

**C.O. CYPRUS OPPORTUNITY ENERGY
PUBLIC COMPANY LIMITED**

FINANCIAL STATEMENTS

For the period from 1 January 2021 to 30 June 2021

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

FINANCIAL STATEMENTS

For the period from 1 January 2021 to 30 June 2021

CONTENTS

	PAGE
Board of Directors and other officers	1
Statement of profit or loss and other comprehensive income	2
Statement of financial position	3
Statement of changes in equity	4
Statement of cash flows	5
Notes to the financial statements	6 - 10

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors: Charalambos Christodoulides
Antonakis Antoniou
Andreas Leonidou

Company Secretary: Cyproservus Co Limited

Independent Auditors: MGI Gregoriou & Co Ltd
Certified Public Accountants and Registered Auditors
Florinis, 7
GREG TOWER, 6th floor
P.C. 1065, Nicosia
Cyprus

Registered office: 13 Karaiskakis Street
Limassol, 3032
Cyprus

Registration number: HE301167

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period from 1 January 2021 to 30 June 2021

	Note	01/01/2021- 30/06/2021	01/01/2020- 31/12/2020
		US\$	US\$
Administration expenses	6	(562)	(25,202)
Impairment of investment in subsidiary		-	(27,000)
Other expenses	7	-	(365,716)
Operating loss		(562)	(417,918)
 Tax	9	 -	 -
Net loss for the period/year		(562)	(417,460)
 Other comprehensive income		 -	 -
Total comprehensive loss for the year		(562)	(417,460)

The notes on pages 6 to 10 form an integral part of these financial statements.

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION As at 31 December 2021

	Note	2021 US\$	2020 US\$
EQUITY AND LIABILITIES			
Equity			
Share capital	11	1,503,826	1,503,826
Share premium		1,142,535	1,142,535
Non-refundable advances	12	170,236	170,236
Accumulated losses		(2,822,194)	(2,821,632)
Total equity		(5,597)	(5,035)
Current liabilities			
Trade and other payables	13	5,597	5,035
Total liabilities		5,597	5,035
Total equity and liabilities		5,597	5,035
<hr/>			

On 20 January 2022 the Board of Directors of C.O. Cyprus Opportunity Energy Public Company Limited authorised these financial statements for issue.

.....
Antonakis Antoniou
Director

.....
Andreas Leonidou
Director

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

For the period from 1 January 2021 to 30 June 2021

	Share capital US\$	Share premium US\$	Non- refundable advances US\$	Accumulated losses US\$	Total US\$
Balance at 1 January 2020	1,503,826	1,142,535	-	(2,404,172)	242,189
Comprehensive income					
Net loss for the year	-	-	-	(417,460)	(417,460)
Transactions with owners					
Contribution made during the year	-	-	170,236	-	170,236
Balance at 31 December 2020	1,503,826	1,142,535	170,236	(2,821,632)	(5,035)
Comprehensive income					
Net loss for the period	-	-	-	(562)	(562)
Balance at 30 June 2021	1,503,826	1,142,535	170,236	(2,822,194)	(5,597)

The notes on pages 6 to 10 form an integral part of these financial statements.

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

For the period from 1 January 2021 to 30 June 2021

	Note	01/01/2021- 30/06/2021	01/01/2020- 31/12/2020
		US\$	US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(562)	(417,460)
Adjustments for:			
Unrealised exchange profit		-	(819)
Impairment charge - investments in subsidiaries	10	-	27,000
Provision for impairment-loans and receivables		-	350,377
Write-off of receivables		-	15,339
		(562)	(25,563)
Changes in working capital:			
Increase in trade and other payables		562	25,452
Cash used in operations		-	(111)
Net decrease in cash and cash equivalents		-	(111)
Cash and cash equivalents at beginning of the period/year		-	111
Cash and cash equivalents at end of the period/year		-	-

The notes on pages 6 to 10 form an integral part of these financial statements.

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 January 2021 to 30 June 2021

1. Incorporation and principal activities

Country of incorporation

The Company C.O. Cyprus Opportunity Energy Public Company Limited (the "Company") was incorporated in Cyprus on 10 February 2012 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 13 Karaiskakis Street, Limassol, 3032, Cyprus.

On 17 July 2012, the Company was listed on the Emerging Companies Market of the Cyprus Stock Exchange.

Principal activities

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

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU), except for the preparation of consolidated financial statements as required by the Cyprus Companies Law, Cap. 113 and by the International Financial Reporting Standard 10 'Consolidated Financial Statements'. The financial statements have been prepared under the historical cost convention.

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

3. Significant accounting policies

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

Subsidiary companies

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

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

Finance income

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

Finance costs

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

Foreign currency translation

(1) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in United States Dollars (US\$), which is the Company's functional and presentation currency.

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 January 2021 to 30 June 2021

3. Significant accounting policies (continued)

Foreign currency translation (continued)

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Tax

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

Share capital

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

Advances from shareholders

Advances from shareholders constitutes contributions made by the Company's shareholders other than for the issue of shares by the Company in their capacity as equity owners of the Company for which the Company has no contractual obligation to repay them. Such contributions are recognised directly in equity as they constitute transactions with equity owners in their capacity as equity owners of the Company.

4. New accounting pronouncements

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

5. Financial risk management

Financial risk factors

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

5.1 Liquidity risk

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

5.2 Capital risk management

Capital includes equity shares and share premium and advances from shareholders.

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

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the period from 1 January 2021 to 30 June 2021

6. Administration expenses

	01/01/2021- 30/06/2021	01/01/2020- 31/12/2020
	US\$	US\$
Annual levy	-	394
Auditors' remuneration	-	1,000
Accounting fees	562	-
Legal and professional	-	4,240
Other professional fees	-	4,202
Unrecoverable VAT	-	15,366
	<u>562</u>	<u>25,202</u>

7. Other expenses

	01/01/2021- 30/06/2021	01/01/2020- 31/12/2020
	US\$	US\$
Provision for impairment -loans and receivables	-	350,377
Write-off of receivables	-	15,339
	<u>-</u>	<u>365,716</u>

8. Finance income/(costs)

	01/01/2021- 30/06/2021	01/01/2020- 31/12/2020
	US\$	US\$
Exchange profit	-	819
Finance income	<u>-</u>	<u>819</u>
Sundry finance expenses	-	(361)
Finance costs	<u>-</u>	<u>(361)</u>
Net finance income	<u>-</u>	<u>458</u>

9. Tax

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

	01/01/2021- 30/06/2021	01/01/2020- 31/12/2020
	US\$	US\$
Loss before tax	<u>(562)</u>	<u>(417,460)</u>
Tax calculated at the applicable tax rates	(70)	(52,183)
Tax effect of expenses not deductible for tax purposes	-	52,285
Tax effect of allowances and income not subject to tax	-	(102)
Tax effect of tax loss for the period/year	<u>70</u>	<u>-</u>
Tax charge	<u>-</u>	<u>-</u>

The corporation tax rate in Cyprus is 12.5% (2020: 12.5%).

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 January 2021 to 30 June 2021

10. Investments in subsidiaries

	2021 US\$	2020 US\$
Balance at 1 January	-	27,000
Impairment charge	-	(27,000)
Balance at 30 June/31 December	-	-

The details of the subsidiaries are as follows:

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	2021 Holding %	2020 Holding %
C.O. Cyprus Opportunity Petroleum Ltd	Cyprus	Dormant	100	100

11. Share capital

Authorised	2021 Number of shares	2021 US\$	2020 Number of shares	2020 US\$
	2021 Number of shares	2020 Number of shares		
Ordinary shares of €0.01 each	<u>211,950,000</u>	<u>2,119,500</u>	211,950,000	2,119,500
Issued and fully paid				
Balance at 1 January	<u>126,780,762</u>	<u>1,503,826</u>	126,780,762	1,503,826
Balance at 30 June/31 December	<u>126,780,762</u>	<u>1,503,826</u>	126,780,762	1,503,826

12. Non-refundable advances

	2021 US\$	2020 US\$
Balance at 1 January	170,236	-
Proceeds during the period /year	-	170,236
Balance at 30 June/31 December	170,236	170,236

The non-refundable advances is made available to the Board of Directors for future increases of the share capital of the Company.

13. Trade and other payables

	2021 US\$	2020 US\$
Accruals	1,000	1,000
Other creditors	4,597	4,035
Total	5,597	5,035

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

14. Related party transactions

The Company does not have a single controlling party.

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 January 2021 to 30 June 2021

14. Related party transactions (continued)

The following transactions were carried out with related parties:

14.1 Receivables from related parties

Type of relationship	Nature of transactions	2021 US\$	2020 US\$
Subsidiary	Finance	-	5,582
Subsidiary	Provision for impairment	-	(5,582)
		-	-

14.2 Loans to related parties

	Terms	2021 US\$	2020 US\$
Subsidiary	Finance	-	344,795
Subsidiary	Provision for impairment	-	(344,795)
		-	-

Loans to subsidiary are unsecured, non-interest bearing and repayable in the years of 2022 and 2023.