel: +357 25 86 86 86
Fax: +357 25 86 86 00
infolimassol@deloitte.com
www.deloitte.com/cy

Independent Auditor's Report

To the Members of Ronin Europe Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ronin Europe Limited (the "Company"), which are presented in pages 6 to 35 and comprise the statement of financial position as at 31 December 2024, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes of the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

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

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 financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Deloitte.

Independent Auditor's Report (continued)

To the Members of Ronin Europe Limited

Responsibilities of the Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

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

Deloitte.

Independent Auditor's Report (continued)

To the Members of Ronin Europe 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 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 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.

Stelios N. Kyriakides
Certified Public Accountant and Registered Auditor
for and on behalf of
Deloitte Limited
Certified Public Accountants and Registered Auditors

Limassol, 17 April 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 US$	2023 US$
Revenue	8	**11.078.738**	11.029.489
Direct costs	9	**(4.060.530)**	(4.137.458)
Net other operating loss	10	**(2.511)**	(2.404.801)
Administration expenses		**(2.703.167)**	(2.987.675)
Other expenses	11	**(254.000)**	(146.104)
Operating profit		**4.058.530**	1.353.451
Net finance costs	13	**(131.208)**	(45.249)
Profit before tax		**3.927.322**	1.308.202
Tax	14	**(507.401)**	(646.593)
Profit for the year		**3.419.921**	661.609
Other comprehensive income			
Fair value (loss)/gain on financial assets at FVTOCI		**(576.999)**	2.357.718
Reclassification adjustment relating to financial assets at FVTOCI disposed during the year		**-**	2.503.909
Effect of loss allowances on debt investments measured at FVTOCI reclassified to profit or loss		**252.698**	142.939
Other comprehensive (loss)/income for the year		**(324.301)**	5.004.566
Total comprehensive income for the year		**3.095.620**	5.666.175

The notes on pages 10 to 35 form an integral part of these financial statements.

RONIN EUROPE LIMITED

STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2024

	Note	2024 US$	2023 US$
ASSETS			
Non-current assets			
Property, plant and equipment	15	**819.152**	751.605
Right-of-use assets	16	**132.221**	264.441
Financial assets at fair value through other comprehensive income	17	**64.310.922**	61.581.381
		65.262.295	62.597.427
Current assets			
Trade and other receivables	18	**2.412.969**	2.117.860
Refundable taxes	23	**-**	87.892
Cash and cash equivalents	19	**468.327**	259.677
		2.881.296	2.465.429
TOTAL ASSETS		**68.143.591**	65.062.856
EQUITY AND LIABILITIES			
Equity			
Share capital	20	**2.000.000**	2.000.000
Share premium		**873.678**	873.678
Other reserves		**(1.991.271)**	(1.666.970)
Retained earnings		**67.009.734**	63.589.813
Total equity		**67.892.141**	64.796.521
Non-current liabilities			
Lease liabilities	21	**-**	2.773
		-	2.773
Current liabilities			
Trade and other payables	22	**223.394**	260.603
Lease liabilities	21	**2.798**	2.959
Current tax liabilities	23	**25.258**	-
		251.450	263.562
Total liabilities		**251.450**	266.335
TOTAL EQUITY AND LIABILITIES		**68.143.591**	65.062.856

On 17 April 2025 the Board of Directors of Ronin Europe Limited authorised these financial statements for issue.

....
Tatiana Elkina
Director

....
Varnavas Playbell
Director

The notes on pages 10 to 35 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital US$	Share premium US$	Fair value reserve - Financial assets at fair value through other comprehensive income US$	Retained earnings US$	Total US$
Balance at 1 January 2023	**2.000.000**	**873.678**	**(6.671.536)**	**62.928.204**	**59.130.346**
Net profit for the year	-	-	-	661.609	661.609
Other comprehensive income for the year	-	-	5.004.566	-	5.004.566
Balance at 31 December 2023/ 1 January 2024	**2.000.000**	**873.678**	**(1.666.970)**	**63.589.813**	**64.796.521**
Net profit for the year	-	-	-	3.419.921	3.419.921
Other comprehensive income for the year	-	-	(324.301)	-	(324.301)
Balance at 31 December 2024	**2.000.000**	**873.678**	**(1.991.271)**	**67.009.734**	**67.892.141**

Share premium is not available for distribution.

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.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 US$	2023 US$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**3.927.322**	1.308.202
Adjustments for:			
Depreciation of property, plant and equipment	15	**76.884**	73.459
Depreciation of right-of-use assets	16	**132.220**	129.896
Exchange difference arising on the translation of non-current assets in foreign currencies		**14.803**	3
Net loss on disposal of financial assets at fair value through other comprehensive income	10	**-**	3.002.795
Reversal of loss allowance from disposal of financial assets measured at FVTOCI	10	**-**	(516.009)
Impairment charge - debt investments at fair value through other comprehensive income	11	**252.698**	142.939
Interest & Investment income	8 & 13	**(2.519.332)**	(1.806.226)
Interest expense on lease liability	21	**21**	247
		1.884.616	2.335.306
Changes in working capital:			
(Increase)/decrease in trade and other receivables		**(199.874)**	534.115
Decrease in trade and other payables		**(37.209)**	(570.717)
Cash generated from operations		**1.647.533**	2.298.704
Tax paid		**(409.087)**	(966.642)
Net cash generated from operating activities		**1.238.446**	1.332.062
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment	15	**(144.431)**	(22.319)
Payment for purchase of financial assets at fair value through other comprehensive income	17	**(2.950.359)**	(31.857.801)
Proceeds from sale of financial assets at fair value through other comprehensive income	17	**-**	24.482.817
Proceeds from redemption of financial assets		**19.538**	-
Interest received		**2.048.377**	2.100.803
Net cash used in investing activities		**(1.026.875)**	(5.296.500)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of leases liabilities	21	**(2.921)**	(250)
Renewal of Rental lease agreement		**-**	(128.443)
Net cash used in financing activities		**(2.921)**	(128.693)
Net increase/(decrease) in cash and cash equivalents		**208.650**	(4.093.131)
Cash and cash equivalents at beginning of the year		**259.677**	4.352.808
Cash and cash equivalents at end of the year	19	**468.327**	259.677

The notes on pages 10 to 35 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. Incorporation and principal activities

Country of incorporation

The Company Ronin Europe Limited (the "Company") was incorporated in Cyprus on 21 August 2006 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 19 Promachon Eleftherias street, Floor 2, Agios Athanasios, 4103, Limassol, Cyprus.

Principal activities

The principal activities of the Company, which are unchanged from last year, are the operation as an investment firm and the provision of investment and related services. On 31 October 2007 the Company received a Financial Services license from the Cyprus Securities and Exchange Commission (CySEC) for the provision of these services. The Company's license was subsequently amended on 7 November 2011, whereby the Company has also been granted a license for trading on own account.

2. Basis of preparation

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

3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2024. This adoption did not have a material effect on the accounting policies of the Company.

4. Material accounting policy information

The principal accounting policies adopted in the preparation of these financial statements are set out below.

Management seeks not to reduce the understandability of these 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 financial statements of the Company have been prepared on a going concern basis.

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.

4. Material accounting policy information (continued)

Revenue (continued)

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.

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).

- **Rendering of services**

  Revenue from rendering of services is recognised over time while the Company satisfies its performance obligations by transferring control over the promised services to the customer in the accounting period in which the services are rendered by reference to the completion of the specific transaction assessed on the basis for the actual service provided as a proportion of the total services to be provided and it is probable that the fees will be collected.

- **Income from investments in securities**

  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.

- **Commission income**

  Commission income is recognised when the service is provided and it is probable that the fee will be collected.

- **Interest income**

  Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Finance income

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

4. Material accounting policy information (continued)

Finance costs

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

Foreign currencies

The financial statements are presented in the currency of the primary economic environment in which the entity operates, the United States Dollars (US$) (its functional currency).

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income and then in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income and then in equity.

The assets and liabilities of the Company's foreign operations (including comparatives) are expressed in United States Dollars using exchange rates prevailing on the reporting date. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Company's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed off.

Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Property, plant and equipment

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

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:

	%
Furniture, fixtures and office equipment	10
Computer hardware	20
Motor vehicles	10
Objects of art	3

No depreciation is provided on land.

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.

4. Material accounting policy information (continued)

Leases

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

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

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

4. Material accounting policy information (continued)

Leases (continued)

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

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 FVTOCI 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, 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 (FVTOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

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 (FVTOCI).

Financial assets - Recognition and derecognition

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.

4. Material accounting policy information (continued)

Financial assets - Measurement (continued)

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in 'other income'. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income. Financial assets measured at amortised cost (AC) comprise: cash and cash equivalents, bank deposits with original maturity over 3 months, trade receivables and financial assets at amortised cost.

FVTOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in "other income". Foreign exchange gains and losses are presented in "other gains/(losses)" and impairment expenses are presented as separate line item in the statement of profit or loss and other comprehensive income.

FVTPL: Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within "other gains/(losses)" in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment, any related balance within the FVTOCI reserve is reclassified to retained earnings. The Company's policy is to designate equity investments as FVTOCI when those investments are held for strategic purposes other than solely to generate investment returns. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL and dividend income are recognised in "other gains/(losses)" in the statement of profit or loss and other comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

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 AC and FVTOCI and with the 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.

4. Material accounting policy information (continued)

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

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 FVTOCI, 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.

Expected losses are recognised and measured according to one of two approaches: general approach or simplified approach.

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.

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.

4. Material accounting policy information (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

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. 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.

Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note 6, Credit risk section.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 180 days past due.

4. Material accounting policy information (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.

Trade payables

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

Offsetting financial instruments

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

Share capital

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

Customer assets and clients funds

Cash held on behalf of clients and financial instruments held in a fiduciary capacity are not treated as assets of the Company and, accordingly, are not included in these financial statements.

Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

5. New accounting pronouncements

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

At the date of approval of these financial statements the following accounting standards were issued by the International Accounting Standards Board but were not yet effective:

(i) Adopted by the European Union

- *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)*

(ii) Not adopted by the European Union

IFRS Standards and Interpretations

- *IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024) (effective for annual periods beginning on or after 01 January 2027).*

5. New accounting pronouncements (continued)

(ii) Not adopted by the European Union (continued)

- *IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024) (effective for annual periods beginning on or after 01 January 2027).*

Amendments

- *Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024) (effective for annual periods beginning on or after 01 January 2026).*
- *Annual Improvements Volume 11 (issued on 18 July 2024) (effective for annual periods beginning on or after 01 January 2026).*
- *Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024) (effective for annual periods beginning on or after 01 January 2026).*

The Board of Directors expects that the adoption of these standards in future periods will not have a material effect on the financial statements of the Company.

6. Financial risk management

Financial risk factors

The Company is exposed to credit risk, liquidity risk, currency risk, debt securities price risk, IT risk, operational risk, compliance risk, litigation risk, reputation risk, business risk, capital risk management and other risks 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 arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost and at fair value through other comprehensive income (FVTOCI) and deposits with banks and financial institutions, as well as credit exposures to receivables from clients.

(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 high credit rating.

For banks and financial institutions, only independently rated parties with high credit rating are accepted. If customers are independently rated, these ratings are used.

Otherwise, if there is no independent rating, management assesses the credit quality of the customer, 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. The Company holds cash collateral for balances from clients.

(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
- debt investments
- cash and cash equivalents

Trade receivables

The Company assesses, on an individual basis, its exposure to credit risk arising from trade receivables. This assessment is based on the rating of the bank institutions where the clients' funds are safeguarded and withdrawn after the year end, since the company transfers funds to fullfil the obligation of it's clients towards the Company during the preceeding month.

6. Financial risk management (continued)

6.1 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Trade receivables (continued)

Loss allowance on Trade receivables was deemed to be minimal and no expected loss provision was recorded during the year.

Debt investments

For measurement of expected credit loss on debt investments, the Company is using published probability of default (PD) and loss given default (LGD) factors issued by credit rating agencies. Debt 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.

Debt investments fair value through other comprehensive income

Debt investments at fair value through other comprehensive income (FVTOCI) include listed debt securities. The loss allowance for debt investments at FVTOCI is recognised in profit or loss and reduces the fair value loss otherwise recognised in OCI.

Cash and cash equivalents

The Company measures its expected credit loss for its cash and cash equivalents by reference to the banks' external credit ratings and relevant published default and loss rates. The Company monitors changes in external credit ratings and default rates and compares these to credit risk at initial recognition. As the Company's cash and cash equivalents are held in banks with high credit quality ratings with investment grade, the probability of default is low and the expected credit loss is minimal. Thus, no loss has been recognized in the financial statements.

(iii) Net impairment losses on financial and contract assets recognised in profit or loss

During the year, the following gains/(losses) were recognised in profit or loss in relation to impaired financial assets and contract assets:

Impairment losses	**2024**	2023
	US$	US$
Increase of allowance on debt investments measured at FVTOCI	**(252.698)**	(142.939)
Net impairment loss on financial and contract assets	**(252.698)**	(142.939)

6. Financial risk management (continued)

6.1 Credit risk (continued)

(iv) Credit quality of debt investments

The credit quality of debt investments that are neither past due nor impaired can be assessed by reference to external credit ratings (if applicable) or to historical information about counterparty default rates:

Counterparties with external credit rating (Fitch)	**2024 US$**	2023 US$
AAA	**2.021.380**	2.043.380
AA+	**982.590**	991.220
AA	**3.622.540**	1.634.900
AA-	**9.018.615**	7.517.620
A+	**6.791.135**	9.716.590
A	**5.842.110**	5.876.490
A-	**8.123.705**	6.280.255
BBB+	**1.986.900**	3.546.150
BBB	**12.474.191**	9.577.685
BBB-	**6.532.250**	7.324.090
BB+	**3.700.150**	3.648.810
BB	**3.173.593**	3.376.815
Not rated	**41.763**	47.376
Total fully performing counterparty exposures	**64.310.922**	61.581.381

Staging classification and provision for ECL analysis:

	2024 Balance	**2024 Provision for ECL**	2023 Balance	2023 Provision for ECL
Stage 1	**62.651.632**	**236.008**	61.581.381	258.530
Stage 2	**1.659.290**	**275.220**	-	-
	64.310.922	511.228	61.581.381	258.530

	2024 US$	2023 US$
Cash at bank and short term bank deposits (1)		
AAA	-	4.263
AA	**416.968**	34.791
AA-	**16.457**	-
BBB-	**1.118**	-
BB+	-	96.716
BB	**8.834**	-
BB-	-	114.397
Not rated	**24.430**	9.437
	467.807	259.604

(1)The difference with the Statement of Financial Position item "cash and cash equivalents" amounting to US$520 (2023: US$73) relates to cash in hand.

All the cash balances are classified at Stage 1.

Loss allowance on cash and cash equivalents was deemed to be minimal and no expected loss provision was recorded during the year.

6. Financial risk management (continued)

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

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

31 December 2024	Carrying amounts US$	3 months or less US$	3-12 months US$	1-2 years US$	2-5 years US$	More than 5 years US$
Lease liabilities	2.798	700	2.098	-	-	-
Trade and other payables	180.798	135.798	45.000	-	-	-
	183.596	**136.498**	**47.098**	-	-	-

31 December 2023	Carrying amounts US$	3 months or less US$	3-12 months US$	1-2 years US$	2-5 years US$	More than 5 years US$
Lease liabilities	5.732	713	2.142	2.877	-	-
Trade and other payables	105.599	105.599	-	-	-	-
	111.331	106.312	2.142	2.877	-	-

6.3 Currency risk
Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Euro, GBP and the Russian Ruble. The Company's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		**Assets**	
	2024 US$	2023 US$	**2024 US$**	2023 US$
Euro	**(124.623)**	(94.453)	**72.666**	222.881
British Pounds	**-**	-	**3.928**	137
Russian Ruble	**-**	-	**3.861**	893
Kazakhstani Tenge	**(191)**	-	**451**	-
Indian Rupee	**-**	-	**822**	557
	(124.814)	(94.453)	**81.728**	224.468

6. Financial risk management (continued)

6.3 Currency risk (continued)

Sensitivity analysis
A 10% strengthening of the United States Dollars against the following currencies at 31 December 2024 would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. For a 10% weakening of the United States Dollars against the relevant currency, there would be an equal and opposite impact on the profit and other equity.

	Equity		Profit or loss	
	2024	2023	**2024**	2023
	US$	US$	**US$**	US$
Euro	**(5.196)**	12.843	**(5.196)**	12.843
British Pounds	**393**	14	**393**	14
Russian Ruble	**386**	89	**386**	89
Kazakhstani Tenge	**26**	-	**26**	-
Indian Rupee	**82**	56	**82**	56
	(4.309)	13.002	**(4.309)**	13.002

6.4 Debt securities price risk
Debt securities price risk is the risk of loss as a result of adverse changes in the prices of debt securities held by the Company. Debt security prices change as the credit risk of the issuers change. The Company invests a significant part of its liquid assets in debt securities, both sovereign and corporate bonds. The Company constantly monitors the risk rating of its investments through various rating agencies, refer to note 12 for the credit risk rating of each individual issuer. Changes in the prices of debt securities classified as fair value through OCI investments affect the equity of the Company (if not impaired).

The Company is exposed to financial risks arising from changes in equity security prices. The Company monitors the mix of equity securities in its portfolio so as to mitigate its exposure to this market price risk.

	2024 US$ Impact on Equity	2023 US$ Impact on Equity
Change in market prices		
+2,5%	**1.607.773**	1.539.535
+5%	**3.215.546**	3.079.069
+10%	**6.431.092**	6.158.138

6.5 IT risk
IT risk could occur as a result of inadequate information technology and processing, or arise from an inadequate IT strategy and policy or inadequate use of the Company's information technology. The Company's Business Continuity Plan addresses the consequences of IT risk. Specifically, policies have been implemented regarding back-up procedures, software maintenance, hardware maintenance, use of the internet and anti-virus procedures. Materialization of this risk has been minimized to the lowest possible level.

6.6 Operational risk
Operational risk is the risk of loss arising from fraud, unauthorized activities, error, omission, inefficiency, systems' failure or external events. It is inherent in every business organization and covers a wide range of issues.

The Company manages operational risk through a control-based environment in which processes are documented and transactions are reconciled and monitored. This is supported by a program of audits undertaken by the Internal Auditors of the Company and by continuous monitoring of operational risk incidents to ensure that past failures are not repeated. In addition the Company manages this risk via onsite inspections by the Compliance Officer, maintaining a Disaster Recovery and Business Continuity plan and information security policy.

6.7 Compliance risk
This could occur as a result of adverse business decisions, improper implementation of decisions or lack of responsiveness to changes in the business environment. The Company's exposure to strategic risk is moderate as policies and procedures to minimize this type of risk are implemented in the overall strategy of the Company.

6. Financial risk management (continued)

6.8 Litigation risk
This could arise as a result of breaches or non-compliance with legislation, regulations, agreements or ethical standards and have an effect on earnings and capital. The probability of such risks occurring is relatively low due to the detailed internal procedures and policies implemented by the Company and regular reviews by the Internal Auditors and Compliance Officer. The structure of the Company is such to promote clear coordination of duties and the management consists of individuals of suitable professional experience, ethos and integrity, who have accepted responsibility for setting and achieving the Company's strategic targets and goals. In addition, the board meets at least annually to discuss such issues and any suggestions to enhance compliance are implemented by management.

6.9 Reputation risk
Reputation risk is the current or prospective risk to earnings and capital arising from an adverse perception of the image of the Company on the part of customers, counterparties, shareholders, investors or regulators. Reputation risk could be triggered by poor performance, the loss of one or more of the Company's key directors, the loss of large clients, poor customer service, fraud or theft, customer claims and legal action, regulatory fines.

The Company has policies and procedures in place when dealing with possible customer complaints in order to provide the best possible assistance and service under such circumstances. The Company's Directors are made up of high caliber professionals who are recognized in the industry for their integrity and ethos; this adds value to the Company.

6.10 Business risk
This includes the current or prospective risk to earnings and capital arising from changes in the business environment including the effects of deterioration in economic conditions. Research on economic and market forecasts are conducted with a view to minimize the Company's exposure to business risk. These are analyzed and taken into consideration when implementing the Company's strategy.

6.11 Capital risk management
The Company, being a Cyprus Investment Firm (CIF) regulated by the Cyprus Securities and Exchange Commission ("CySEC"), is subject to the relevant laws and directives, which provide for the provision of Investment Services, the exercise of Investment Activities, the operation of Regulated Markets and other related matters. The above law governs its obligations with regards to:
(a) what constitutes a CIF's capital base and the method of its computation,
(b) what constitutes a capital adequacy ratio, the manner of its computation as well as the minimum level of adequacy ratio which should be maintained by CIF's,
(c) the minimum capital requirements which CIF firms should maintain.

<u>Computation of Capital Base</u>

The capital base consists of original own funds plus additional own funds less deductions:
i. Original own funds comprise of ordinary share capital issued and fully paid, share premium, reserves with the exception of revaluation reserves, and minority interests less goodwill and other intangible assets.
ii. Additional own funds comprise of revaluation reserves, hybrid capital instruments, fixed term cumulative preference shares, subordinated term loan capital with a minimum original term of maturity of over five years, general provisions for bad debts and minority interest arising from participations in additional own funds.
iii. Deductions from total capital include illiquid financial assets.

<u>Own funds</u>

As per the new rules set by the IFR, investment firms are required to maintain Own Funds consisting of the sum of their Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital, and shall meet all the following conditions at all times:
i. Common Equity Tier 1 Capital of at least 56% of Own Funds Requirements.
ii. Common Equity Tier 1 Capital and Additional Tier 1 Capital of at least 75% of Own Funds Requirements.
iii. Common Equity Tier 1 Capital, Additional Tier 1 Capital and Tier 2 Capital of at least 100% of Own Funds Requirements

6. Financial risk management (continued)

6.11 Capital risk management (continued)

Minimum capital adequacy ratio

The new framework (IFR/IFD) introduces a different approach for calculating the Minimum Capital Requirements, which dictates for Class 2 investment firms, that they are derived by taking the highest of the Fixed Overhead Requirement ("FOR"), the Permanent Minimum Capital Requirement.

Capital adequacy ratio

The capital adequacy ratio expresses the capital base, as this is defined above, as a proportion of the total of risk-weighted assets and off balance sheet items.

Additionally, the Company is required to publish Pillar III disclosures setting out the arrangements it has put in placeto monitor, manage and mitigate the various risks it incurs, as well as the results of its capital adequacy calculationsfor the immediately preceding year based on audited figures. The Company prepares these disclosures on anannual basis reviewed by external auditors by end of May each year and publishes them on its website, https://ron.in.

6.12 Regulatory risk

Regulatory risk is the risk the Company faces by not complying with relevant Laws and Directives issued by its supervisory body. If materialized, regulatory risk could trigger the effects of reputation and strategic risk. The Company has documented procedures and policies based on the requirements of relevant Laws and Directives issued by the Commission; these can be found in the Internal Operations Manual. Compliance with these procedures and policies are further assessed and reviewed by the Company's Internal Auditors and suggestions for improvement are implemented by management. The Internal Auditors evaluate and test the effectiveness of the Company's control framework at least annually. Therefore the risk of non-compliance is very low.

6.13 Safeguarding of clients' assets

The Company is also required to comply with the requirements of Part II, paragraphs 4-9 of the Directive DI87-01 of CySEC for the purposes of safeguarding clients' rights in relation to financial instruments and belongings to them. According to the requirements of the Directive, the Company must establish such internal control procedures around the receipt, maintenance and transmission of clients' assets to ensure the best possible level of protection for clients' financial instruments. These procedures include the segregation of clients' financial instruments from the entity's financial instruments, the performance of reconciliations, the circularisation of account statements to clients and other procedures.

Fair value estimation

The fair values of the Company's financial assets and liabilities approximate their carrying amounts at the reporting date.

7. Critical accounting estimates and judgments

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

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.

7. Critical accounting estimates and judgments (continued)

Judgments

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Calculation of expected credit losses**

  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.

  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.

- **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.

- **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.

8. Revenue

The revenue of the Company consists of the following:

	2024	2023
	US$	US$
Brokerage commissions	**4.791.688**	5.553.474
Performance fee received	**726**	54.601
Portfolio management fees	**88.675**	168.558
Custody commission	**1.498.218**	1.358.327
Account management fees	**2.151.822**	2.050.378
Review of account application documents	**184**	25.202
Investment income (bond interest)	**2.509.829**	1.805.105
Other income	**37.596**	13.844
	11.078.738	11.029.489

8. Revenue (continued)

Investment income is represented by coupon interest earned by the Company on bonds held by the Company during the year as disclosed in note 18.

9. Direct costs

	2024	2023
	US$	US$
Depository and maintenance fees	**1.226.656**	753.000
Other direct costs	**554.819**	520.716
Brokerage fees	**2.279.055**	2.863.742
	4.060.530	4.137.458

10. Net other operating loss

	2024	2023
	US$	US$
Other operating (loss)/income	**(2.511)**	81.985
Reversal of loss allowance from disposal of financial assets measured at FVTOCI	**-**	516.009
Net loss from disposal of financial assets at FVTOCI	**-**	(3.002.795)
	(2.511)	(2.404.801)

11. Other expenses

	2024	2023
	US$	US$
Losses from non received commissions	**-**	3.165
Increase of allowance on debt investments measured at FVTOCI	**252.698**	142.939
Other expenses	**1.302**	-
	254.000	146.104

12. Staff costs

	2024	2023
	US$	US$
Salaries	**1.753.961**	1.994.810
Social security costs	**164.122**	168.971
GHS contribution	**49.576**	55.463
	1.967.659	2.219.244

The average number of employees (including Directors in their executive capacity) employed by the Company during the year 2024 and 2023 were 22 and 25 respectively.

13. Net finance costs

	2024 US$	2023 US$
Finance income		
Interest income	9.503	1.121
	9.503	1.121
Finance costs		
Interest expense		
Interest on obligations under finance leases	(21)	(252)
Other interest	(1.941)	(2.114)
Sundry finance expenses		
Bank charges	(70.391)	(27.388)
Net foreign exchange losses		
Realised foreign exchange losses	(68.358)	(16.616)
	(140.711)	(46.370)
Net finance costs	(131.208)	(45.249)

14. Tax

	2024 US$	2023 US$
Corporation tax - current year	507.401	646.634
Corporation tax - prior years	-	(41)
Charge for the year	507.401	646.593

The total charge for the year can be reconciled to the accounting profit as follows:

	2024 US$	2023 US$
Profit before tax	3.927.322	1.308.202
Tax calculated at the applicable tax rates	490.915	163.525
Tax effect of expenses not deductible for tax purposes	86.464	568.994
Tax effect of allowances and income not subject to tax	(69.978)	(85.885)
Prior year tax	-	(41)
Tax charge	507.401	646.593

The Company is subject to corporation tax on taxable profits at the rate of 12,5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 17%. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Property, plant and equipment

	Objects of art	Motor vehicles	Furniture, fixtures and office equipment	Computer hardware & software	Total
	US$	US$	US$	US$	US$
Cost					
Balance at 1 January 2023	473.953	212.319	241.056	118.411	1.045.739
Additions	-	11.592	-	10.728	22.320
Disposals	-	(12.488)	-	-	(12.488)
Balance at 31 December 2023/ 1 January 2024	**473.953**	**211.423**	**241.056**	**129.139**	**1.055.571**
Additions	-	121.015	4.264	19.152	144.431
Disposals	-	(29.217)	-	-	(29.217)
Balance at 31 December 2024	**473.953**	**303.221**	**245.320**	**148.291**	**1.170.785**
Depreciation					
Balance at 1 January 2023	21.328	82.173	69.718	69.776	242.995
Charge for the year	14.219	17.255	24.016	17.969	73.459
On disposals	-	(12.488)	-	-	(12.488)
Balance at 31 December 2023/ 1 January 2024	**35.547**	**86.940**	**93.734**	**87.745**	**303.966**
Charge for the year	14.218	19.885	24.822	17.959	76.884
On disposals	-	(29.217)	-	-	(29.217)
Balance at 31 December 2024	**49.765**	**77.608**	**118.556**	**105.704**	**351.633**
Net book amount					
Balance at 31 December 2024	424.188	225.613	126.764	42.587	819.152
Balance at 31 December 2023	438.406	124.483	147.322	41.394	751.605

16. Right-of-use assets

	Buildings
	US$
Cost	
Balance at 1 January 2023	670.433
Additions	128.444
Balance at 31 December 2023/ 1 January 2024	**798.877**
Balance at 31 December 2024	**798.877**
Depreciation	
Balance at 1 January 2023	404.540
Charge for the year	129.896
Balance at 31 December 2023/ 1 January 2024	**534.436**
Charge for the year	132.220
Balance at 31 December 2024	**666.656**
Net book amount	
Balance at 31 December 2024	132.221
Balance at 31 December 2023	264.441

16. Right-of-use assets (continued)

The Company has entered into a contract with Ameliorna Holdings Limited, a related company, for the lease of its headquarters on 1 January 2020.

17. Financial assets at fair value through other comprehensive income

	2024 US$	2023 US$
Balance at 1 January	**61.581.381**	52.023.075
Additions	**2.943.165**	31.666.524
Disposals	**-**	(24.482.817)
Effect of loss allowance on debt investments measured at FVTOCI	**(252.698)**	(142.939)
Revaluation difference transferred to equity	**(324.301)**	153.743
Net effect of the bonds amortization reflected in other comprehensive income	**382.913**	(140.114)
Redemption (amortisation of face value)	**(19.538)**	-
Reversal of revaluation reserve transferred from equity due to disposal	**-**	2.503.909
Balance at 31 December	**64.310.922**	61.581.381

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

31 December 2024	**Level 1 US$**	**Level 2 US$**	**Level 3 US$**	**Total US$**
Government bonds	**40.340.559**	**-**	**-**	**40.340.559**
Corporate bonds	**23.970.363**	**-**	**-**	**23.970.363**
	64.310.922	**-**	**-**	**64.310.922**

31 December 2023	**Level 1 US$**	**Level 2 US$**	**Level 3 US$**	**Total US$**
Government bonds	38.804.505	-	-	38.804.505
Corporate bonds	22.776.876	-	-	22.776.876
	61.581.381	-	-	61.581.381

Disposal of debt investments at FVTOCI:

On disposal of these debt investments, any related balance within the FVTOCI reserve is reclassified to profit or loss.

The exposure of the Company to credit risk and impairment losses in relation to Financial Assets measured at FVTOCI is reported in note 6 of the financial statements.

For Cash Flow Statement presentation purposes, the payments for purchase of financial assets include accrued interest purchased of US$7.194 (2023: US$191.277).

18. Trade and other receivables

	2024 US$	2023 US$
Trade receivables	**1.063.348**	1.347.631
Receivables from related parties (Note 25.4)	**713.940**	200.677
Deposits and prepayments	**112.055**	139.120
Bond interest receivable	**490.694**	395.458
Refundable VAT	**32.932**	34.974
	2.412.969	2.117.860

The Company does not hold any collateral over the trading balances.

18. Trade and other receivables (continued)

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

19. Cash and cash equivalents

Cash balances are analysed as follows:

	2024	2023
	US$	US$
Cash in hand	**520**	73
Cash at bank	**467.807**	259.604
	468.327	259.677

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

20. Share capital

	2024 Number of shares	**2024 US$**	2023 Number of shares	2023 US$
Authorised				
Ordinary shares of US$1 each	2.000.000	2.000.000	2.000.000	2.000.000
Issued and fully paid				
Balance at 1 January	2.000.000	2.000.000	2.000.000	2.000.000
Balance at 31 December	**2.000.000**	**2.000.000**	2.000.000	2.000.000

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

21. Lease liabilities

	2024	2023
	US$	US$
Balance at 1 January	**5.732**	5.732
Renewals on lease	**-**	128.444
Repayments	**(2.921)**	(128.694)
Finance charges	**21**	247
Translation differences	**(34)**	3
Balance at 31 December	**2.798**	5.732

	Minimum lease payments		The present value of minimum lease payments	
	2024	2023	**2024**	2023
	US$	US$	**US$**	US$
Not later than 1 year	**2.805**	2.980	**2.798**	2.959
Later than 1 year and not later than 5 years	**-**	2.980	**-**	2.973
Translation difference	**-**	(200)	**-**	(200)
	2.805	5.760	**2.798**	5.732
Future finance charges	**(7)**	(28)	**-**	-
Present value of lease liabilities	**2.798**	5.732	**2.798**	5.732

During 2024, the Company made a lease payment amounting to US$2.921.

22. Trade and other payables

	2024 US$	2023 US$
Commission fees payable to brokers and custodians	150.849	70.840
Social insurance and other taxes	-	46.371
Other payables	29.554	34.759
Accruals	42.596	50.003
Deferred income	-	58.630
Payables to related parties (Note 25.5)	395	-
	223.394	260.603

23. Current tax liabilities/(current tax assets)

	2024 US$	2023 US$
Corporation tax	25.258	(87.892)
	25.258	(87.892)

24. Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. 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. The Republic of Cyprus has adopted the United Nations and European Union measures. The Company is not directly exposed. Management took appropriate steps to limit any exposures in these countries.

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. 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 situation on the global economy and overall business activities in relation to the above on-going events cannot be estimated with reasonable certainty at this stage, due to the high level of uncertainties arising from the inability to reliably predict the outcome.

The management is continuously monitoring the situation and it is performing all the relevant actions.

25. Related party balances and transactions

The Company's parent company, owning 100% of the Company's issued share capital, is Ronin Partners B.V. During the course of its normal operations, the Company enters into transactions with other group companies which are fellow subsidiaries under common control as well as with other related companies, which are related to the top management and ultimate beneficial shareholders of the Group.

25. Related party balances and transactions (continued)

The related party balances and transactions are as follows:

25.1 Directors' remuneration

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

	2024 US$	2023 US$
Directors' fees	**31.699**	57.909
Directors' remuneration	**131.360**	145.521
	163.059	203.430

25.2 Sales of services

Nature of relationship	Nature of transactions	2024 US$	2023 US$
Companies within the Group	Brokerage income	**980.670**	1.198.255
Other related parties	Brokerage income	**832.815**	1.209.557
Companies within the Group	Custody income	**133.638**	137.362
Other related parties	Custody income	**333.548**	201.013
Companies within the Group	Management account	**239.421**	115.338
Other related parties	Management account	**136.341**	91.269
Companies within the Group	Other revenue	**681**	-
Other related parties	Other revenue	**3.172**	-
		2.660.286	2.952.794

25.3 Purchases of services

Nature of relationship	Nature of transactions	2024 US$	2023 US$
Companies within the Group	Administration services	**4.388**	2.450
Other related parties	Administration services	**-**	3.680
		4.388	6.130

25.4 Receivables from related parties (Note 18)

Nature of relationship	Nature of transactions	2024 US$	2023 US$
Companies within the Group	Brokerage/Custody commission receivable	**105.345**	90.026
Other related parties	Brokerage/Custody commission receivable	**608.595**	110.651
		713.940	200.677

25.5 Payables to related parties (Note 22)

Nature of relationship	Nature of transactions	2024 US$	2023 US$
Companies within the Group	Administration services	**395**	-
		395	-

25. Related party balances and transactions (continued)

25.6 Right-of-use asset and lease liability

	2024 US$	2023 US$
Asset/(Liability)		
Right-of-use asset	**132.221**	264.441
Lease liability	**(2.798)**	(5.732)
Expenses		
Depreciation of right-of-use asset	**132.220**	129.896
Interest on lease liability	**21**	247

The Company has entered into a contract with Ameliorna Holdings Limited, a related company, for the lease of its headquarters on 1 January 2020 until 31 December 2024. During 2023, the Lease has been renewed until 31 December 2025.

26. Contingent liabilities

As at 31 December 2024 the Company was contigently liable in respect to letters of guarantee amounting to €1.615 (US$1.682) (2022: €3.265 (US$3.603)) which have been issued in favour of Cyprus Migration Officer.

27. Commitments

Funds and securities belonging to clients

The Company's primary activity is the provision of financial services to third parties. More specifically the Company operates as an investment firm and provides investment and related services. To render such services to the clients the Company holds client bank accounts, custody and brokerage accounts with Banks, Brokerage Firms and Custodian Banks.

At the year end the Company had deposited in client bank and brokerage accounts, under its own name for and on behalf of its clients, US$220.427.463 (2023: US$156.943.750).

	2024 US$	2023 US$
AAA	-	60.594.718
AA	**89.783.104**	45.059.459
AA-	**84.195.085**	-
BB	**4.064.759**	-
BB-	-	6.523.078
Not rated	**42.384.515**	44.766.495
	220.427.463	156.943.750

Equity securities or other financial instruments held by the Company on behalf of the clients are not reflected in the Company's financial statements. At year end, the Company was holding financial instruments on behalf of its clients with total approximate market value of US$1.699.554.028 (2023: US$1.580.106.594) mainly comprising of listed equity securities and listed bonds.

28. Country by country reporting

Part II, Section 2, Paragraph 18 the Directive DI144 2014 14 of the Cyprus Securities and Exchange Commission of the Prudential Supervision of Investment Firms requires CIFs to disclose annually, by Member State and by third country in which it has establishment the following information.

The Company's return on assets calculated as the net profit divided by the total assets for 2024 was 5% (2023: 1%).

Company name	Nature of activities	Jurisdiction	Turnover	Number of employees	Profit/(Loss) before tax	Tax on profit/(loss)	Public subsidies received
			US$		US$	US$	US$
Ronin Europe Limited	Financial services	Cyprus	11.078.738	22	3.927.322	(507.401)	-
		Total	11.078.738	22	3.927.322	(507.401)	-

29. 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.

Independent auditor's report on pages 3 to 5