Zeno Capital Limited

(Registration number 1628131)
Group Annual Financial Statements
for the year ended 31 December 2021

These group annual financial statements were prepared by:
U Jensen
Group Financial Accountant

HLB CMA South Africa Incorporated
Chartered Accountants (SA)
Registered Auditors

These group annual financial statements have been audited in compliance with the applicable requirements of the BVI Business Companies Act, 2004.

Issued 10 May 2022

General Information

Country of incorporation and domicile	Virgin Islands (British)
Nature of business and principal activities	Proprietary investments and property The Group is an investment group, in pursuance of which members of the public are invited or permitted to invest money and hold participatory interests in the Group's portfolio of securities and in items of which the investors share the risk and benefit of the investment
Directors	A Vassilopoulos CN Vassilopoulos M Maraschin GR Poole G Roussos CM Vining
Registered office	19 Waterfront Drive Road Town Tortola British Virgin Islands VG1110
Business address	1 King William Street London EC4N 7AF
Postal address	PO Box 3540 Road Town Tortola British Virgin Islands VG1110
Holding company	HBW Group Proprietary Limited incorporated in South Africa
Ultimate holding company	Supaluck Investments Proprietary Limited incorporated in South Africa
Bankers	Investec Private Bank Credit Suisse (UK) Limited
Auditors	HLB CMA South Africa Incorporated Chartered Accountants (SA) Registered Auditors
Secretary	Totalserve Trust Company Limited
Company registration number	1628131
Level of assurance	These group annual financial statements have been audited in compliance with the applicable requirements of the BVI Business Companies Act, 2004.

General Information

Preparer	The group annual financial statements were internally compiled by: U Jensen Group Financial Accountant
Issued	10 May 2022

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Preparer

U Jensen
Group Financial Accountant

Published

10 May 2022

Audit Committee Report

This report is provided by the audit committee appointed in respect of the 2021 financial year of Zeno Capital Limited.

1. Members of the Audit Committee

The members of the audit committee include:

Name	Qualification
G Roussos	CA(SA)
CN Vassilopoulos	B.Econsci (Hons), M.Econsci

The committee is satisfied that the members thereof have the required knowledge and experience as set out in the BVI Business Companies Act, 2004.

2. Meetings held by the Audit Committee

The audit committee performs the duties laid upon it by the BVI Business Companies Act, 2004 by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditors.

3. External auditor

The audit committee has nominated HLB CMA South Africa Incorporated as the independent auditor and George Davias as the designated partner, who is a registered independent auditor, for appointment of the 2021 audit.

The committee satisfied itself through enquiry that the external auditors are independent as defined by the BVI Business Companies Act, 2004 and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the BVI Business Companies Act, 2004 that internal governance processes within the firm support and demonstrate the claim to independence.

The audit committee in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

4. Group Annual Financial Statements

Following the review of the group annual financial statements the audit committee recommend board approval thereof.

5. Accounting practices and internal control

The audit committee has monitored the system of internal financial control established by the company and ensured that the directors have placed considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, an audit committee charter is in place setting out the committee's roles and responsibilities. These include:
- reviewing accounting, auditing and financial reporting matters;
- ensuring an effective control environment is maintained;
- assessing adherence to controls;
- monitoring proposed changes in accounting policies;
- advising the board on the accounting implications of major transactions;
- recommending the appointment of external auditors for approval;
- assessing adherence to controls and systems within the company;
- monitoring and appraising internal operating structures and systems to ensure that these are maintained;
- establishing guidelines for recommending the use of external auditors for non-audit services.

Audit Committee Report

6. Financial reporting framework

The audit committee approves that the reporting framework used to prepare the financial statements, being International Financial Reporting Standards, is appropriate.

On behalf of the audit committee

G Roussos
Chairman Audit Committee

Johannesburg

10 May 2022

Directors' Responsibilities and Approval

The directors are required in terms of the BVI Business Companies Act, 2004 to maintain adequate accounting records and are responsible for the content and integrity of the group annual financial statements and related financial information included in this report. It is their responsibility to ensure that the group annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the group annual financial statements.

The group annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the group annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2022 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's group annual financial statements. The group annual financial statements have been examined by the company's external auditors and their report is presented on pages 9 to 11.

The group annual financial statements set out on pages 12 to 42, which have been prepared on the going concern basis, were approved by the directors on 10 May 2022 and were signed on their behalf by:

Approval of financial statements

Director

London

10 May 2022

Directors' Report

The directors have pleasure in submitting their report on the group annual financial statements of Zeno Capital Limited for the year ended 31 December 2021.

1. Review of financial results and activities

The group annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the BVI Business Companies Act, 2004. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these group annual financial statements.

2. Share capital

	2021	2020
Authorised	Number of shares	
Ordinary shares	350 000	350 000

	2021	2020	2021	2020
Issued	$ '000	$ '000	Number of shares	
Ordinary shares	136 620	136 620	64 455	64 455

During the year, the company sold 2 500 treasury shares at US$1 200 per share. There have been no other changes to the authorised or issued share capital during the year under review.There have been no other changes to the authorised or issued share capital during the year under review.

3. Dividends

No dividends have been declared for the financial year ended 31 December 2021. (2020: Nil)

4. Insurance and risk management

The company follows a policy of reviewing the risks relating to assets and possible liabilities arising from business transactions with its insurers on an annual basis. Wherever possible assets are automatically included. There is also a continuous asset risk control programme, which is carried out in conjunction with the company's insurance brokers. All risks are considered to be adequately covered.

5. Directorate

The directors in office at the date of this report are as follows:

Directors	
A Vassilopoulos	Executive
CN Vassilopoulos	Executive
M Maraschin	Executive
GR Poole	Non-executive
G Roussos	Non-executive
CM Vining	Non-executive

There have been no changes to the directorate for the year under review.

6. Holding company

The company's holding company is HBW Group Proprietary Limited which holds 75.23% (2020: 75.23%) of the company's equity. HBW Group Proprietary Limited is incorporated in South Africa.

7. Ultimate holding company

The company's ultimate holding company is Supaluck Investments Proprietary Limited which is incorporated in South Africa.

Directors' Report

8. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report that would have a material effect on these annual financial statements.

9. Going concern

The directors are aware of the effect that the covid-19 pandemic has had on the group's business, especially during the lock down periods. However, the impact, although serious, is unlikely to effect the group's ability to continue as a going concern in the short to medium term.

The group annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the group annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

10. Litigation statement

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

11. Secretary

The company secretary is Totalserve Trust Company Limited.

Postal address:	PO Box 3540 Road Town Tortola British Virgin Islands VG1110
Business address:	19 Waterfront Drive Road Town Tortola British Virgin Islands VG1110

12. Statement of disclosure to the company's auditors

With respect to each person who is a director on the day that this report is approved:

- there is, so far as the person is aware, no relevant audit information of which the company's auditors are unaware; and
- the person has taken all the steps that he/she ought to have taken as a director to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

13. Terms of appointment of the auditors

At the AGM, the directors will be requested to reappoint HLB CMA South Africa Incorporated as the independent external auditors of the group and to confirm Mr G Davias as the designated lead audit partner for the 2022 financial year.

14. Date of authorisation for issue of financial statements

The group annual financial statements have been authorised for issue by the directors on 10 May 2022.

Independent Auditor's Report

To the Shareholders of Zeno Capital Limited

Opinion

We have audited the group financial statements of Zeno Capital Limited (the company) set out on pages 12 to 42, which comprise the statement of financial position as at 31 December 2021, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the group financial statements, including a summary of significant accounting policies.

In our opinion, the group financial statements present fairly, in all material respects, the financial position of Zeno Capital Limited as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the BVI Business Companies Act, 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Group 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) (Parts 1, 3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of group financial statements in Virgin Islands (British). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Virgin Islands (British). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

We are required in terms of ISA701 to report on key audit matters being those matters that, in our professional judgement, were of most significance in our audit of the group financial statements for the current period. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the group financial statements of the current period. These matters were addressed in the context of our audit of the group financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Investment properties comprise the most significant balance in the statement of financial position. The investment properties are shown at fair value through profit and loss. The investment properties are shown at fair values according to a valuation prepared by the directors. The valuation requires significant management judgement and estimation. The investment properties are also valued by independent valuators periodically. The factors that influence the fair values of the properties are, amongst others, the location and the income generated from leases.

Our audit procedures included examination of the methodology used by management and recalculation of values where applicable. All of the investment properties are fully let to third parties with the exception of the Buckmore property where the development has been completed during the current year and has been let to Kiklo Spaces from 1 January 2022.

Other investment assets comprise various investment cars that make up a significant balance in the statement of financial position. The investment cars are disclosed at fair value through profit and loss. The fair value of the investment cars requires significant management judgment and estimation.

In determining the fair value of the investment cars, management has taken into account various factors. These include but are not restricted to the vintage, condition, rarity, special features, auction activities and recent sales prices achieved for similar vehicles.

Our audit procedures included enquiries and discussions with management to ensure that the above methodology was appropriate in the circumstances and was fairly applied. Our examination included determining amounts realised upon disposal of similar vehicles by the group and outside parties before and after the end of the reporting period.

There were no matters regarding the valuations that came to our attention that would affect our opinion above.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Zeno Capital Limited group annual financial statements for the year ended 31 December 2021", which includes the Directors' Report and the Audit Committee's Report as required by the BVI Business Companies Act, 2004. The other information does not include the group financial statements and our auditor's report thereon.

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

In connection with our audit of the group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group 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 Director for the Group Financial Statements

The directors are responsible for the preparation and fair presentation of the group financial statements in accordance with International Financial Reporting Standards and the requirements of the BVI Business Companies Act, 2004, and for such internal control as the directors determine is necessary to enable the preparation of group financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group financial statements, the directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Group Financial Statements

Our objectives are to obtain reasonable assurance about whether the group 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 International Standards on Auditing 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 group financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the group 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 directors.
- Conclude on the appropriateness of the 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 group 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 group financial statements, including the disclosures, and whether the group financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the group financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

HLB CMA South Africa Incorporated
G Davias
Director
Chartered Accountants (SA)
Registered Auditor

10 May 2022
Johannesburg
CMA Office Park
No 1 Second Road
Halfway House
Midrand
South Africa

Statement of Financial Position as at 31 December 2021

Figures in US Dollar thousand	Note(s)	2021	2020
Assets			
Non-Current Assets			
Investment property	3	1 115 500	1 124 304
Property, plant and equipment	4	52	9
Investment in associate	6	18 452	18 452
Loans to associated companies	7	17 899	13 784
Financial and investment assets	8	103 112	107 489
		1 255 015	**1 264 038**
Current Assets			
Trade and other receivables	9	9 112	7 328
Current tax receivable		45	46
Cash and cash equivalents	10	12 112	17 160
		21 269	**24 534**
Total Assets		**1 276 284**	**1 288 572**
Equity and Liabilities			
Equity			
Equity Attributable to Equity Holders of Parent			
Share capital	11	131 616	136 366
Reserves		9 012	1 688
Retained income		240 904	240 751
		381 532	378 805
Non-controlling interest		17 895	17 993
		399 427	**396 798**
Liabilities			
Non-Current Liabilities			
Loans from group companies	14	59 437	57 719
Borrowings	15	698 472	711 174
Financial liabilities at fair value	16	88 787	88 891
Deferred tax		1 208	1 219
Deposits received	17	610	871
		848 514	**859 874**
Current Liabilities			
Borrowings	15	7 891	6 420
Trade and other payables	18	20 452	25 480
		28 343	**31 900**
Total Liabilities		**876 857**	**891 774**
Total Equity and Liabilities		**1 276 284**	**1 288 572**

Statement of Profit or Loss and Other Comprehensive Income

Figures in US Dollar thousand	Note(s)	2021	2020
Revenue	19	47 114	43 774
Operating income	21	134	253
Operating losses	22	(31)	(1 619)
Operating expenses		(5 279)	(11 999)
Operating profit	23	**41 938**	**30 409**
Investment income	20	87	3 554
Finance costs	24	(37 805)	(38 131)
Non-operating (losses) gains	25	(3 824)	40 655
Profit before taxation		**396**	**36 487**
Taxation	26	(341)	-
Profit for the year		**55**	**36 487**
Other comprehensive income (loss):			
Items that will not be reclassified to profit or loss:			
Share of comprehensive income of equity accounted investments		(1)	(637)
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		(425)	5 176
Other comprehensive (loss) income for the year net of taxation		**(426)**	**4 539**
Total comprehensive (loss) income for the year		**(371)**	**41 026**

Profit (loss) attributable to:		
Owners of the parent	153	36 860
Non-controlling interest	(98)	(373)
	55	**36 487**
Total comprehensive (loss) income attributable to:		
Owners of the parent	(273)	41 399
Non-controlling interest	(98)	(373)
	(371)	**41 026**

Statement of Changes in Equity

Figures in US Dollar thousand	Share capital	Foreign currency translation reserve	Reserves for own shares / Share repurchase reserve	Reserve for valuation of investments	Total reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Balance at 01 January 2020	**136 610**	**4 370**	**(8 147)**	**529**	**(3 248)**	**202 537**	**335 899**	**21 183**	**357 082**
Profit for the year	-	-	-	-	-	36 860	36 860	(373)	36 487
Other comprehensive income	-	5 176	-	(637)	4 539	-	4 539	-	4 539
Total comprehensive income for the year	**-**	**5 176**	**-**	**(637)**	**4 539**	**36 860**	**41 399**	**(373)**	**41 026**
Sale of treasury shares	(244)	-	397	-	397	-	153	-	153
Changes in ownership interest	-	-	-	-	-	1 354	1 354	-	1 354
Movement in non-controlling interest	-	-	-	-	-	-	-	(2 817)	(2 817)
Total contributions by and distributions to owners of company recognised directly in equity	**(244)**	**-**	**397**	**-**	**397**	**1 354**	**1 507**	**(2 817)**	**(1 310)**
Balance at 01 January 2021	**136 366**	**9 546**	**(7 750)**	**(108)**	**1 688**	**240 751**	**378 805**	**17 993**	**396 798**
Profit for the year	-	-	-	-	-	153	153	(98)	55
Other comprehensive income	-	(425)	-	(1)	(426)	-	(426)	-	(426)
Total comprehensive income for the year	**-**	**(425)**	**-**	**(1)**	**(426)**	**153**	**(273)**	**(98)**	**(371)**
Sale of treasury shares	(4 750)	-	7 750	-	7 750	-	3 000	-	3 000
Total contributions by and distributions to owners of company recognised directly in equity	**(4 750)**	**-**	**7 750**	**-**	**7 750**	**-**	**3 000**	**-**	**3 000**
Balance at 31 December 2021	**131 616**	**9 121**	**-**	**(109)**	**9 012**	**240 904**	**381 532**	**17 895**	**399 427**
Note(s)	11	13	12						

Statement of Cash Flows

Figures in US Dollar thousand	Note(s)	2021	2020
Cash flows from operating activities			
Cash generated from operations	28	35 167	29 690
Interest income		1	147
Tax paid	27	(340)	(46)
Net cash from operating activities		**34 828**	**29 791**
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(51)	(9)
Movement in investment property	3	(922)	(108 589)
Net movement in group loans		(5 820)	(37 943)
Net movement in financial and investment assets		4 846	45 660
Non-cash item changes in subsidiary ownership		-	53 898
Net cash from investing activities		**(1 947)**	**(46 983)**
Cash flows from financing activities			
Sale of treasury shares	11	3 000	154
Net movement in borrowings and other financial liabilities		(2 949)	56 586
Movement in deposits received		(261)	-
Interest income		86	1 783
Dividends received		-	1 624
Finance costs		(37 805)	(38 131)
Net cash from financing activities		**(37 929)**	**22 016**
Total cash movement for the year		**(5 048)**	**4 824**
Cash at the beginning of the year		17 160	12 336
Total cash at end of the year	10	**12 112**	**17 160**

Accounting Policies

1. Significant accounting policies

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

1.1 Basis of preparation

The group annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these group annual financial statements and the BVI Business Companies Act, 2004.

The group annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in US Dollars, which is the company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Consolidation

Basis of consolidation

The consolidated group annual financial statements incorporate the group annual financial statements of the company and all subsidiaries. Subsidiaries are entities (including structured entities) which are controlled by the group.

The group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use its power over the entity.

The results of subsidiaries are included in the consolidated group annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the group annual financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the company.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

1.3 Investment in associate

An associate is an entity over which the group has significant influence and which is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. It generally accompanies a shareholding of between 20% and 50% of the voting rights.

Accounting Policies

1.3 Investment in associate (continued)

Investments in associates are accounted for using the equity method, except when the investment is classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, investments in associates are carried in the Statement of Financial Position at cost adjusted for post-acquisition changes in the group's share of net assets of the associate, less any impairment losses.

The company's share of post-acquisition profit or loss is recognised in profit or loss, and its share of movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. Losses in an associate in excess of the group's interest in that associate, including any other unsecured receivables, are recognised only to the extent that the group has incurred a legal or constructive obligation to make payments on behalf of the associate.

1.4 Significant judgements and sources of estimation uncertainty

The preparation of group annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

Fair value estimation

Several assets and liabilities of the company are either measured at fair value or disclosure is made of their fair values.

Observable market data is used as inputs to the extent that it is available. Qualified external valuers are consulted for the determination of appropriate valuation techniques and inputs.

Impairment testing

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

1.5 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Accounting Policies

1.5 Investment property (continued)

Fair value

Subsequent to initial measurement investment property is measured at fair value.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

If the fair value of investment property under construction is not determinable, it is measured at cost until the earlier of the date it becomes determinable or construction is complete.

There are no property interests held under operating leases which are recognised as investment property.

1.6 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

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

Subsequent to initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	Six years
Motor vehicles	Straight line	Five years
IT equipment	Straight line	Three years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Accounting Policies

1.6 Property, plant and equipment (continued)

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.7 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the company, as applicable, are as follows:

Financial assets which are equity instruments:
- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:
- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Derivatives which are not part of a hedging relationship:
- Mandatorily at fair value through profit or loss.

Financial liabilities:
- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Note 33 Financial instruments and risk management presents the financial instruments held by the company based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below:

Accounting Policies

1.7 Financial instruments (continued)

Loans receivable at amortised cost

Classification

Loans to associated companies (note 7) are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on these loans.

Recognition and measurement

Loans receivable are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 9).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Trade and other receivables denominated in foreign currencies

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in operating gains (losses) (note 22).

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management (note 33).

Accounting Policies

1.7 Financial instruments (continued)

Borrowings and loans from related parties

Classification

Loans from group companies (note 14) and borrowings (note 15) are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Borrowings and loans from related parties are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 24.)

Borrowings expose the company to liquidity risk and interest rate risk. Refer to note 33 for details of risk exposure and management thereof.

Loans denominated in foreign currencies

When borrowings are denominated in a foreign currency, the carrying amount of the loan is determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the operating gains (losses) (note 22).

Details of foreign currency risk exposure and the management thereof are provided in the specific loan notes and in the financial instruments and risk management (note 33).

Accounting Policies

1.7 Financial instruments (continued)

Trade and other payables

Classification

Trade and other payables (note 18), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 24).

Trade and other payables expose the company to liquidity risk and possibly to interest rate risk. Refer to note 33 for details of risk exposure and management thereof.

Trade and other payables denominated in foreign currencies

When trade payables are denominated in a foreign currency, the carrying amount of the payables are determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the operating gains (losses) (note 22).

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management note (note 33).

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

1.8 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Accounting Policies

1.8 Tax (continued)

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.9 Leases

The company assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Accounting Policies

1.9 Leases (continued)

Company as lessor

Leases for which the company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

When the company is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the company applies the exemption described previously, then it classifies the sub-lease as an operating lease.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated by applying IFRS 15.

Operating leases

Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease, or on another systematic basis if that basis is more representative of the pattern in which the benefits form the use of the underlying asset are diminished. Operating lease income is included in revenue (note 19).

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and are expensed over the lease term on the same basis as the lease income.

Modifications made to operating leases are accounted for as a new lease from the effective date of the modification. Any prepaid or accrued lease payments relating to the original lease are treated as part of the lease payments of the new lease.

1.10 Impairment of assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the company also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

Accounting Policies

1.10 Impairment of assets (continued)

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.11 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity.

1.12 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.13 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the business or part of a business concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for terminating their services;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Accounting Policies

1.13 Provisions and contingencies (continued)

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 30.

1.14 Revenue from contracts with customers

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

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The stage of completion is determined by the proportion of costs incurred to date bear to the total estimated costs of the transaction. When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Revenue comprises rental income and recovery of expenses where appropriate, excluding value added tax (VAT). Rental income from investment property is recognised in profit or loss on a straight line basis over the term of the lease. Recovery of expenses is recognised in profit or loss when the right to the recovery of the expense arises, which is generally when the contractually stipulated expense has been incurred.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.15 Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

1.16 Translation of foreign currencies

Investments in subsidiaries, joint ventures and associates

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

Figures in US Dollar thousand | 2021 | 2020

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	**Effective date: Years beginning on or after**	**Expected impact:**
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 7	01 January 2021	The impact of the amendments is not material.
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9	01 January 2021	The impact of the amendments is not material.
• Interest Rate Benchmark Reform - Phase 2: Amendments to IAS 39	01 January 2021	The impact of the amendments is not material.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 January 2022 or later periods:

Standard/ Interpretation:	**Effective date: Years beginning on or after**	**Expected impact:**
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	01 January 2022	Not expected to impact results but may result in additional disclosure

2.3 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the company's accounting periods beginning on or after 01 January 2022 or later periods but are not relevant to its operations:

Standard/ Interpretation:	**Effective date: Years beginning on or after**	**Expected impact:**
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	01 January 2023	Unlikely there will be a material impact
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	01 January 2022	Not expected to impact results but may result in additional disclosure

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020

3. Investment property

	2021			2020		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	1 115 500	-	1 115 500	1 124 304	-	1 124 304

Reconciliation of investment property - 2021

	Opening balance	Additions	Foreign exchange movements	Total
Investment property	1 124 304	922	(9 726)	1 115 500

Reconciliation of investment property - 2020

	Opening balance	Additions	Foreign exchange movements	Total
Investment property	986 516	108 589	29 199	1 124 304

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020

3. Investment property (continued)

Details of property

35 Basinghall Street, London, EC2 and 16 Coleman Street, London, EC2R
The property is let to Standard Chartered Bank on a fully repairing and insuring lease expiring in June 2027. The property has been mortgaged as security for the liability noted in note 15.

- Purchase price: April 2013	346 497	346 497
- Capitalised expenditure	1 238	1 238
- Fair value adjustments	195 234	195 234
- Foreign exchange movement	(82 881)	(78 732)
	460 088	**464 237**

Riverbank House, 95 - 103 Upper Thames Street, London EC4R 3TJ
Long Leasehold Interest in land for a term of 155 years from 31 August 2007. The Head Lease contains a no cost option to renew for a further 50 years beyond this date. The property has been developed and is let in its entirity with a 25.5 year lease term from 26 May 2010. The property has been mortgaged as security for the liability noted in note 15.

- Purchase price: December 2017	485 522	485 522
- Capitalised expenditure	3 083	3 083
- Fair value adjustments	51 915	51 915
- Foreign exchange movement	760	5 640
	541 280	**546 160**

Sainsbury Superstore, Trafalgar Way, Croydon, CRO 4XT
Land held under title deed number SH46251. The property is let, in it's entirity to Sainsbury's Supermarket Limited for a term of 99 years from 25 March 1987 to 24 March 2086. The lease is subject to 5 yearly rent reviews and is on full repairing and insuring terms with no onerous covenants on the landlord or the tenant. The property has been mortgaged as security for the liability noted in note 15.

- Purchase price	44 046	44 046
- Fair value adjustments	59 041	59 041
- Foreign exchange movement	(921)	-
	102 166	**103 087**

Car storage facility and land at Buckmore Farm, Winchester Road, Petersfield GU32 3BU
Land held under title deed number SH46251. The property has been mortgaged as security for the liability noted in note 15. The property has been fully developed and has been let to Kiklo Spaces Limited from 1 January 2022.

- Purchase price: June 2016	1 622	1 622
- Capitalised expenditure	9 595	8 673
- Foreign exchange movement	601	376
	11 818	**10 671**

Freehold land on the north side of the Winchester Road, Stroud, Petersfield
Land held under title deed number HP475373.

- Purchase price: September 2020	131	131
- Capitalised expenditure	10	10
- Foreign exchange movement	7	8
	148	**149**

Figures in US Dollar thousand 2021 2020

Notes to the Group Annual Financial Statements

3. Investment property (continued)

Registers with details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered office of the company.

Details of valuation

The effective date of the revaluations was 31 December 2021. The investment properties are disclosed at the directors valuation as at the reporting date. The investment property is independently valued periodically.

The valuation was based on open market value for existing use. The directors are not aware of any material change in the property valuation since the balance sheet date.

4. Property, plant and equipment

	2021			2020		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Fixed assets	14	(2)	12	9	-	9
Motor vehicles	45	(6)	39	-	-	-
IT equipment	1	-	1	-	-	-
Total	**60**	**(8)**	**52**	**9**	**-**	**9**

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Total
Fixed assets	9	5	(2)	12
Motor vehicles	-	45	(6)	39
IT equipment	-	1	-	1
	9	**51**	**(8)**	**52**

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Total
Fixed assets	-	9	9

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020

5. Interests in subsidiaries

Name of company	Nature of business	Carrying amount 2021	Carrying amount 2020
Axel Finance Company Limited	Investment holding	100.00 %	100.00 %
Basinghall Properties Limited	Property holding	100.00 %	100.00 %
Caro Investment Holdings Limited	Investment holding	68.60 %	68.60 %
City Properties (London) Limited	Property holding	100.00 %	100.00 %
Fireblade Automotive Limited	Investment holding	68.60 %	68.60 %
Kiklo Cars Limited	Investment holding	68.60 %	68.60 %
Kiklo Cars USA LLC	Investment holding	68.60 %	68.60 %
Kiklo Spaces Limited	Property holding	68.60 %	68.60 %
P43 Limited	Property holding	100.00 %	100.00 %
P137 Limited	Property holding	100.00 %	100.00 %
Pikes Peak Properties Limited	Property holding	68.60 %	68.60 %
Project 2 Holdings Limited	Investment holding	68.60 %	68.60 %
Riverbank House Unit Trust	Property holding	100.00 %	100.00 %
Riverbank Unit Co 1 Limited	Investment holding	100.00 %	100.00 %
Riverbank Unit Co 2 Limited	Investment holding	100.00 %	100.00 %
Trimantle Unit Trust	Property holding	100.00 %	100.00 %
Zeno Capital (UK) Limited	Investment holding	70.00 %	70.00 %

6. Investment in associate

The following table lists all of the associates in the company:

Name of company	% ownership interest 2021	% ownership interest 2020	Carrying amount 2021	Carrying amount 2020
Primezone Properties Limited	30.00 %	30.00 %	18 452	18 452

7. Loans to associated companies

Associates

Related companies	17 899	13 784

The loans are unsecured, interest free and have no fixed terms of repayment.

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020

8. Financial and investment assets

Designated at fair value through profit or loss:		
Investment assets Investment in investment cars. Investment cars are held for long term capital appreciation.	96 827	100 600
Loans and receivables		
Loan to Lanzante Limited The loan is a revolving facility that can be drawn down by the debtor up to 31 December 2023. Thereafter, the loan becomes repayable as Project Vehicles are sold to third parties. The loan is interest free but participates in 50% of the profits generated by the TAG Turbo Project. The loan is secured.	4 318	4 922
Deposits paid Deposits paid relating to the acquisition of investment cars.	1 967	1 967
	103 112	**107 489**

Split between non-current and current portions

Non-current assets	103 112	107 489

9. Trade and other receivables

Financial instruments:		
Trade receivables	2	-
Other receivables	3 264	178
Non-financial instruments:		
McLaren F1 GTR book project	26	23
Finance costs capitalised	4 967	6 199
Prepayments	853	928
Total trade and other receivables	**9 112**	**7 328**

10. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	12 112	17 160

11. Share capital

Authorised		
350 000 Ordinary shares of US$ 1 000 each	350 000	350 000
Issued		
64 455 Ordinary shares	131 616	136 366

12. Treasury shares

2 500 (2020: 2 628) shares at US$ 3 100 per share	(7 750)	(8 147)
2 500 (2020: 128) shares sold at US$ 3 100 per share	7 750	397
0 (2020: 2 500) shares at US$ 3 100 per share	**-**	**(7 750)**

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020

13. Foreign currency translation reserve

Translation reserve comprises exchange differences on consolidation of foreign subsidiaries.

Opening balance	9 546	4 371
Current year movement	(425)	5 175
	9 121	**9 546**

14. Loans from group companies

Associates

Primezone Properties Limited The loan is unsecured, interest free and has no fixed terms of repayment.	51 357	49 340

Holding company

HBW Group Proprietary Limited The loan is unsecured, interest free and convertible into Ordinary Shares.	8 080	8 379

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020
15. Borrowings		
Held at amortised cost		
Mortgage bond 35 Basinghall Street, London Hamburg Commercial Bank secured loan (Initially £206 000 000, balance outstanding as at 31 December 2021 £166 427 976). The interest margin is 2.35% over SONIA plus a credit adjustment spread of 11.93 basis points. There is a partial cash sweep from the net operating income of the property to repay capital under the facility. The loan is secured by the property described in note 2.	225 210	228 081
Mortgage bond Riverbank House Unit Trust,Swan Lane, London Loan arranged by funds managed by M&G Investment Management Limited totalling £316,500,000, balance outstanding as at 31 December 2021 £312 614 133. The loan is a senior, non-recourse and secured loan backed by a fixed charge over the long leasehold interest in the Riverbank House Unit Trust. The loan matures in September 2025. The interest margin is 3.5% over 3 month libor/4% over 3 month SONIA. There is a partial cash sweep, linked to a debt yield covenant. The loan is cross collateralized with P137 Limited.	423 030	432 149
Mortgage bond Sainsbury Superstore, Purleyway, Croydon, London Loan arranged by funds managed by M&G Investment Management Limited totalling £36,500,000, balance outstanding as at 31 December 2021 £36 051 867. The loan is a senior, non-recourse and secured loan backed by a fixed charge over the long leasehold interest in the Riverbank House Unit Trust. The loan matures in September 2025. The interest margin is 3.5% over 3 month libor/4% over 3 month SONIA. There is a partial cash sweep, linked to a debt yield covenant. The loan is cross collateralized with RHUT.	48 786	49 837
Loan facility Buckmore, Petersfield Secured facility from Investec, with an initial value of £5 500 000, balance outstanding as at 31 December 2021 £6 000 000, bearing interest on a monthly basis on the base rate basis with a margin of 3.4% per annum. The facility is repayable in full on the termination date, which is 60 months from the date of the first draw down.	8 119	7 527
Other payable Oxygen Asset Management profit share.	1 218	-
	706 363	**717 594**

Split between non-current and current portions

	2021	2020
Non-current liabilities	698 472	711 174
Current liabilities	7 891	6 420
	706 363	**717 594**

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020

16. Financial liabilities at fair value

At fair value through profit (loss)		
Interest rate swaps	88 787	88 891

Two amortising interest rate swaps (as fixed rate payer, paying the fixed swap rate plus a margin to fund a portion of the interest rate floor acquired in 2020 and receiving a floating rate equal to SONIA compounded every 3 months plus a credit adjustment spread of 11.93 basis points) with a current notional value of US$ 263 963 437 held for the Basinghall senior debt with a fixed swap rate of 4.45% maturing in June 2027. The market value of the swap as at 31 December 2021 was negative US$ 88 787 432 (2020: negative US$ 88 890 989). The swap is cross collateralised with the facilitating Bank's security interest in the Trimantle Unit Trust and the mortgage over the property. The floating rate on the swaps is bound to 0%.

17. Deposits received

Held at amortised cost

Deposits received	610	871

18. Trade and other payables

Financial instruments:		
Trade payables	76	1 325
Loan from director	29	-
Accrued audit fees	29	36
Accrued interest	7 000	8 006
Other payables	89	1 254
Non-financial instruments:		
Amounts received in advance	10 606	10 560
VAT	2 623	4 299
	20 452	**25 480**

19. Revenue

Revenue from contracts with customers		
Rental income	46 459	43 185
Recoveries	655	589
	47 114	**43 774**

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020

20. Investment income

Dividend income		
Group entities:		
Associate	-	1 624
Interest income		
Investments in financial assets:		
Bank and other cash	-	147
Debt instruments at fair value through profit or loss	86	1 783
Trade and other receivables	1	-
Total interest income	**87**	**1 930**
Total investment income	**87**	**3 554**

21. Other operating income

Other income	134	253

22. Operating gains (losses)

Foreign exchange gains (losses)		
Net foreign exchange loss	(31)	(1 619)

23. Operating profit (loss)

Operating profit for the year is stated after charging (crediting) the following, amongst others:

Auditor's remuneration - external		
Audit fees	36	27
Employee costs		
Salaries, wages, bonuses and other benefits	47	-

24. Finance costs

Non-current borrowings	25 195	18 524
Financial liabilities at fair value through profit (loss)	12 610	19 558
Other interest paid	-	49
Total finance costs	**37 805**	**38 131**

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand		2021	2020

25. Non-operating gains (losses)

Gains on disposals, scrappings or settlements			
Disposal of investment cars		469	-
Fair value gains (losses)			
Loans from group companies	14	(3 422)	7 071
Financial assets designated as at fair value through profit or loss		-	(1 560)
Financial liabilities designated as at fair value through profit or loss		(871)	35 144
		(4 293)	**40 655**
Total other non-operating gains (losses)		**(3 824)**	**40 655**

26. Taxation

Major components of the tax expense

Current		
Foreign income tax - current period	341	-

27. Tax paid

Balance at beginning of the year	46	-
Current tax for the year recognised in profit or loss	(341)	-
Balance at end of the year	(45)	(46)
	(340)	**(46)**

28. Cash generated from operations

Profit before taxation	396	36 487
Adjustments for:		
Depreciation and amortisation	8	-
Gains on disposals, scrappings and settlements of assets and liabilities	(469)	-
Losses on foreign exchange	31	1 619
Dividends received	-	(1 624)
Interest income	(87)	(1 930)
Finance costs	37 805	38 131
Fair value losses (gains)	4 293	(40 655)
Changes in working capital:		
Trade and other receivables	(1 784)	(5 499)
Trade and other payables	(5 026)	3 161
	35 167	**29 690**

29. Commitments

Authorised capital expenditure

Already contracted for but not provided for		
• Investment property	737	2 012
• Investment cars	1 563	2 205

This committed expenditure relates to investment property and investment cars and will be financed by existing cash resources and debt.

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020

30. Contingencies

The company has signed contingencies in respect of the following:

- **Zeno's guarantee to the Credit Suisse for the A-Z300 Grant Loan:**

  Zeno has provided non-recourse carveout guarantees for a US$ 68 million loan made by Credit Suisse AG to A-Z300 Grant LLC. Zeno becomes liable as co-debtor under the guarantee in the event of a default by A-Z300 Grant LLC as a result of a breach of certain non-recourse and “bad act” obligations.

- **Zeno’s guarantee to Suretec pursuant to the General Indemnity Agreement signed for the issuance of bonds to the City of San Francisco:**

  Zeno has provided a general indemnity to Suretec pursuant to a bond that Suretec has posted in favour of the City and County of San Francisco for the pre-payment of certain real estate tax obligations. The value as at year end was less than US$ 1 million. As at the date of the accounts, this guarantee has been irrevocably released.

- **Zeno’s guarantee to Investec on behalf of HBW Group’s loan owed to Investec Bank Limited:**

  Zeno has provided a ZAR 500 000 000 guarantee to Investec Bank Limited as co-debtor for funds amounts owed to Investec Bank Limited by HBW Group Proprietary Limited.

31. Related parties

Relationships	
Ultimate holding company	Supaluck Investments Proprietary Limited
Holding company	HBW Group Proprietary Limited
Subsidiaries	Refer to note 5
Associates	Refer to note 6
Associated companies	Grant Avenue Properties LLC
	Zeno Capital USA Incorporated
	A-Z300 Grant LLC
Other interests of the directors	HBW Group Proprietary Limited

Related party balances

	2021	2020
Loan accounts - Owing (to) by related parties		
HBW Group Proprietary Limited	(8 080)	(8 379)
Primezone Properties Limited	(51 357)	(49 340)
Milton Properties (London) Limited	3 158	157
Associated companies	17 899	13 784
Amounts included in Trade receivable (Trade Payable) regarding related parties		
Loan from director - M Maraschin	(29)	-

Related party transactions

	2021	2020
Purchases from (sales to) related parties		
Supaluck Investments Proprietary Limited	208	-
CN Vassilopoulos	15	-

32. Directors' emoluments

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020

33. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2021

	Note(s)	Amortised cost	Total	Fair value
Loans to associated companies	7	17 899	17 899	17 899
Trade and other receivables	9	3 266	3 266	3 266
Cash and cash equivalents	10	12 112	12 112	12 112
		33 277	**33 277**	**33 277**

2020

	Note(s)	Amortised cost	Total	Fair value
Loans to associated companies	7	13 784	13 784	13 784
Trade and other receivables	9	178	178	178
Cash and cash equivalents	10	17 160	17 160	17 160
		31 122	**31 122**	**31 122**

Figures in US Dollar thousand 2021 2020

Notes to the Group Annual Financial Statements

33. Financial instruments and risk management (continued)

Categories of financial liabilities

2021

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Trade and other payables	18	-	7 223	7 223	7 223
Loans from group companies	14	-	59 437	59 437	59 437
Borrowings	15	-	706 363	706 363	706 363
Other financial liabilities at fair value	16	88 787	-	88 787	88 787
		88 787	**773 023**	**861 810**	**861 810**

2020

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Trade and other payables	18	-	10 622	10 622	10 622
Loans from group companies	14	-	57 719	57 719	57 719
Borrowings	15	-	717 594	717 594	717 594
Other financial liabilities at fair value	16	88 891	-	88 891	88 891
		88 891	**785 935**	**874 826**	**874 826**

Capital risk management

The group's objective when managing capital is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The capital structure of the group consists of debt, which includes borrowings, deposits received, loans from group companies disclosed in notes 14, 15 and 17, cash and cash equivalents disclosed in note 10 equity as disclosed in the statement of financial position. Consistent with others in the industry, the group monitors capital on the basis of the debt:equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the statement of financial position) less cash and cash equivalents. The total equity is represented in the statement of financial position.

There are no externally imposed capital requirements.

33. Financial instruments and risk management (continued)

Financial risk management

Overview

The group’s activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The group’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group’s financial performance. The group uses derivative financial instruments to hedge certain risk exposures. Risk management is carried out by the fund managers under policies approved by the directors.

Group treasury identifies, evaluates and hedges financial risks in close co-operation with the group’s operating units. The directors provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The group’s risk to liquidity is a result of the funds available to cover future commitments. The group manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

Foreign currency risk

The group is exposed to foreign currency risk as a result of certain transactions and borrowings which are denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters utilising foreign forward exchange contracts where necessary. The foreign currencies in which the group deals primarily are US Dollars, UK Pounds and Euros (2020).

Exchange rates

	2021	2020
US Dollar per unit of foreign currency:		
UK Pound	1.353	1.365
Euro	-	1.222

34. Going concern

The directors are aware of the effect that the covid-19 pandemic has had on the group's business, especially during the lock down periods. However, the impact, although serious, is unlikely to effect the group's ability to continue as a going concern in the short to medium term.

The group annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the group annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The director directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2021	2020

35. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report that would have a material effect on these annual financial statements.