

# **GLOBALWEALTH GROUP PLC**

## **REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

31 December 2024

# GLOBALWEALTH GROUP PLC

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## REPORT AND CONSOLIDATED FINANCIAL STATEMENTS 31 December 2024

| CONTENTS                                                                                                                                                | PAGE    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Board of Directors and other officers                                                                                                                   | 1       |
| Forward looking statements                                                                                                                              | 2       |
| Consolidated Management Report                                                                                                                          | 2 - 3   |
| Declaration of the members of the Board of Directors and the company officials responsible for the preparation of the consolidated financial statements | 4       |
| Independent auditor's report                                                                                                                            | 5 - 10  |
| Consolidated statement of profit or loss and other comprehensive income                                                                                 | 11      |
| Consolidated statement of financial position                                                                                                            | 12      |
| Consolidated statement of changes in equity                                                                                                             | 14      |
| Consolidated cash flow statement                                                                                                                        | 15      |
| Notes to the consolidated financial statements                                                                                                          | 16 - 55 |

# GLOBALWEALTH GROUP PLC

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## BOARD OF DIRECTORS AND OTHER OFFICERS

**Board of Directors:**

Michael Ioannides, Chairman and CEO of the Company and Chief Strategic Officer of Global Money Managers AIFM Ltd (appointed on 3 July 2024)  
Alexios Vandorou, Member and CEO of Wealth Avenue IKE (the New Subsidiary of the Company)  
Eleftherios Kontos, Vice Chairman and CIO of the Company  
Ilias Georgouleas, Member and CEO of Global Money Managers Ltd (appointed on 3 July 2024)  
Maria Panagiotou, Member and CEO of Global Money Managers AIFM Ltd (appointed on 3 July 2024)  
Konstantinos Georgaras Member (appointed on 3 July 2024)  
Andronikos Vandorou (resigned on 3 July 2024)

**Company Secretary:**

DGH Secretarial Ltd

**Independent Auditors:**

KPMG Limited

**Registered office:**

12 Prevezis  
Nicosia  
1065  
Cyprus

**Bankers:**

Bank of Cyprus Public Company Ltd  
Optima Bank S.A

**Registration number:**

HE415785

## CONSOLIDATED MANAGEMENT REPORT - FORWARD LOOKING STATEMENTS

This document contains certain forward-looking statements which can usually be identified by terms used such as 'expect', 'should be', 'will be' and similar expressions or variations thereof or their negative variations, but their absence does not mean that a statement is not forward-looking. Examples of forward-looking statements include, but are not limited to, statements relating to the Group's near term and future strategic intentions, beliefs or current expectations and projections about the Group's future results of operations, financial condition, the level of the Group's assets, liquidity, performance, projected levels of growth, capital distributions (including policy on dividends and share buybacks) prospects, anticipated growth, provisions, impairments, business strategies and opportunities. By their nature, forward-looking statements involve risk and uncertainty because they relate to events, and depend upon circumstances, that will or may occur in the future. Factors that could cause actual business, strategy and/or results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements made by the Group include, but are not limited to: general economic and political conditions in Cyprus, the Middle East and other European Union (EU) Member States, interest rate fluctuations, legislative, fiscal and regulatory developments and information technology, litigation and other operational risks, adverse market conditions, the impact of outbreaks, epidemics or pandemics, and geopolitical developments as well as the evolving nature of underlying science and industry and governmental standards and regulations. This creates significantly greater uncertainty about forward-looking statements. Should any one or more of these or other factors materialise, or should any underlying assumptions prove to be incorrect, the actual results or events could differ materially from those currently being anticipated as reflected in such forward-looking statements. Further, forward-looking statements may be affected by changes in reporting frameworks and accounting standards, including practices with regard to the interpretation and application. The forward-looking statements made in this document are only applicable as at the date of publication of this document. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this document to reflect any change in the Group's expectations or any change in events, conditions or circumstances on which any statement is based.

## CONSOLIDATED MANAGEMENT REPORT

The Board of Directors presents its report and audited consolidated financial statements of the Company and its subsidiaries (together with the Company, the "Group") for the year ended 31 December 2024.

### Principal activities and nature of operations of the Group

During the year under review, the Group's principal activities included the holding of investments and the construction, development, and marketing of real estate. Following a strategic transformation approved on 03 July 2024, the Group is in the process of repositioning itself as a wealthtech-driven diversified investment holding company and asset management group. CySEC has given its final approval on 28/03/2025, and the acquisition of the UCITS and AIF management companies was completed on 24/04/2025.

Through this acquisition, our asset management portfolio now spans traditional mutual and alternative investment funds across sectors such as real estate development, energy, ESG, agricultural development, tourism, and hospitality.

The Group operates primarily in the markets of Cyprus and Greece, with a strategic objective to expand its real assets and management infrastructure platform through wealth technology.

The Group has operations in Greece and operates through a branch in Greece.

### Financial review and performance

The Group's financial performance in 2024 reflects a year of significant strategic transition. The financial results for the year under review represent only the real estate segment of the Group prior to completion of the acquisition.

The Board of Directors acknowledges that the results are in line with management expectations. The Board of Directors is focused on executing the new strategic directions to drive value creation for its shareholders.

- **Revenue:** The Group's revenue increased to €152,992 from €103,594 in 2023, primarily driven by the sale of properties.
- **Profitability:** The Group recorded a net loss for the year of €77,708, a slight improvement from the net loss of €86,733 in 2023. The loss attributable to the equity holders of the parent company was €91,875.
- **Financial Position:** As of 31 December 2024, total assets stood at €1,396,694, an increase from €1,226,866 in the prior year.
- **Equity:** Total equity increased to €1,228,486 from a restated €1,095,632 at the end of 2023, bolstered by the issuance of new share capital during the year.
- **Liquidity:** The Group maintains a high liquidity position for future investments in line with its strategic plan.

The Group's results for the year are set out on page 11.

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

The Group's development to date, financial results and position as presented in the consolidated financial statements are not considered satisfactory and the Board of Directors is making an effort to reduce the Group's losses.

The Group has launched a comprehensive strategic plan, designed once the acquisition is finalized to transform it into a leading, wealthtech-driven investment holding group. The strategy is built on the following pillars:

- **Investing in Core Assets and Development:** The Group will actively develop and co-invest in high-potential projects across key sectors, including Energy (Hydroparks), Technology (Fintech/Wealthtech), Real Estate, and Agribusiness.
- **Digital Transformation and Innovation:** A central part of the strategy is the development of an information technology subsidiary focused on platformization, fractionalization and AI. This initiative aims to democratize access to professional asset management, reduce operational costs, and enhance financial inclusion.
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## CONSOLIDATED MANAGEMENT REPORT

- **Expanding Capabilities and Ecosystem:** The Group plans to acquire or develop companies with adjacent financial licenses, such as Electronic Money Institutions (EMI) and Crypto-Asset Service Providers (CASP), to create a unified and regulated financial ecosystem.
- **Enhanced Capital Market Presence:** The Board has been authorized to proceed with the listing of the Company's shares on the Regulated (Parallel) Market of the Cyprus Stock Exchange and to pursue a parallel listing on the Athens Stock Exchange. This is expected to increase the Group's visibility, liquidity, and access to a broader investor base.

### **Principal risks and uncertainties**

The principal risks and uncertainties faced by the Group are disclosed in notes 6, 7 and 31 of the consolidated financial statements.

### **Use of financial instruments by the Group**

The Group is exposed to market price risk, interest rate risk, credit risk and liquidity risk from the financial instruments it holds.

#### **Market price risk**

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated statement of financial position as fair value through profit or loss. The Group is not exposed to commodity price risk.

#### **Interest rate risk**

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets. The Group is not exposed to variable interest rates.

#### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at fair value through profit or loss (FVTPL), as well as credit exposures to customers, including outstanding receivables as well as lease receivables.

Credit risk is managed on a group basis.

If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, Management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

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

#### **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 Group 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.

### **Significant events during the financial year**

2024 was a transformative year for the Group, marked by a fundamental strategic pivot and major corporate restructuring. The following are the key events that shaped the financial year:

#### *Corporate transformation and reverse takeover (RTO)*

An Extraordinary General Meeting (EGM) of shareholders was held on 3 July 2024, where several resolutions were unanimously approved, setting the stage for the Group's new direction:

## CONSOLIDATED MANAGEMENT REPORT

- **Change of Name:** The Company's name was officially changed from "WEALTHAVENUE PLC" to "GLOBALWEALTH GROUP PLC" to better reflect its expanded and diversified strategic focus.
- **Reverse Takeover Approval:** Shareholders approved the acquisition of 100% of the issued share capital of GMM Global Money Managers AIFM Ltd and GMM Global Money Managers Ltd. This transaction, structured as a reverse takeover, was a cornerstone of the Group's transformation into a wealthtech-driven diversified investment holding company and asset management group.
- **Board of Directors Restructuring:** The Board was expanded to six members. Mr. Michael Ioannides, Mr. Ilias Georgouleas, Mrs. Maria Panagiotou, and Mr. Constantinos Georgaras were appointed as new members, bringing extensive experience in finance and asset management. Mr. Andronikos Vandorou resigned from the Board.
- **New Group Structure:** Approval was granted to transfer the Company's existing real estate operations into a new wholly-owned subsidiary, Wealth Avenue IKE. This restructuring will allow the parent company to function as a pure holding entity for its three main pillars: Wealth Avenue IKE (Real Estate), GMM Global Money Managers Ltd (UCITS Management), and GMM Global Money Managers AIFM Ltd (Alternative Investments).

### *Capital and investment activities*

An Extraordinary General Meeting (EGM) of shareholders was held on 3 July 2024, where several resolutions were unanimously approved, setting the stage for the Group's new direction:

- **Share Issuance:** On 20 March 2024, the Company completed a private placement, issuing 732,473 new ordinary shares at a price of €0.359 per share to strengthen its capital base.
- **Investment in Joint Ventures:** The Group invested €53,833 in new joint ventures focused on the development of residential buildings in Greece, continuing its activities in the real estate sector.
- **Financial Asset Investments:** The Company diversified its portfolio by acquiring €87,000 in convertible notes in private equity and increasing its investment in Sporos Platform A.K.E.S..
- **Change in Subsidiary Holding:** The Group reduced its holding in its subsidiary, Wealth Living I.K.E., from 65% to 49%. However, the Board determined that the Company continues to exercise de facto control over the entity.

### **Events after the reporting date**

Several significant events occurred after the balance sheet date as detailed in Note 36. Those marking important progress in the execution of the Group's strategy are the following:

- **Completion of Reverse Takeover:** On 28 March 2025, CySEC approved the acquisition and on 24 April 2025 the Group completed the acquisition of GMM Global Money Managers Ltd and GMM Global Money Managers AIFM Ltd. In consideration, the Company issued 59,130,974 new ordinary shares at an issue price of €0.372055 per share.

The acquisition of GMM Global Money Managers Ltd and GMM Global Money Managers AIFM Ltd subjects the Group to strict financial services regulations and compliance requirements (e.g., CySEC, MiFID II, AIFMD). Failure to maintain licenses, adhere to capital adequacy, or comply with operational conduct rules could result in significant penalties, revocation of licenses, and reputational damage.

- **Strategic Investment in Wealthyhood Ltd:** On 14 April 2025, the Company initiated a strategic investment in the UK-based wealthtech company Wealthyhood Limited. A subsequent agreement was signed on 14 September 2025 by which, in aggregate, the Company shall acquire 34.20% of total shares outstanding and 32.04% interest on a fully diluted basis in Wealthyhood Limited. The consideration for the acquisition of the preferred shares shall be in cash for the amount of €1,540,000, and the acquisition of the ordinary shares will take via the exchange of ordinary shares from existing shareholders of Wealthyhood Ltd and a new issuance of shares by the Company.

## CONSOLIDATED MANAGEMENT REPORT

The investments in technology platforms, introduce significant exposure to technology risks, including system outages, data breaches, and failure to comply with evolving data protection regulations (GDPR).

### **Participation of directors in the Company's share capital**

Disclosed in Note 33 to the financial statements.

### **Related party transactions**

Disclosed in Note 32 to the financial statements.

### **Results**

The Group's results for the year are set out on page 11. The net loss for the year is carried forward.

### **Share capital**

The changes in the share capital of the Company during the year under review are stated in Note 27 of the consolidated financial statements.

### **Corporate Governance Code**

The Board of Directors, as at the date of this report has not decided to adopt the Corporate Governance Code as it is not required by the Cyprus Stock Exchange New Market.

### **Board of Directors**

The members of the Group's Board of Directors as at 31 December 2024 and at the date of this report are presented on page 1.

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

There were significant changes in the assignment of responsibilities of the Board of Directors, as shown on page 1.

The Company operates on a pay-for-performance and since 03 July 2024 the EGM authorized the Board of Directors to establish a share option scheme as disclosed in Note 27.

### **Independent Auditors**

During the year 2024 Messrs. KPMG Limited were appointed by Shareholders' meeting as the Group's new auditors.

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

By order of the Board of Directors,



Michael Ioannides  
Chairman and CEO  
14 October 2025



# GLOBALWEALTH GROUP PLC

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## DECLARATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE COMPANY OFFICIALS RESPONSIBLE FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Article 9 sections (3c) and (7) of the Transparency Requirements (Traded Securities in Regulated Markets) Law 2007 (N 190 (I)/2007) ("the Law") we, the members of the Board of Directors and the Company official responsible for the consolidated financial statements of GLOBALWEALTH GROUP PLC (the "Company") for the year ended 31 December 2024, on the basis of our knowledge, declare that:

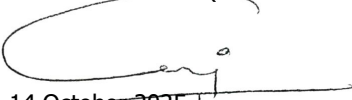
- (a) The annual consolidated financial statements of the Group which are presented on pages 11 to 55:
- (i) have been prepared in accordance with the applicable IFRS Accounting Standards as adopted by the European Union and the provisions of Article 9, section (4) of the law, and
  - (ii) provide a true and fair view of the particulars of assets and liabilities, the financial position and profit or loss of the Group and the entities included in the consolidated financial statements as a whole and
- b) The management report provides a fair view of the developments and the performance as well as the financial position of the Group as a whole, together with a description of the main risks and uncertainties which they face.

### Members of the Board of Directors:

Michael Ioannides  
Alexios Vandorou  
Eleftherios Kontos  
Ilias Georgouleas  
Maria Panagiotou  
Konstantinos Georgaras

### Responsible for drafting the financial statements

Eleftherios Kontos (Financial Manager)



14 October 2025



KPMG Limited  
Chartered Accountants  
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9

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**GLOBALWEALTH GROUP PLC**

**Report on the Audit of the Consolidated Financial Statements**

***Qualified Opinion***

We have audited the consolidated financial statements of Globalwealth Group Plc (the "Company"), and its subsidiaries (the "Group"), which are presented on pages 16 to 70 and comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113 (the "Companies Law, Cap. 113").

***Basis for Qualified Opinion***

As at 31 December 2024, the Company holds a loan receivable with carrying amount of €87,000 classified as a fair value through profit or loss financial asset. However, the Company has not measured this loan receivable at fair value as at the year ended, and is not compliant with the requirements of IFRS 9 'Financial Instruments'. It was impracticable for us to quantify the financial effects of the adjustment to the financial asset and the profit or loss, which would have been necessary, had the loan been measured at fair value.

Furthermore, the Company has not applied the fair value disclosure requirements of IFRS 13 'Fair Value Measurement' for the financial assets at fair value through profit or loss.

25  
26

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**Basis for Qualified Opinion (cont.)**

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

**Emphasis of Matter**

We draw attention to Note 8 of the consolidated financial statements, which indicates that the comparative information as at and for the year ended 31 December 2023 has been restated. Our opinion is not modified in respect of this matter.

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| <b>Classification and valuation of inventories</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| Refer to note 22 of the consolidated financial statements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Key audit matter</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>How the matter was addressed in our audit</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <p>As at 31 December 2024, the Group's inventories amounted to €108,580 and comprised of properties for sale.</p> <p>In prior years these properties were erroneously classified as investment property and were measured at fair value. During 2024, management identified this error and proceeded to correct it by recognizing these properties as inventory in accordance with the requirements of IAS 2 and effectively restated the comparatives. This gives rise to risks over the accuracy of the restated amounts, including reversal of prior fair value gains and losses, and the adjustment to the opening retained earnings. There is further risk if the cost of the inventories is not accurately recorded, or if management fails to measure inventories at the lower of cost and net</p> | <p>Our audit procedures in relation to this matter included among others the following:</p> <ul style="list-style-type: none"> <li>• Obtained copies of all the purchase agreements to confirm the historic cost of the properties owned as at 1 January 2023 and 31 December 2023. We also obtained sale agreements for properties held as at 1 January 2023 and disposed during 2023 and for properties held as at 31 December 2023 and disposed during 2024 and assessed that the Group has correctly restated and presented the inventories in the comparatives and correction of error note at the lowest of cost and net releasable value.</li> <li>• For the inventory held as at 31 December 2024 but disposed after the year end, obtained the sale agreements and confirmed that for none of the properties the consideration was below cost, which</li> </ul> |

|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| <p>realizable value (NRV) as of the reporting date.</p> <p>Based on these factors and materiality considerations, we determined the classification and valuation of inventories to be a key audit matter.</p> | <p>could suggest a potential write down to their net realizable value.</p> <ul style="list-style-type: none"> <li>• For the inventory held as at 31 December 2024 and remains unsold after the year end, examined the external valuation performed as at the reporting date to ensure that there was no indication of value falling below cost which could indicate potential write down to net realizable value.</li> <li>• Examined the sale agreements for all properties sold during the year and verified that the Group correctly recognized the consideration received to revenue.</li> <li>• Assessed the completeness and accuracy of the related disclosures.</li> </ul> |
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| <b>Measurement of lease liabilities and lease receivable</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Refer to notes 25 and 29 of the consolidated financial statements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Key audit matter</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>How the matter was addressed in our audit</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p>As at 31 December 2024, the Group's lease liabilities and lease receivable (net investment in the lease) amounted to €57,570 and €82,510 respectively.</p> <p>In 2023 the Company entered into lease agreements which were erroneously not accounted for in accordance with IFRS 16. During 2024, management identified this error and proceeded to correct it by recognizing these leases in accordance with the requirements of IFRS 16 and effectively restating comparatives. This gives rise to risks over the accuracy of the restated amounts, reversal of rent expense previously recognized and the adjustment to the opening retained earnings.</p> <p>During 2024, the properties that were the subject of the leases referred to above were sub-leased, giving rise to the need for derecognition of the right-of-use assets initially recognised from the head leases and recognition of the finance lease receivable. Considering the above, there is</p> | <p>Our audit procedures in relation to this matter included:</p> <ul style="list-style-type: none"> <li>• Obtained all copies of the submission of the declaration of real estate information submitted to the Greek Government relating to the initial lease agreements entered in 2023 and performed a recalculation of the amounts of the right-of-use asset, lease liability, depreciation charge and interest expense for all the leases and compare the results as at 1 January 2023 and 31 December 2023 to those presented by the Group as restated in the comparatives and correction of error note.</li> <li>• Obtained all the copies of the submission of the declaration of real estate information submitted to the Greek Government relating to the sub-lease agreements entered in 2024 and verified that according to their terms, the Group has correctly classified them as finance leases.</li> </ul> |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| <p>a further risk that derecognition of the right-of-use asset on sublease, and recognition of the lease receivable were misstated, and that subsequent measurement at the reporting date (interest unwinding, current/non-current split, finance income and interest expense) is incorrect, affecting the carrying amounts and profit or loss.</p> <p>Based on these factors and materiality considerations, we determined the measurement of lease liabilities and lease receivable to be a key audit matter.</p> | <ul style="list-style-type: none"> <li>Recalculated the initial amount of the lease receivable recognized in 2024 and compare the results to those presented by the Group in the financial statements.</li> <li>Verified that the right-of-use asset relating to the head leases that were subsequently sub-leased were correctly derecognized and the differences between the carrying amounts of the right-of-use assets and the lease receivable from the sub-lease was correctly recognized as a gain in profit or loss by the Group.</li> <li>Verified that the Group correctly continued to recognize the lease liability relating to the head lease, which represents the lease payments owed to the head lessor in line with the initial calculation performed during the year 2023.</li> <li>Compared the interest income recognized on the sub-lease and interest expense recognized on the head lease in 2024 by the Group to our recalculation.</li> <li>Assessed the completeness and accuracy of the related disclosures.</li> </ul> |
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### Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, except as required by the Companies Law, Cap.113.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so consider whether the other information is materially inconsistent with the consolidated financial statements 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.

With regards to the Consolidated Management Report, our report is presented in the "Report on Other Legal Requirements" section.



***Responsibilities of the Board of Directors and Those Charged with Governance for the Consolidated Financial Statements***

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

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

The Board of Directors and those charged with governance are responsible for overseeing the Group's financial reporting process.

***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (cont.)***

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance 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 those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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.

***Report on Other Legal Requirements***

Pursuant to the additional requirements of the Auditors Law of 2017 ("Law L.53(I)/2017"), and based on the work undertaken in the course of our audit, we report the following:

- In our opinion, the Consolidated Management Report, the preparation of which is the responsibility of the Board of Directors, has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113, and the information given is consistent with the consolidated financial statements.
- In light of the knowledge and understanding of the business and the Group's environment obtained in the course of the audit, we have not identified material misstatements in the Consolidated Management Report.

***Other Matters******Reporting responsibilities***

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of Law L.53(I)/2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

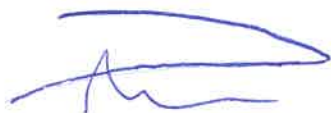
## **Other Matters (cont.)**

### *Comparative figures*

The consolidated financial statements of Globalwealth Group Plc as at and for the years ended 31 December 2023 and 31 December 2022 (from which the statement of financial position as at 1 January 2023 has been derived), excluding the adjustments described in Note 8 to the consolidated financial statements were audited by another auditor who expressed an unmodified opinion on those financial statements on 30 April 2024.

As part of our audit of the consolidated financial statements as at and for the year ended 31 December 2024, we audited the adjustments described in Note 8 that were applied to restate the comparative information presented as at and for the year ended 31 December 2023 and the statement of financial position as at 1 January 2023. We were not engaged to audit, review, or apply any procedures to the consolidated financial statements for the years ended 31 December 2023 or 31 December 2022 (not presented herein) or to the consolidated statement of financial position as at 1 January 2023, other than with respect to the adjustments described in Note 8 to the consolidated financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective financial statements taken as a whole. However, in our opinion, the adjustments described in Note 8 are appropriate and have been properly applied.

The engagement partner on the audit resulting in this independent auditor's report is Petros M. Mavrommatis.



Petros M. Mavrommatis, FCCA  
Certified Public Accountant and Registered Auditor  
for and on behalf of

KPMG Limited  
Certified Public Accountants and Registered Auditors  
14 Esperidon Street  
1087 Nicosia, Cyprus

14 October 2025



# GLOBALWEALTH GROUP PLC

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

31 December 2024

|                                                                 | Note | 2024<br>€        | 2023 Restated<br>€ |
|-----------------------------------------------------------------|------|------------------|--------------------|
| <b>Revenue</b>                                                  | 9    | <b>158,334</b>   | 103,594            |
| Cost of sales                                                   | 10   | <b>(133,910)</b> | (96,890)           |
| <b>Gross profit</b>                                             |      | <b>24,424</b>    | 6,704              |
| Other operating income                                          | 11   | <b>59,177</b>    | -                  |
| Administration expenses                                         | 12   | <b>(150,440)</b> | (63,721)           |
| Net impairment loss on financial assets                         |      | <b>(9,432)</b>   | -                  |
| Other expenses                                                  | 13   | <b>(222)</b>     | (26,464)           |
| <b>Operating loss</b>                                           |      | <b>(76,493)</b>  | (83,481)           |
| Finance income                                                  |      | <b>9,205</b>     | 1,315              |
| Finance costs                                                   |      | <b>(3,456)</b>   | (4,567)            |
| <b>Net finance income/(cost)</b>                                | 15   | <b>5,749</b>     | (3,252)            |
| Share of loss from joint ventures, net of tax                   | 20   | <b>(6,964)</b>   | -                  |
| <b>Loss before tax</b>                                          |      | <b>(77,708)</b>  | (86,733)           |
| Tax expense                                                     | 36   | -                | -                  |
| <b>Net loss for the year</b>                                    |      | <b>(77,708)</b>  | (86,733)           |
| <b>Other comprehensive income</b>                               |      | -                | -                  |
| <b>Total comprehensive income for the year</b>                  |      | <b>(77,708)</b>  | (86,733)           |
| <b>Net loss for the year attributable to:</b>                   |      |                  |                    |
| Equity holders of the parent                                    |      | <b>(91,875)</b>  | (80,800)           |
| Non-controlling interests                                       |      | <b>14,167</b>    | (5,933)            |
| <b>Net loss for the year</b>                                    |      | <b>(77,708)</b>  | (86,733)           |
| <b>Total comprehensive income for the year attributable to:</b> |      |                  |                    |
| Equity holders of the parent                                    |      | <b>(91,875)</b>  | (80,800)           |
| Non-controlling interests                                       |      | <b>14,167</b>    | (5,933)            |
| <b>Total comprehensive income for the year</b>                  |      | <b>(77,708)</b>  | (86,733)           |
| <b>Earnings per share</b>                                       |      |                  |                    |
| Basic EPS (€)                                                   | 16   | <b>(0.003)</b>   | (0.002)            |
| Diluted EPS (€)                                                 | 16   | <b>(0.003)</b>   | (0.002)            |

The notes on pages 16 to 55 form an integral part of these consolidated financial statements.

# GLOBALWEALTH GROUP PLC

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

|                                                       |      | 31-Dec-24        | 31-Dec-23<br>As restated | 01-Jan-23<br>As restated |
|-------------------------------------------------------|------|------------------|--------------------------|--------------------------|
|                                                       | Note | €                | €                        | €                        |
| <b>ASSETS</b>                                         |      |                  |                          |                          |
| <b>Non-current assets</b>                             |      |                  |                          |                          |
| Property, plant and equipment                         | 17   | 9,445            | 12,128                   | -                        |
| Right-of-use asset                                    | 18   | -                | 89,693                   | -                        |
| Investments in joint ventures                         | 20   | 46,869           | -                        | -                        |
| Lease receivable                                      | 25   | 29,590           | -                        | -                        |
|                                                       |      | <u>85,904</u>    | <u>101,821</u>           | <u>-</u>                 |
| <b>Current assets</b>                                 |      |                  |                          |                          |
| Inventories                                           | 22   | 108,580          | 231,729                  | 248,751                  |
| Trade and other receivables                           | 23   | 396,587          | 59,420                   | 17,060                   |
| Loans receivable                                      | 21   | -                | 301,315                  | -                        |
| Financial assets at fair value through profit or loss | 24   | 159,137          | 23,536                   | -                        |
| Lease receivable                                      | 25   | 70,018           | -                        | -                        |
| Cash at bank and in hand                              | 26   | 576,468          | 509,045                  | 556,321                  |
|                                                       |      | <u>1,310,790</u> | <u>1,125,045</u>         | <u>822,132</u>           |
| <b>Total assets</b>                                   |      | <u>1,396,694</u> | <u>1,226,866</u>         | <u>822,132</u>           |
| <b>EQUITY AND LIABILITIES</b>                         |      |                  |                          |                          |
| <b>Equity</b>                                         |      |                  |                          |                          |
| Share capital                                         | 27   | 35,479           | 34,747                   | 33,541                   |
| Share premium                                         | 27   | 1,452,259        | 1,189,301                | 805,561                  |
| Other reserves                                        | 28   | (15,991)         | 44,337                   | 84,610                   |
| Accumulated losses                                    |      | <u>(281,691)</u> | <u>(187,820)</u>         | <u>(107,020)</u>         |
|                                                       |      | 1,190,056        | 1,080,565                | 816,692                  |
| Non-controlling interests                             | 35   | 38,430           | 15,067                   | -                        |
| <b>Total equity</b>                                   |      | <u>1,228,486</u> | <u>1,095,632</u>         | <u>816,692</u>           |
| <b>Non-current liabilities</b>                        |      |                  |                          |                          |
| Lease liability                                       | 29   | 19,016           | 58,499                   | -                        |
|                                                       |      | <u>19,016</u>    | <u>58,499</u>            | <u>-</u>                 |
| <b>Current liabilities</b>                            |      |                  |                          |                          |
| Trade and other payables                              | 30   | 110,638          | 40,969                   | 5,440                    |
| Lease liability                                       | 29   | 38,554           | 31,766                   | -                        |
|                                                       |      | <u>149,192</u>   | <u>72,736</u>            | <u>5,440</u>             |
| <b>Total liabilities</b>                              |      | <u>168,208</u>   | <u>131,234</u>           | <u>5,440</u>             |
| <b>Total equity and liabilities</b>                   |      | <u>1,396,694</u> | <u>1,226,866</u>         | <u>822,132</u>           |

The notes on pages 16 to 55 form an integral part of these consolidated financial statements.

# GLOBALWEALTH GROUP PLC

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## CONSOLIDATED STATEMENT OF FINANCIAL POSITION 31 December 2024

On 14 October 2025 the Board of Directors of GLOBALWEALTH GROUP PLC authorised these consolidated financial statements for issue.

.....  
Michael Ioannides  
Director

.....  
Maria Panagiotou  
Director

# GLOBALWEALTH GROUP PLC

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

31 December 2024

|                                                                | Note | Attributable to owners of the Company |                  |                 |                     |                    | Non-controlling interests | Total            |
|----------------------------------------------------------------|------|---------------------------------------|------------------|-----------------|---------------------|--------------------|---------------------------|------------------|
|                                                                |      | Share capital                         | Share premium    | Treasury shares | Shares to be issued | Accumulated losses |                           |                  |
|                                                                |      | €                                     | €                | €               | €                   | €                  | €                         | €                |
| <b>Balance at 31 December 2022, as previously reported</b>     |      | <b>33,541</b>                         | <b>805,561</b>   | -               | <b>84,610</b>       | <b>4,929</b>       | -                         | <b>928,641</b>   |
| Impact of prior-year error                                     | 8    | -                                     | -                | -               | -                   | (111,949)          | -                         | (111,949)        |
| <b>Balance at 1 January 2023, as restated</b>                  |      | <b>33,541</b>                         | <b>805,561</b>   | -               | <b>84,610</b>       | <b>(107,020)</b>   | -                         | <b>816,692</b>   |
| <b>Comprehensive income</b>                                    |      |                                       |                  |                 |                     |                    |                           |                  |
| Net loss for the year, as restated                             | 8    | -                                     | -                | -               | -                   | (80,801)           | (5,933)                   | (86,734)         |
| <b>Transactions with owners</b>                                |      |                                       |                  |                 |                     |                    |                           |                  |
| <b>Contributions and distributions</b>                         |      |                                       |                  |                 |                     |                    |                           |                  |
| Issue of ordinary shares                                       | 27   | 1,206                                 | 383,740          | -               | (26,611)            | -                  | -                         | 358,335          |
| Treasury shares acquired, as restated                          | 28   | -                                     | -                | (13,662)        | -                   | -                  | -                         | (13,662)         |
| <b>Changes in ownership interests</b>                          |      |                                       |                  |                 |                     |                    |                           |                  |
| Incorporation of subsidiary with NCI                           | 22   | -                                     | -                | -               | -                   | -                  | 21,000                    | 21,000           |
| <b>Balance at 31 December 2023/1 January 2024, as restated</b> |      | <b>34,747</b>                         | <b>1,189,301</b> | <b>(13,662)</b> | <b>57,999</b>       | <b>(187,820)</b>   | <b>15,067</b>             | <b>1,095,631</b> |
| <b>Comprehensive income</b>                                    |      |                                       |                  |                 |                     |                    |                           |                  |
| Net loss for the year                                          |      | -                                     | -                | -               | -                   | (91,875)           | 14,167                    | (77,708)         |
| <b>Transactions with owners</b>                                |      |                                       |                  |                 |                     |                    |                           |                  |
| <b>Contributions and distributions</b>                         |      |                                       |                  |                 |                     |                    |                           |                  |
| Issue of ordinary shares                                       | 27   | 732                                   | 262,958          | -               | (57,999)            | -                  | -                         | 205,691          |
| Treasury shares acquired                                       | 28   | -                                     | -                | (10,081)        | -                   | -                  | -                         | (10,081)         |
| Treasury shares sold                                           | 28   | -                                     | -                | 7,752           | -                   | -                  | -                         | (7,752)          |
| <b>Changes in ownership interests</b>                          |      |                                       |                  |                 |                     |                    |                           |                  |
| Changes in ownership interest of subsidiary with NCI           | 35   | -                                     | -                | -               | -                   | (1,996)            | 9,196                     | 7,200            |
| <b>Balance at 31 December 2024</b>                             |      | <b>35,479</b>                         | <b>1,452,259</b> | <b>(15,991)</b> | <b>-</b>            | <b>(281,692)</b>   | <b>38,430</b>             | <b>1,228,485</b> |

The notes on pages 16 to 55 form an integral part of these consolidated financial statements.

# GLOBALWEALTH GROUP PLC

## CONSOLIDATED CASH FLOW STATEMENT

31 December 2024

|                                                                                    | Note    | 2024<br>€        | 2023 Restated<br>€ |
|------------------------------------------------------------------------------------|---------|------------------|--------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                        |         |                  |                    |
| <b>Loss for the year</b>                                                           |         | <b>(77,708)</b>  | (86,733)           |
| Adjustments for:                                                                   |         |                  |                    |
| Depreciation of property, plant and equipment                                      | 17      | 2,883            | 2,088              |
| Depreciation of right-of-use assets                                                | 18      | 2,639            | 31,701             |
| Share of loss from joint ventures                                                  | 20      | 6,964            | -                  |
| Gain on lease derecognition                                                        | 18      | (119)            | -                  |
| Gain on sub-lease recognition                                                      | 18      | (45,469)         | -                  |
| Fair value (gains)/losses on financial assets at fair value through profit or loss | 24      | (13,589)         | 26,464             |
| Impairment charge on cash and cash equivalents                                     | 26      | 43               | -                  |
| Impairment charge of other receivables                                             | 23      | 9,389            | -                  |
| Interest income                                                                    | 21 & 25 | (14,547)         | (1,315)            |
| Interest expense                                                                   | 15      | 2,270            | 3,121              |
|                                                                                    |         | <b>(127,514)</b> | (24,674)           |
| <b>Changes in working capital:</b>                                                 |         |                  |                    |
| Increase in financial assets at fair value through profit or loss                  | 24      | (121,742)        | (50,000)           |
| Increase in trade and other receivables                                            | 23      | (346,787)        | (42,360)           |
| Decrease in inventories                                                            | 22      | 123,149          | 17,022             |
| Increase in trade and other payables                                               | 30      | 69,668           | 35,529             |
| <b>Cash used in operations</b>                                                     |         | <b>(403,457)</b> | (64,483)           |
| Acquisition of interests in joint ventures                                         | 20      | (53,833)         | -                  |
| Proceeds from repayments of lease receivable                                       | 25      | 26,301           | -                  |
| Interest received                                                                  | 25      | 5,342            | -                  |
| <b>Net cash used in operating activities</b>                                       |         | <b>(442,502)</b> | (64,482)           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                        |         |                  |                    |
| Payment for purchase of property, plant and equipment                              | 17      | (200)            | (14,216)           |
| Loans granted                                                                      | 21      | -                | (300,000)          |
| Proceeds from repayments of loans granted                                          | 21      | 300,000          | -                  |
| Interest received                                                                  | 21      | 10,520           | -                  |
| <b>Net cash generated from/(used in) investing activities</b>                      |         | <b>310,320</b>   | (314,216)          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                        |         |                  |                    |
| Proceeds from issue of ordinary shares                                             | 27      | 205,691          | 358,335            |
| Proceeds from the issue of shares to non-controlling interests                     | 35      | -                | (21,000)           |
| Proceeds from the sale of shares in subsidiaries                                   | 22      | 7,200            | -                  |
| Proceeds from the sale of treasury shares                                          | 28      | 7,752            | -                  |
| Payments for acquisition of treasury shares                                        | 28      | (10,081)         | (13,662)           |
| Repayments of leases liabilities                                                   | 29      | (25,731)         | (31,129)           |
| Interest paid                                                                      | 29      | (2,270)          | (3,121)            |
| <b>Net cash generated from financing activities</b>                                |         | <b>182,561</b>   | 331,423            |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                        |         | <b>67,465</b>    | (47,276)           |
| Cash and cash equivalents at beginning of the year                                 |         | 509,046          | 556,321            |
| <b>Cash and cash equivalents at end of the year</b>                                | 26      | <b>576,468</b>   | 509,045            |

The notes on pages 16 to 55 form an integral part of these consolidated financial statements.

# GLOBALWEALTH GROUP PLC

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

##### 1. Incorporation and principal activities

###### Country of incorporation

The Company GLOBALWEALTH GROUP PLC (the "Company") was incorporated in Cyprus on 27th November 2020 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 12 Prevezis, Nicosia, 1065, Cyprus.

The Company is listed in the Cyprus Stock Exchange ("CSE") Emerging Companies Market.

The Company is also operating through a branch in Greece, Wealthavenue Plc Ypokatastima Elladas ("the Branch"). These financial statements include the financial performance, cash flows and financial position of the Branch. The Branch operates under Commercial Registration No. 164969401001 issued in Greece on 11 July 2022 and performs real estate construction activities. The address of the registered office of the Branch is 43 Leoforos Iasonidou, Ellinikou Argyroupolis, 16777 Athens.

###### Change of company name

On 3 July 2024, the Company changed its name from "WEALTHAVENUE PLC" to "GLOBALWEALTH GROUP PLC".

###### Principal activities

The principal activities of the Group, which are unchanged from last year, are the holding of investments and the construction, development and marketing of real estate.

##### 2. Basis of preparation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. These consolidated financial statements have been prepared under the historical cost convention except in the case of the financial assets and financial liabilities at fair value through profit or loss, which are measured at their fair value.

###### Going concern basis

Taking into account the net asset position and the availability of cash and cash equivalents at 31 December 2024, Management has assessed that the Group has the ability to continue as a going concern and has therefore prepared these consolidated financial statements on this basis.

##### 3. Functional and presentation currency

The consolidated financial statements are presented in Euro (€) which is the Company's functional currency.

##### 4. Adoption of new or revised standards and interpretations

As from 1 January 2024, the Group adopted all the following IFRS Accounting Standards as adopted by the European Union, which are relevant to its operations. This adoption did not have a material effect on the financial statements of the Group.

The following new or amended accounting standards and interpretations have been issued by International Accounting Standards Board ("IASB") ("IFRS Accounting Standards") but are not yet effective for annual periods beginning on 1 January 2024. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

new or amended accounting standards and interpretations early.

#### (i) New or amended IFRS Accounting Standards and interpretations adopted by the EU

- IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments): Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026)

The IASB, following the post implementation review of IFRS 9, issued on 30 May 2024 amendments to IFRS 9 and IFRS 7 to address identified issues. These amendments address the recognition and derecognition of financial assets and financial liabilities and include an accounting policy option for the derecognition of financial liabilities settled through an electronic payment system, if certain conditions are met. In addition, the amendments introduce an additional SPPI test for financial assets with environmental, social and governance ("ESG") linked features and other similar contingent features, which must be met to qualify for measurement at amortised cost. Additional disclosures will be required under IFRS 7 for those financial assets and liabilities with contingent features. The amendments clarify the key characteristics of contractually linked instruments ("CLIs") and how they differ from financial assets with non recourse features.

- IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments): Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026) (continued)

The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non recourse features (the "look through" test). Finally, there are new disclosure requirements for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income. Companies can choose to early adopt amendments that relate to the classification of financial assets (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

At this stage the Company evaluates the impact of the adoption of the above amendments on its financial statements. The amendments are not expected to have a significant impact on the Company's financial statements.

- Annual Improvements to IFRS Accounting Standards Volume 11 (effective for annual periods beginning on or after 1 January 2026)

On 18 July 2024, the IASB issued the Annual improvements to IFRS Accounting Standards Volume 11. These improvements aim to improve clarity and enhance the internal consistency of IFRS Accounting Standards. The amendments apply to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. One of the key amendments resolves the existing conflict between IFRS 9 and IFRS 15 regarding the transaction price, by requiring companies to initially measure a trade receivable without significant financing component at the amount determined by applying IFRS 15. Additionally, amendments to IFRS 9 address the lack of clarity related to how a lessee accounts for the derecognition of a lease liability.

At this stage the Company evaluates the impact of the adoption of the above amendments on its financial statements. The amendments are not expected to have a significant impact on the Company's financial statements.

- IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments): Contracts Referencing Nature dependent Electricity (effective for annual periods beginning on or after 1 January 2026)

On 18 December 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7, to help companies better report the financial effects of nature dependent electricity contracts, sometimes referred to as power purchase agreements (PPAs). The amendments apply only to contracts referencing nature dependent electricity in which a company is exposed to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions (e.g. the weather). The amendments allow a company to apply the own use exemption to PPAs if the company has been, and expects to be, a 'net purchaser' of electricity over the contract period.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

The amendments apply retrospectively using facts and circumstances at the beginning of the reporting period of initial application without requiring prior periods to be restated. In addition, subject to certain conditions, the amendments permit companies to designate a variable nominal volume of forecasted sales or purchases of renewable electricity as the hedged transaction. The variable hedged volume is based on the variable volume expected to be delivered by the generation facility referenced in the hedging instrument. This would facilitate an economic offset between the hedging instrument and the hedged transaction, enabling companies to apply hedge accounting.

#### (i) New or amended IFRS Accounting Standards and interpretations adopted by the EU (continued)

- IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments): Contracts Referencing Nature dependent Electricity (effective for annual periods beginning on or after 1 January 2026) (continued)

The amendments apply prospectively to new hedging relationships designated on or after the date of initial application. The last amendment relates to additions of new disclosure requirements to enable investors to understand the effect of such contracts on a company's financial performance and cash flows.

At this stage the Company evaluates the impact of the adoption of the above amendments on its financial statements. The amendments are not expected to have a significant impact on the Company's financial statements.

#### (ii) New or amended IFRS Accounting Standards and interpretations not adopted by the EU

- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

On 9 April 2024, the IASB issued a new accounting standard that will replace IAS 1 Presentation of Financial Statements, with retrospective application. A significant change introduced by this new standard is the requirement for companies to present a more structured statement of profit or loss. This involves classifying income and expenses into five distinct categories: operating, investing, financing, income taxes, and discontinued operations. With the adoption of IFRS 18, companies will also have to present two defined subtotals: the operating profit or loss and the profit or loss before finance expenses and income taxes. Additionally, companies will need to disclose management-defined performance measures (MPMs) in a single and separate note in the financial statements if they meet the following criteria: the MPMs consist of subtotals of income and expenses included in the financial statements, are used by management in their public communications outside the financial statements and reflect management's view in relation to the company's overall financial performance. For each MPM disclosed, management will have to inform users of the financial statements how it was calculated, why it is important for their understandability and provide a reconciliation to the most comparable subtotal either listed in IFRS 18 or required by other IFRS Accounting Standards. Moreover, the new standard is expected to provide enhanced guidance on grouping of financial information in the primary financial statements or notes based on shared characteristics.

At this stage the Company evaluates the impact of the adoption of the above amendments on its financial statements. The amendments are expected to have a significant impact on the Company's financial statements.

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

On 9 May 2024, the IASB issued IFRS 19, allowing eligible subsidiaries to present reduced disclosures under IFRS 19 instead of the more extensive disclosure requirements in other IFRS Accounting Standards. In line with IFRS 18, a specific disclosure required by IFRS 19 can be omitted, if information resulting from that disclosure, is not material. This election is available for subsidiaries preparing consolidated, separate, or individual financial statements, if and only if, at the end of the reporting period they do not have public accountability and have a parent company (ultimate or intermediary) that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. If election is made, the subsidiary must state that it has applied IFRS 19 in its statement of compliance. A subsidiary applying IFRS 19 can later choose to revoke this election.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

At this stage the Company evaluates the impact of the adoption of the above amendments on its financial statements. The amendments are not expected to have a significant impact on the Company's financial statements.

#### (iii) New or amended IFRS Accounting Standards and interpretations not adopted by the EU

- IFRS 10 Consolidated Financial Statements (Amendments) and IAS 28 Investments in Associates and Joint Ventures (Amendments): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date postponed indefinitely; early adoption continues to be permitted)

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (as defined in IFRS 3). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business. In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

At this stage the Company evaluates the impact of the adoption of the above amendments on its financial statements. The amendments are not expected to have a significant impact on the Company's financial statements.

### 5. Material accounting policies

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

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

#### Basis of consolidation

The Company has subsidiary undertakings for which section 142(1)(b) of the Cyprus Companies Law Cap. 113 requires consolidated financial statements to be prepared and laid before the Company at the Annual General Meeting. The consolidated financial statements comprise the financial statements of the parent company GLOBALWEALTH GROUP PLC and the financial statements of the subsidiary, WEALTH LIVING I.K.E.

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

#### Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists where the Group 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. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

##### Non-controlling interests

Non-controlling interests (NCI) are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

##### Joint arrangements

Joint arrangements are arrangements of which the Group has joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement

Interest in joint ventures is accounted for under the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which joint control ceases.

##### *Transactions eliminated on consolidation*

Intra group balances and transactions, and any unrealised income and expenses arising from intra group transactions, are eliminated in preparing consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

##### Segmental reporting

The Group is organised by business segments and this is the primary format for segmental reporting. Each business segment provides products or services which are subject to risks and returns that are different from those of other business segments.

##### Revenue

##### Recognition and measurement

Revenue represents the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, value-added taxes); the transaction price.

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

##### Identification of performance obligations

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

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

- **Sale of completed properties**

The sale of completed properties is generally expected to be the only performance obligation and the Company has determined that it will be satisfied at the point in time when control is transferred to the customer. Control is transferred when the sales agreement is signed and the asset is delivered to the customer.

The Group does not have any contracts where the period between the transfer of the promised property to the customer and payment by the customer exceeds one year. As a consequence, the Group elects to use the practical expedient and does not adjust any of the transaction prices for the time value of money.

Consideration is charged and received upon signing of the sale agreement. Such consideration is not refundable and includes no financing component.

- **Rental income**

Rental income is recognised on an accruals basis in accordance with the substance of the relevant agreements.

##### Finance income

Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss

##### Finance costs

Finance expenses include interest expense and bank charges. Finance expenses, excluding bank charges, are recognised to profit or loss using the effective interest method. Bank charges are recognised in profit or loss in the period which incurred.

##### Tax

Tax liabilities and assets for the current and prior periods 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. Current tax includes any adjustments to tax payable in respect of previous periods.

##### Property, plant and equipment

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

impairment losses.

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

|                                          | %  |
|------------------------------------------|----|
| Furniture, fixtures and office equipment | 20 |

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

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

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

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

#### Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

##### The Group as lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. The Group has entered into sub-leases in the year that were classified as a finance sub-lease. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

##### The Group as lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

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

- fixed payments, including in-substance fixed payments;
- the lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

The Group presents its right-of-use assets and lease liabilities separately in the consolidated statement of financial position.

##### *Short-term leases and leases of low-value assets*

The Group has elected not to recognise the right of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets (i.e. IT equipment, office equipment etc.). The Group recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

#### Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

#### Financial assets - Classification

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

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

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

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

All other financial assets are classified as measured at FVTPL.

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

#### Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Group

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

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

#### Financial assets - Measurement

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

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

#### Debt instruments

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

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

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

#### Equity instruments

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

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

#### Financial assets - impairment - credit loss allowance for ECL

The Group assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

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

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

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

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

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

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

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

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

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

#### Financial assets - Reclassification

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

#### Financial assets - write-off

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

##### Financial assets - modification

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

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

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

##### Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash at bank and in hand. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

##### Classification as trade receivables

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

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

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

##### Financial liabilities - measurement categories

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Any gain or loss on derecognition is also recognised in profit or loss.

##### Trade and other payables

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

##### Financial liabilities - Modifications

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

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

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

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

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

##### Offsetting financial instruments

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

##### Inventories

Inventories are stated at the lower of cost and net realisable value. Inventories comprise of completed properties (including land) in respect of property development activity. Cost includes costs of purchase and directly attributable acquisition costs incurred in bringing the inventories to their present condition. Net realisable value is the estimated selling price in the ordinary course of business, less the costs to completion and selling expenses.

##### Prepayments

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

##### Share capital

Ordinary shares are classified as equity. 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.

##### Treasury shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

##### Provisions

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

##### Fair value measurement

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

The fair value of financial assets traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price. The appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods, such as estimated discounted cash flows, and makes assumptions that are based on market conditions existing at the reporting date.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

All assets, liabilities and equity items for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related party transactions are transfers of resources or obligations between related parties, regardless of whether a price is charged. The following definitions have been applied in the financial statements of the Company: (i) subsidiary company, (ii) individuals who have significant influence over the Company and (iii) key management personnel. Significant influence is the power to participate in the financial and operating decisions of the entity.

#### Events after the reporting date

Assets and liabilities are adjusted for events that occurred during the period from the reporting date to the date of approval of the financial statements by the Board of Directors, when these events provide additional information for the valuation of amounts relating to events existing at the reporting date or imply that the going concern concept in relation to part or the whole of the Company is not appropriate.

#### Comparatives

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

### 6. Financial risk management

#### Financial risk factors

The Group is exposed to market price risk, interest rate risk, credit risk, liquidity risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Group to manage these risks are discussed below.

The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework.

#### 6.1 Market price risk

The Group is exposed to market price risk because of equity investments held by the Group and classified on the consolidated statement of financial position at fair value through profit or loss. The Group is not exposed to commodity price risk.

Post-tax profit for the year would increase/decrease as a result of gains/losses on unlisted equity securities classified as at fair value through profit or loss.

#### Sensitivity analysis

An increase in the unlisted equity fund prices by 5% as at 31 December 2024 would have increased profit or loss and

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

equity by €3,607 (2023: €1,177). A corresponding decrease of 5% would have had an equal and opposite effect on profit or loss and equity.

#### 6.2 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets.

At the reporting date the interest rate profile of interest-bearing financial instruments was:

|                               | 2024<br>€       | 2023<br>€       |
|-------------------------------|-----------------|-----------------|
| <i>Fixed rate instruments</i> |                 |                 |
| Financial assets              | 139,920         | -               |
| Financial liabilities         | <u>(57,720)</u> | <u>(90,265)</u> |
|                               | <u>82,200</u>   | <u>(90,265)</u> |

#### Sensitivity analysis

Any increase/(decrease) in interest rates will have no effect on results and equity of the Group, because, all financial instruments are fixed rate.

#### 6.3 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation.

*The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:*

|                                                       | 2024<br>€        | 2023<br>€      |
|-------------------------------------------------------|------------------|----------------|
| Financial assets at fair value through profit or loss | 159,137          | 23,536         |
| Loans receivable                                      | -                | 301,315        |
| Lease receivables                                     | 52,920           | -              |
| Cash and cash equivalents                             | 576,511          | 509,045        |
| Trade receivables                                     | 4,874            | 20,936         |
| Other receivables                                     | 352,731          | 2,332          |
| Shareholders' current account                         | <u>1,328</u>     | <u>1,337</u>   |
|                                                       | <u>1,147,501</u> | <u>858,501</u> |

#### *(i) Risk management*

The most significant exposure of the Company to credit risk is represented by the carrying amount of cash and cash equivalents and other receivables.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

Management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

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

The most significant exposure of the Group to credit risk is represented by receivables from related companies. Management establishes an allowance for impairment that represents its estimate of losses incurred in respect of receivables from related companies. This allowance represents a specific loss component that relates to individually significant exposures.

At 31 December 2024, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

|        | 2024           | 2023          |
|--------|----------------|---------------|
|        | €              | €             |
| Greece | 360,587        | 40,059        |
| Cyprus | 36,000         | 17,361        |
|        | <u>396,587</u> | <u>59,420</u> |

#### *Debt securities*

The Company has a convertible loan receivable measured at fair value through profit or loss amounting to EUR 87,000 (Note 24). The convertible loan was provided to a counterparty located in Greece.

#### *(ii) Impairment of financial assets*

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

- cash and cash equivalents
- trade and other receivables
- loans receivable
- debt securities

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

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

##### *Significant increase in credit risk*

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

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

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

##### *Default*

A default on a financial asset is when the counterparty is unlikely to pay its credit obligations to the Group in full.

##### *Write-off*

Financial assets are written off when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities for recovery of amounts due. There were no balances written off in the year.

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

#### **Trade receivables and contract assets**

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables (including lease receivables).

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2024 or 1 January 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

No interest is charged on outstanding trade receivables.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. There were

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

no credit impaired trade receivables in the year and no impairment allowance was recorded in this respect.

There were no trade receivable balances written off during the year.

#### Receivables from related parties

For receivables from related parties lifetime ECL was provided for them upon initial application of IFRS 9 until these financial assets are derecognised as it was determined on initial application of IFRS 9 that it would require undue cost and effort to determine whether their credit risk has increased significantly since initial recognition to the date of initial application of IFRS 9.

For any new loans to related parties, which are not purchased or originated credit-impaired financial assets, the impairment loss is recognised as 12-month ECL on initial recognition of such instruments and subsequently the Group assesses whether there was a significant increase in credit risk.

The Group does not hold any collateral as security for any receivables from related parties.

There are two significant balances due from related parties in Greece that are included as other receivables. As at the year ended 31 December 2024, an outstanding balance of €140,000 was receivable from the Group's joint venture Kennedy Residences and €200,000 was receivable from the joint venture Gregou Residences. The Group has individually assessed these balances for impairment and recorded an ECL allowance of €3,866 for Kennedy Residences and €5,523 for Gregou Residences in the statement of profit or loss. These balances are interest free and are repayable on demand.

#### Lease receivables

Management estimates the loss allowance on lease receivables at the end of the reporting period at an amount equal to lifetime ECL.

None of the lease receivables at the end of the reporting period is past due, and taking into account the historical default experience and the future prospects of the industries in which the lessees operate, together with the value of collateral held over these lease receivables, Management consider that no lease receivable is impaired.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for lease receivables.

#### Cash and cash equivalents

The Group assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account ratings from external credit rating institutions.

The gross carrying amounts below represent the Group's maximum exposure to credit risk on these assets as at 31 December 2024 and 31 December 2023:

| No. of banks | Moody's credit rating | 2024           | 2023           |
|--------------|-----------------------|----------------|----------------|
|              |                       | €              | €              |
| 1            | A3                    | 915            | 17,749         |
| 1            | Ba1                   | 568,454        | 491,125        |
|              |                       | <u>569,369</u> | <u>508,874</u> |

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.



# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

The Group uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities.

The Group recognised an impairment allowance on its cash and cash equivalents as at 31 December 2024 as shown below.

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

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

| Impairment losses                     | 2024<br>€      | 2023<br>€ |
|---------------------------------------|----------------|-----------|
| Impairment charge on cash at bank     | (43)           | -         |
| Impairment charge - other receivables | (9,389)        | -         |
|                                       | <u>(9,432)</u> | <u>-</u>  |

#### 6.4 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 Group has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

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

| 31 December 2024         | Carrying<br>amounts<br>€ | Contractual<br>cash flows<br>€ | 3 months or<br>less<br>€ | 3-12 months<br>€ | 1-5 years<br>€ | More than<br>5 years<br>€ |
|--------------------------|--------------------------|--------------------------------|--------------------------|------------------|----------------|---------------------------|
| Lease liabilities        | 57,570                   | 59,520                         | -                        | 39,810           | 19,710         | -                         |
| Trade and other payables | 10,379                   | 10,379                         | -                        | 10,379           | -              | -                         |
|                          | <u>67,949</u>            | <u>67,949</u>                  | <u>-</u>                 | <u>29,326</u>    | <u>38,623</u>  | <u>-</u>                  |

| 31 December 2023               | Carrying<br>amounts<br>€ | Contractual<br>cash flows<br>€ | 3 months or<br>less<br>€ | 3-12 months<br>€ | 1-5 years<br>€ | More than<br>5 years<br>€ |
|--------------------------------|--------------------------|--------------------------------|--------------------------|------------------|----------------|---------------------------|
| Lease liabilities, as restated | 90,265                   | 94,720                         | -                        | 34,090           | 60,630         | -                         |
| Trade and other payables       | 32,127                   | 32,127                         | -                        | 32,127           | -              | -                         |
|                                | <u>122,392</u>           | <u>122,392</u>                 | <u>-</u>                 | <u>67,024</u>    | <u>55,368</u>  | <u>-</u>                  |

#### 6.5 Capital risk management

Capital includes equity shares and share premium.

The Group 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 Group's overall strategy remains unchanged from last year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.4 Liquidity risk (continued)

### 7. Critical accounting estimates, judgments and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively - that is, in the period during which the estimate is revised, if the estimate affects only that period, or in the period of the revision and future periods, if the revision affects the present as well as future periods.

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are deemed to be reasonable based on knowledge available at that time. Actual results may deviate from such estimates.

#### *Critical accounting estimates and assumptions*

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Significant judgments and assumptions made in determining that the Company has control of another entity, whereby the Company maintained control over another entity even though it holds less than half of the voting rights of the other entity.

Although the Company currently holds 49% of the share capital of another entity via direct holding, it retained the majority of the voting rights into the entity indirectly based on the fact that the major shareholders and management of the Company have the non-controlling interests in the other entity, thus having the ability to direct the relevant activities of the entity and maintaining the Company's control over the other entity with an effective holding of 59% into the entity's voting shares.

Despite the Company's ownership interest falling below 50%, the directors determined that the Company continues to exercise de facto control over Wealth Living I.K.E.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

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

### 8. Correction of errors

During 2024, the management of the Group has discovered the following errors in prior periods:

Properties acquired by the Group, with the intention to sell, were incorrectly classified as investment properties and measured at fair value since the year 2021. These properties should have been classified as inventories and measured at the lower of their cost and net realizable value. Consequently, accumulated retained losses of the Group as at 31 December 2023 were understated by €102.071.

For its 1,31% interest in the venture capital fund SPOROS PLATFORM A.K.E.S., classified as a financial asset at fair value through profit or loss, the Group erroneously has not recognized fair value losses in the total amount of €26.464 as at 31 December 2023. Consequently, accumulated retained losses of the Group as at 31 December 2023 were understated by €26.464.

For the acquisition of 31.786 own shares for €13.663 in 2023, the group erroneously classified these shares as financial assets at fair value through profit or loss, with fair value gains recognized in profit or loss. These shares should have been recognized as a reduction in equity and no fair value gains should have been recognized on the treasury shares in PL. Consequently, total equity of the Group as at 31 December 2023 was overstated by €14.622.

For the furniture and fittings, classified as Property, Plant and equipment, the Group has erroneously not provided for depreciation charge of €2.089 over these furniture and fittings since their acquisition in 2023. Consequently, accumulated retained losses of the Group as at 31 December 2023 were understated by €2.089.

For leases entered during the year 2023, the Group erroneously not applied the requirements of IFRS 16. Instead of recognizing Right-of-use assets, lease liabilities, interest expenses and depreciation charges for the related leases, the Group recognized solely rent expenses in the amount of €38,598 to the profit or loss for the year 2023. Consequently, accumulated retained losses of the Group as at 31 December 2023 were understated by €572.

Where applicable, comparative figures have been adjusted to reflect changes in the current year's presentation. In the statement of financial position as at 31 December 2023, loans receivable of €301,315 are shown separately from trade and other receivables. Furthermore, other investments, comprising interest held in the venture capital fund SPOROS PLATFORM A.K.E.S., as discussed above, have been included under financial assets at fair value through profit or loss. In the statement of profit or loss for the year ended 31 December 2023, loan interest income of €1,315 has been included under finance costs, while expenses of €23,162 have been reclassified from administrative expenses to cost of sales.

The errors have been corrected by restating each of the affected financial statement line items for prior periods. The following tables summarize the impacts on the Group's consolidated financial statements.

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 8. Correction of errors (continued)

#### Statement of financial position

|                                                        | As previously<br>reported<br>€ | Effect<br>€      | As restated<br>€ |
|--------------------------------------------------------|--------------------------------|------------------|------------------|
| <b>1 January 2023</b>                                  |                                |                  |                  |
| Investment properties                                  | 360,700                        | (360,700)        | -                |
| Inventories                                            | -                              | 248,751          | 248,751          |
| Others                                                 | <u>573,381</u>                 | -                | <u>573,381</u>   |
| <b>Total assets</b>                                    | <u>934,081</u>                 | <u>(111,949)</u> | <u>822,132</u>   |
| Others                                                 | <u>5,440</u>                   | -                | <u>5,440</u>     |
| <b>Total liabilities</b>                               | <u>5,440</u>                   | -                | <u>5,440</u>     |
| Retained earnings                                      | 4,929                          | (111,949)        | (107,020)        |
| Others                                                 | <u>923,712</u>                 | -                | <u>923,712</u>   |
| <b>Total equity</b>                                    | <u>928,641</u>                 | <u>(111,949)</u> | <u>816,692</u>   |
| <b>31 December 2023</b>                                |                                |                  |                  |
| Property, plant and equipment                          | 14,216                         | (2,088)          | 12,128           |
| Right-of-use assets                                    | -                              | 89,693           | 89,693           |
| Investment properties                                  | 333,800                        | (333,800)        | -                |
| Inventories                                            | -                              | 231,729          | 231,729          |
| Trade and other receivables                            | 360,735                        | (301,315)        | 59,420           |
| Loans receivable                                       | -                              | 301,315          | 301,315          |
| Financial assets at fair value through profit and loss | 14,622                         | 8,914            | 23,536           |
| Other investments                                      | 50,000                         | (50,000)         | -                |
| Others                                                 | <u>509,045</u>                 | -                | <u>509,045</u>   |
| <b>Total assets</b>                                    | <u>1,282,418</u>               | <u>(55,552)</u>  | <u>1,226,866</u> |
| Lease liabilities                                      | -                              | (90,265)         | (90,265)         |
| Others                                                 | <u>(40,969)</u>                | -                | <u>40,969</u>    |
| <b>Total liabilities</b>                               | <u>(40,969)</u>                | <u>(90,265)</u>  | <u>(131,234)</u> |
| Retained earnings                                      | (56,597)                       | (131,223)        | (187,820)        |
| Treasury shares                                        | -                              | (13,662)         | (13,662)         |
| NCI                                                    | 15,998                         | (931)            | 15,067           |
| Others                                                 | <u>1,282,047</u>               | -                | <u>1,282,047</u> |
| <b>Total equity</b>                                    | <u>1,241,448</u>               | <u>(145,816)</u> | <u>1,095,632</u> |

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 8. Correction of errors (continued)

| Statement of profit or loss and other comprehensive income                         | As previously reported | Effect          | As restated     |
|------------------------------------------------------------------------------------|------------------------|-----------------|-----------------|
|                                                                                    | €                      | €               | €               |
| Revenue                                                                            | 53,594                 | 50,000          | 103,594         |
| Loan interest income                                                               | 1,315                  | (1,315)         | -               |
| Cost of sales                                                                      | -                      | (65,189)        | (65,189)        |
| Depreciation of right-of-use asset                                                 | -                      | (31,701)        | (31,701)        |
| <b>Gross profit</b>                                                                | <b>54,909</b>          | <b>(48,205)</b> | <b>6,704</b>    |
| Other operating income                                                             | 959                    | (959)           | -               |
| Administration expenses                                                            | (120,945)              | 57,224          | (63,721)        |
| Fair value loss on financial assets measured at fair value through profit and loss | -                      | (26,464)        | (26,464)        |
| <b>Operating loss</b>                                                              | <b>(65,077)</b>        | <b>(18,344)</b> | <b>(83,481)</b> |
| Finance income                                                                     | -                      | 1,315           | 1,315           |
| Finance costs                                                                      | (1,446)                | (3,121)         | (4,567)         |
| <b>Loss before tax</b>                                                             | <b>(66,528)</b>        | <b>(20,205)</b> | <b>(86,733)</b> |
| <b>Loss from continuing operations</b>                                             | <b>(66,528)</b>        | <b>(20,205)</b> | <b>(86,733)</b> |
| <b>Net loss for the year</b>                                                       | <b>(66,528)</b>        | <b>(20,205)</b> | <b>(86,733)</b> |
| <b>Total comprehensive income for the year</b>                                     | <b>(66,528)</b>        | <b>(20,205)</b> | <b>(86,733)</b> |

### 9. Revenue

The Group generates revenue from contracts with customers primarily from the sale of properties and is recognised at a point in time. Other sources of income include rental income from sub-leased properties.

#### Disaggregation of revenue

|                                                              | 2024           | 2023           |
|--------------------------------------------------------------|----------------|----------------|
|                                                              | €              | Restated €     |
| Sales of properties                                          | 145,000        | 50,000         |
| Interest income on the net investment in the lease (note 25) | 5,342          | -              |
| Rental income                                                | 7,9            | 53,594         |
|                                                              | <b>92</b>      |                |
|                                                              | <b>158,334</b> | <b>103,594</b> |

Revenue is derived from the Group's activities in Greece.

Revenue from sales of properties comprises two transactions with unrelated third parties, amounting to €90,000 and €55,000 respectively.

### 10. Cost of sales

|                                     | 2024           | 2023          |
|-------------------------------------|----------------|---------------|
|                                     | €              | Restated €    |
| Cost of properties sold             | 123,149        | 42,022        |
| Raw materials and consumables used  | -              | 5             |
| Electricity and fuel                | 4,487          | 2,533         |
| Water supply and cleaning           | 354            | 96            |
| Services received                   | 3,281          | 20,533        |
| Depreciation on right-of-use assets | 2,639          | 31,701        |
|                                     | <b>133,910</b> | <b>96,890</b> |

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 11. Other operating income

|                                                                                     | 2024          | 2023          |
|-------------------------------------------------------------------------------------|---------------|---------------|
|                                                                                     | €             | Restated<br>€ |
| Gain on recognition of sub-lease                                                    | 45,469        | -             |
| Fair value gains on financial assets at fair value through profit or loss (note 24) | 13,589        | -             |
| Sundry operating income                                                             | 119           | -             |
|                                                                                     | <b>59,177</b> | <b>-</b>      |

### 12. Administration expenses

|                                                       | 2024           | 2023          |
|-------------------------------------------------------|----------------|---------------|
|                                                       | €              | Restated<br>€ |
| Rent                                                  | 1,806          | 6,748         |
| Common expenses                                       | 3,522          | 3,596         |
| Licenses and taxes                                    | 2,763          | -             |
| Entertaining                                          | 105            | -             |
| Annual levy                                           | -              | 350           |
| Immovable property tax                                | 2,340          | -             |
| Repairs and maintenance                               | -              | 259           |
| Sundry expenses                                       | 6,316          | 2,045         |
| Telephone and postage                                 | 128            | 75            |
| Subscriptions and contributions                       | 422            | 597           |
| Auditors' remuneration - current year statutory audit | 20,000         | 2,481         |
| Auditors' remuneration - prior years                  | 500            | -             |
| Accounting fees                                       | 5,400          | 2,468         |
| Legal and professional                                | -              | 2,000         |
| Other professional fees                               | 91,097         | 28,661        |
| Revenue stamps                                        | 140            | 20            |
| Fines                                                 | 23             | 1,540         |
| Travelling                                            | 1,205          | 963           |
| Inland travelling and accommodation                   | 2,738          | 1,138         |
| Irrecoverable VAT                                     | 48             | 29            |
| CSE Expenses                                          | 9,004          | 8,663         |
| Depreciation on property, plant and equipment         | 2,883          | 2,088         |
|                                                       | <b>150,440</b> | <b>63,721</b> |

### 13. Other expenses

|                                                                            | 2024       | 2023          |
|----------------------------------------------------------------------------|------------|---------------|
|                                                                            | €          | Restated<br>€ |
| Sundry operating expenses                                                  | 222        | -             |
| Fair value losses on financial assets at fair value through profit or loss | -          | 26,464        |
|                                                                            | <b>222</b> | <b>26,464</b> |

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 14. Expenses by nature

|                                       | 2024           | 2023          |
|---------------------------------------|----------------|---------------|
|                                       | €              | Restated<br>€ |
| Depreciation and amortisation expense | 5,521          | 33,789        |
| Auditors' remuneration                | 20,500         | 2,481         |
| Expense relating to leases            | 1,806          | 6,748         |
| Other expenses                        | 122,613        | 20,703        |
| <b>Total expenses</b>                 | <b>150,440</b> | <b>63,721</b> |

### 15. Finance income/(costs)

|                                              | 2024           | 2023           |
|----------------------------------------------|----------------|----------------|
|                                              | €              | Restated<br>€  |
| <b>Finance income</b>                        |                |                |
| <b>Loan interest income</b>                  | <b>9,205</b>   | <b>1,315</b>   |
| <b>Finance costs</b>                         |                |                |
| <b>Interest expense</b>                      |                |                |
| Interest on obligations under finance leases | (2,270)        | (3,121)        |
| <b>Sundry finance expenses</b>               |                |                |
| Bank charges                                 | (1,186)        | (1,446)        |
|                                              | <b>(3,456)</b> | <b>(4,567)</b> |
| <b>Net finance income/(costs)</b>            | <b>5,749</b>   | <b>(3,252)</b> |

Interest income is analysed as follows:

|                              | 2024         | 2023         |
|------------------------------|--------------|--------------|
|                              | €            | €            |
| Loans receivable (note 21)   | 9,205        | 1,315        |
| <b>Total interest income</b> | <b>9,205</b> | <b>1,315</b> |

### 16. Earnings per share

The calculation of basic EPS has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

As the Group incurred a loss during the year, basic and diluted loss per share are the same. The effect of potential ordinary shares is anti-dilutive and has therefore been ignored in the calculation of diluted loss per share.

|                                                                     | 2024            | 2023 Restated   |
|---------------------------------------------------------------------|-----------------|-----------------|
| <b>Loss attributable to equity holders of the parent (€)</b>        | <b>(91,785)</b> | <b>(80,800)</b> |
| Weighted average number of ordinary shares in issue during the year | 35,315,611      | 34,244,508      |
| <b>Loss per share (€)</b>                                           | <b>(0.003)</b>  | <b>(0.002)</b>  |

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 31 December 2024

### Weighted average number of ordinary shares

|                                         | <b>2024</b>              |
|-----------------------------------------|--------------------------|
| Issued ordinary shares at 1 January     | 34,746,111               |
| Effect of shares issued on 3 March      | 573,938                  |
| Effect of treasury shares held          | <u>-4,438</u>            |
|                                         | <b><u>35,315,611</u></b> |
|                                         | <b>2023</b>              |
| Issued ordinary shares at 1 January     | 33,540,459               |
| Effect of shares issued on February 15  | 550,507                  |
| Effect of shares issued on September 25 | 153,891                  |
| Effect of treasury shares held          | <u>- 349</u>             |
|                                         | <b><u>34,244,508</u></b> |

### 17. Property, plant and equipment

|                                                                 | <b>Furniture,<br/>fixtures and<br/>office<br/>equipment<br/>€</b> |
|-----------------------------------------------------------------|-------------------------------------------------------------------|
| <b>Cost</b>                                                     |                                                                   |
| <b>Balance at 1 January 2023</b>                                | -                                                                 |
| Additions                                                       | <u>14,216</u>                                                     |
| <b>Balance at 31 December 2023/ 1 January 2024</b>              | <b>14,216</b>                                                     |
| Additions                                                       | <u>200</u>                                                        |
| <b>Balance at 31 December 2024</b>                              | <b><u>14,416</u></b>                                              |
| <b>Depreciation</b>                                             |                                                                   |
| <b>Balance at 1 January 2023</b>                                | -                                                                 |
| Charge for the year                                             | <u>2,088</u>                                                      |
| <b>Balance at 31 December 2023/ 1 January 2024, as restated</b> | <b>2,088</b>                                                      |
| Charge for the year                                             | <u>2,883</u>                                                      |
| <b>Balance at 31 December 2024</b>                              | <b><u>4,971</u></b>                                               |
| <b>Net book value</b>                                           |                                                                   |
| <b>Balance at 31 December 2024</b>                              | <b><u>9,445</u></b>                                               |
| <b>Balance at 31 December 2023, as restated</b>                 | <b><u>12,128</u></b>                                              |



# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 18. Right-of-use assets

|                                                                     | Land and<br>buildings<br>€ |
|---------------------------------------------------------------------|----------------------------|
| <b>Cost</b>                                                         |                            |
| <b>Balance at 1 January 2023</b>                                    | -                          |
| Additions                                                           | 121,394                    |
| <b>Balance at 31 December 2023 / 1 January 2024, as restated</b>    | <b>121,394</b>             |
| Termination of lease arrangement                                    | (10,268)                   |
| Derecognition of right-of-use assets (transfer to lease receivable) | (111,126)                  |
| <b>Balance at 31 December 2024</b>                                  | <b>-</b>                   |
| <b>Depreciation</b>                                                 |                            |
| <b>Balance at 1 January 2023</b>                                    | -                          |
| Charge for the year                                                 | 31,701                     |
| <b>Balance at 31 December 2023/ 1 January 2024, as restated</b>     | <b>31,701</b>              |
| Charge for the year                                                 | 2,639                      |
| Termination of lease arrangement                                    | (3,423)                    |
| Derecognition of right-of-use assets (transfer to lease receivable) | (30,917)                   |
| <b>Balance at 31 December 2024</b>                                  | <b>-</b>                   |
| <b>Net book value</b>                                               |                            |
| <b>Balance at 31 December 2024</b>                                  | <b>-</b>                   |
| <b>Balance at 31 December 2023, as restated</b>                     | <b>89,693</b>              |

The Group leases several assets including residential apartments (buildings) The average lease term is 5.00 years (2023: 5.00 years).

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. The Group has not estimated the potential future lease payments, should it exercise the extension option, as it is not reasonably certain that the extension options will be exercised.

Amounts recognised in profit and loss:

|                                     | 2024<br>€ | 2023<br>Restated<br>€ |
|-------------------------------------|-----------|-----------------------|
| Gain on sub-lease recognition       | 45,469    | -                     |
| Gain on lease derecognition         | 119       | -                     |
| Interest on lease liabilities       | (2,270)   | (3,121)               |
| Rent on low value assets            | (1,806)   | (588)                 |
| Rent on short-term leases           | -         | (3,760)               |
| Depreciation of right-of-use assets | (2,639)   | (31,701)              |

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 31 December 2024

### 18. Right-of-use assets (continued)

Amounts recognised in statement of cash flows:

|                                 | 2024<br>€     | 2023<br>Restated<br>€ |
|---------------------------------|---------------|-----------------------|
| Total cash outflows from leases | <b>28,001</b> | 34,250                |

### 19. Investments in subsidiaries

The details of the subsidiaries are as follows:

| Name                    | Country of<br>incorporation | Principal activities                                  | 2024<br>Holding<br>% | 2023<br>Holding<br>% | 2024<br>€     | 2023<br>€ |
|-------------------------|-----------------------------|-------------------------------------------------------|----------------------|----------------------|---------------|-----------|
| WEALTH<br>LIVING I.K.E. | Greece                      | Real<br>estate - Sub-lease<br>of rented<br>properties | 49                   | 65                   | <b>29,400</b> | 39,000    |
|                         |                             |                                                       |                      |                      | <b>29,400</b> | 39,000    |

During the year, the Company sold a portion of its investment in Wealth Living I.K.E., resulting in a reduced holding of 49%.

Despite the Company's ownership interest falling below 50%, the directors determined that the Company continues to exercise de facto control over Wealth Living I.K.E. (Note 7).

### 20. Investment in joint ventures

|                                   | 2024<br>€      | 2023<br>€ |
|-----------------------------------|----------------|-----------|
| Balance at 1 January              | -              | -         |
| Additions                         | <b>53,833</b>  | -         |
| Share of loss from joint ventures | <b>(6,964)</b> | -         |
| <b>Balance at 31 December</b>     | <b>46,869</b>  | -         |

The details of the joint ventures are as follows:

| Name                  | Country of<br>incorporation | Principal activities                       | 2024<br>Holding<br>% | 2023<br>Holding<br>% | 2024<br>€     | 2023<br>€ |
|-----------------------|-----------------------------|--------------------------------------------|----------------------|----------------------|---------------|-----------|
| KENNEDY<br>RESIDENCES | Greece                      | Development of<br>residential<br>buildings | 50                   | -                    | <b>11,193</b> | -         |
| GREGOU<br>RESIDENCES  | Greece                      | Development of<br>residential<br>buildings | 55                   | -                    | <b>5,397</b>  | -         |
| P. KYRIAKOU<br>12     | Greece                      | Development of<br>residential<br>buildings | 33.33                | -                    | <b>30,279</b> | -         |
|                       |                             |                                            |                      |                      | <b>46,869</b> | -         |

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 20. Investment in joint ventures (continued)

The Group has joint control in the joint ventures and are strategic to the Group's activities as they are engaged in the construction of residential apartments in Greece with an aim to sale.

During the year, the Group identified impairment indicators for its investments in joint ventures, but considers them temporary and did not recognise any impairment due to the following reasons:

- the investments are in a net asset position as at the year end.
- Each joint venture is responsible for the construction of a residential building, with the intention that the completed apartments will be sold. The projects are currently under development and the budgets of these projects have a profit higher than the carrying amount of each investment in the Company's records.

Significant aggregate amounts in respect of the joint ventures:

| <b>2024</b>                                                           | KENNEDY<br>RESIDENCES<br>€ | GREGOU<br>RESIDENCES<br>€ | P. KYRIAKOU 12<br>€ | Total<br>€ |
|-----------------------------------------------------------------------|----------------------------|---------------------------|---------------------|------------|
| <b>Percentage ownership interest</b>                                  | <b>50%</b>                 | <b>55%</b>                | <b>33.33%</b>       |            |
| Non-current assets                                                    | 105,760                    | 188,646                   | -                   | 294,406    |
| Cash and cash equivalents                                             | 44,874                     | 46,780                    | 89,030              | 180,684    |
| Other current assets                                                  | 35,132                     | 40,776                    | 2,407               | 78,315     |
| Current liabilities                                                   | (164,909)                  | (266,400)                 | (598)               | (431,907)  |
| Net assets (100%)                                                     | 20,857                     | 9,812                     | 90,839              | 121,508    |
| Profit and total comprehensive income (100%)                          | (7,613)                    | (188)                     | (9,161)             | (16,962)   |
| Profit and total comprehensive income (percentage ownership interest) | (3,807)                    | (104)                     | (3,053)             | (6,964)    |
| Group's share of profit and total comprehensive income                | (3,807)                    | (104)                     | (3,053)             | (6,964)    |

### 21. Loans receivable

|                               | <b>2024</b><br>€ | 2023<br>€      |
|-------------------------------|------------------|----------------|
| Balance at 1 January          | <b>301,315</b>   | -              |
| Additions                     | -                | 300,000        |
| Interest income (note 15)     | <b>9,205</b>     | 1,315          |
| Repayments received           | <b>(310,520)</b> | -              |
| <b>Balance at 31 December</b> | <b>-</b>         | <b>301,315</b> |

The exposure of the Group to credit risk in relation to loans receivable is reported in note 6 of the consolidated financial statements.

The fair values of non-current receivables approximate to their carrying amounts as presented above.

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 22. Inventories

|                       | 2024           | 2023          |
|-----------------------|----------------|---------------|
|                       | €              | Restated<br>€ |
| Properties for resale | <b>108,580</b> | 231,729       |
|                       | <b>108,580</b> | 231,729       |

The cost of inventories recognised as expense and included in "Cost of sales" amounted to €123,149 (2023: €42,027).

The Group reviews its inventory records for evidence regarding the marketability of inventory and its net realizable value on disposal. No provision for obsolete and slow-moving inventory was recorded in the statement of profit or loss during the year ended 31 December 2024 (2023: Nil).

### 23. Trade and other receivables

|                                                             | 2024           | 2023   |
|-------------------------------------------------------------|----------------|--------|
|                                                             | €              | €      |
| Trade receivables                                           | <b>4,874</b>   | 20,936 |
| Shareholders' current accounts - debit balances (note 32.5) | <b>1,328</b>   | 1,337  |
| Deposits and prepayments (note 32.3)                        | <b>15,140</b>  | 17,400 |
| Other receivables (notes 32.3 & 32.6)                       | <b>352,731</b> | 2,332  |
| Less: Impairment losses on other receivables (note 32.6)    | <b>(9,389)</b> | -      |
| VAT                                                         | <b>31,903</b>  | 17,415 |
|                                                             | <b>396,587</b> | 59,420 |

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

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

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

### 24. Financial assets at fair value through profit or loss

|                               | 2024           | 2023     |
|-------------------------------|----------------|----------|
|                               | €              | €        |
| Balance at 1 January          | <b>23,536</b>  | -        |
| Additions                     | <b>122,012</b> | 50,000   |
| Change in fair value          | <b>13,589</b>  | (26,464) |
| <b>Balance at 31 December</b> | <b>159,137</b> | 23,536   |

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 31 December 2024

Financial assets mandatorily measured as at fair value through profit or loss are analysed as follows:

|                                                              | 2024<br>€      | 2023<br>Restated<br>€ |
|--------------------------------------------------------------|----------------|-----------------------|
| <b>Financial assets at fair value through profit or loss</b> |                |                       |
| Unlisted private equity fund                                 | 72,137         | 23,536                |
| Convertible loan                                             | 87,000         | -                     |
|                                                              | <u>159,137</u> | <u>23,536</u>         |

On 25 July 2024, the Company acquired 87 notes of €1,000 each, with an aggregate principal amount of €87,000. The notes have a 2 years duration, are unsecured and bear interest of 7% per annum. Under certain conditions being met, the notes are convertible at the option of the noteholder.

The unlisted private equity fund is valued using the published fund prices as at 31 December.

### 25. Lease receivable

|                                 | 2024<br>€     | 2023<br>€ |
|---------------------------------|---------------|-----------|
| <b>Balance at 1 January</b>     | -             | -         |
| Recognition of lease receivable | 125,909       | -         |
| Repayments                      | (31,643)      | -         |
| Interest charged                | 5,342         | -         |
| <b>Balance at 31 December</b>   | 99,608        | -         |
| Less non-current portion        | (29,590)      | -         |
| Current portion                 | <u>70,018</u> | <u>-</u>  |

During 2024, the Group has sub-leased residential apartments to the related company KINFEEL I.K.E., that were previously recorded as a right-of-use assets (land and buildings). Of all the existing lease and sub-lease agreements, 7 are set to expire in 2026, while the remaining 2 will expire in 2028. The Group has classified the sub-leases as finance leases.

During 2024, the Group recognised a gain of €45,469 on derecognition of the right-of-use assets pertaining to the building and presented the gain as part of 'Gain on sale of right of use asset - land and buildings' (Note 18).

During 2024, the Group recognised interest income on lease receivable of €5,342 (2023: €-).

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 25. Lease receivable (continued)

|                                                   | 2024<br>€      | 2023<br>€ |
|---------------------------------------------------|----------------|-----------|
| <b>Amounts receivable under finance leases:</b>   |                |           |
| Year 1                                            | 70,018         | -         |
| Year 2                                            | 16,870         | -         |
| Year 3                                            | 12,720         | -         |
| Year 4                                            | 5,300          | -         |
| <b>Undiscounted lease payments</b>                | <b>104,908</b> | -         |
| Less: unearned finance income                     | (5,300)        | -         |
| <b>Present value of lease payments receivable</b> | <b>99,608</b>  | -         |
| Undiscounted lease payments analysed as:          |                |           |
| Recoverable after 12 months                       | 34,890         | -         |
| Recoverable within 12 months                      | 70,018         | -         |
|                                                   | <b>99,608</b>  | -         |

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in Euro (€).

The following table presents the amounts included in profit or loss:

|                                                        | 2024<br>€    | 2023<br>€ |
|--------------------------------------------------------|--------------|-----------|
| Finance income on the net investment in finance leases | 5,342        | -         |
|                                                        | <b>5,342</b> | -         |

Amounts recognised in statement of cash flows:

|                                    | 2024<br>€ | 2023<br>Restated<br>€ |
|------------------------------------|-----------|-----------------------|
| Total cash inflows from sub-leases | 48,741    | -                     |

The Group's finance lease arrangements do not include variable payments.

### 26. Cash at bank and in hand

Cash balances are analysed as follows:

|                                               | 2024<br>€      | 2023<br>€ |
|-----------------------------------------------|----------------|-----------|
| Cash at bank                                  | 569,369        | 508,874   |
| Cash in hand                                  | 7,142          | 171       |
| Accumulated impairment losses on cash at bank | (43)           | -         |
|                                               | <b>576,468</b> | 509,045   |

The exposure of the Group to credit risk and impairment losses in relation to cash and cash equivalents is reported in

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**31 December 2024**

note 6 of the consolidated financial statements.

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 27. Share capital and share premium

|                                                              | 2024<br>Number of<br>shares | 2024<br>€                  | 2023<br>Number of<br>shares    | 2023<br>€          |
|--------------------------------------------------------------|-----------------------------|----------------------------|--------------------------------|--------------------|
| <b>Authorised</b>                                            |                             |                            |                                |                    |
| Ordinary shares of €0.001 each                               | 500,000,000                 | 500,000                    | 500,000,000                    | 500,000            |
| <b>Issued and fully paid</b>                                 | <b>Number of<br/>shares</b> | <b>Share capital<br/>€</b> | <b>Share<br/>premium<br/>€</b> | <b>Total<br/>€</b> |
| Balance at 1 January 2023                                    | 33,540,459                  | 33,541                     | 805,561                        | 839,102            |
| Issue of shares of nominal value of €0.001 each at a premium | 1,205,652                   | 1,206                      | 383,740                        | 384,946            |
| <b>Balance at 31 December 2023/ 1 January 2024</b>           | <b>34,746,111</b>           | <b>34,747</b>              | <b>1,189,301</b>               | <b>1,224,048</b>   |
| Issue of shares of nominal value of €0.001 each at a premium | 732,473                     | 732                        | 262,958                        | 263,690            |
| <b>Balance at 31 December 2024</b>                           | <b>35,478,584</b>           | <b>35,479</b>              | <b>1,452,259</b>               | <b>1,487,738</b>   |

#### Issued capital

On 30 June 2022, the company issued 1,442,959 additional ordinary shares of nominal value €0.001 each, with a share premium of € 0.269 per share.

On 15 February 2023 the Company resolved to increase its issued share capital by 628,165 ordinary shares of nominal value of € 0.001 each share, with share premium as follows:

- 37,037 ordinary shares of €0.001 each share with share premium of €0.269 each share and
- 230,711 ordinary shares of €0.001 each share with share premium of €0.279 each share and
- 66,667 ordinary shares of €0.001 each share with share premium of €0.299 each share and
- 293,750 ordinary shares of €0.001 each share with share premium of €0.319 each share

Further to the decision of the Annual General Meeting dated 07 September 2023, the Company has proceeded with the issuance and allotment of 577,487 ordinary shares at the total price of €0,34 each share, by the private placement method.

Further to the decision of the Board of Directors dated 20 March 2024, the Company has proceeded with the issuance and allotment of 732,473 ordinary shares at the total price of €0,359 each share, by the private placement method.

In an Extraordinary General Meeting dated 4 July 2024, the Board of Directors approved the establishment of an employee share option scheme pursuant to which up to 32,000,000 ordinary shares in the share capital of the Company, with the same terms as the already issued shares of the Company at any given time, will be available for allotment and issuance at their nominal value by the Board of Directors to eligible employees and/or managers of the Company or of companies in the Company's group. As at 31 December 2024, the scheme has not yet been established.

#### Share premium

The share premium consists of amounts incurred from the issue of shares at prices higher than their nominal value.

Share premium is not available for distribution.



# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

### 28. Other reserves

|                                                                 | Treasury shares<br>€ | Shares to be<br>issued<br>€ | Total<br>€      |
|-----------------------------------------------------------------|----------------------|-----------------------------|-----------------|
| <b>Balance at 1 January 2023</b>                                | -                    | <b>84,610</b>               | <b>84,610</b>   |
| Issue of ordinary shares                                        | -                    | (84,610)                    | (84,610)        |
| Receipts from shareholders in respect of shares to be issued    | -                    | 57,999                      | 57,999          |
| Purchase of own shares                                          | (13,662)             | -                           | (13,662)        |
| <b>Balance at 31 December 2023/ 1 January 2024, as restated</b> | <b>(13,662)</b>      | <b>57,999</b>               | <b>44,337</b>   |
| Issue of ordinary shares                                        | -                    | (57,999)                    | (26,611)        |
| Purchase of own shares                                          | (10,081)             | -                           | (10,081)        |
| Sale of own shares                                              | 7,752                | -                           | (7,752)         |
| <b>Balance at 31 December 2024</b>                              | <b>(15,991)</b>      | <b>-</b>                    | <b>(15,991)</b> |

Shares to be issued represent amounts received from shareholders in respect of shares not yet issued at year-end. Upon issue, these amounts are transferred to share capital and share premium.

Treasury shares comprise the cost of the Company's own shares held. At 31 December 2024, the Company held 37,386 of the Company's shares (2023: 31,786).

Retained earnings include accumulated profits or losses of the Group and is available for distribution.

### 29. Lease liability

|                               | 2024<br>€     | 2023<br>Restated<br>€ |
|-------------------------------|---------------|-----------------------|
| <b>Balance at 1 January</b>   | <b>90,265</b> | -                     |
| Additions                     | -             | 121,394               |
| Termination of lease          | (6,964)       | -                     |
| Interest expense              | 2,270         | 3,121                 |
| Payments                      | (28,001)      | (34,250)              |
| <b>Balance at 31 December</b> | <b>57,570</b> | 90,265                |

|                                              | Minimum lease payments |           | The present value of minimum lease payments |           |
|----------------------------------------------|------------------------|-----------|---------------------------------------------|-----------|
|                                              | 2024<br>€              | 2023<br>€ | 2024<br>€                                   | 2023<br>€ |
| Not later than 1 year                        | 39,810                 | 34,090    | 38,554                                      | 31,766    |
| Later than 1 year and not later than 5 years | 19,710                 | 60,630    | 19,016                                      | 58,499    |
|                                              | 59,520                 | 94,720    | 57,570                                      | 90,265    |
| Future finance charges                       | (1,950)                | (4,455)   | -                                           | -         |

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

|                                           |                      |               |                      |               |
|-------------------------------------------|----------------------|---------------|----------------------|---------------|
| <b>Present value of lease liabilities</b> | <b><u>57,570</u></b> | <u>90,265</u> | <b><u>57,570</u></b> | <u>90,265</u> |
|-------------------------------------------|----------------------|---------------|----------------------|---------------|

It is the Group's policy to lease apartments with intention to be sub-leased in Greece. For year ended 31 December 2024, the average effective borrowing rate was 3.5% (2023: 3.5%). Interest rates are fixed at the contract date and thus expose the Group to fair value interest rate risk. All leases are on a fixed repayment basis, and no arrangements have been entered into for contingent rental payments.

The borrowing rate represents the borrowing rate available for the Group for similar assets.

### 29. Lease liability (continued)

All lease obligations are denominated in Euro.

The fair values of lease obligations approximate to their carrying amounts as presented above.

The Group's obligations under leases are secured by the lessors' title to the leased assets.

### 30. Trade and other payables

|                            | 2024           | 2023 Restated |
|----------------------------|----------------|---------------|
|                            | €              | €             |
| Trade payables (note 32.4) | 9,594          | 27,127        |
| Prepayments from clients   | -              | 5,000         |
| Other taxes                | 1,902          | -             |
| Accruals                   | 98,357         | 8,843         |
| Other creditors            | 785            | -             |
|                            | <u>110,638</u> | <u>40,970</u> |

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

### 31. Operating Environment of the Group

The Group operates in Cyprus and in Greece.

The Cypriot economy, in the latest years, has been in a phase of continuous growth, recording progress of 3,4% in 2024. Inflation dropped to 1,8% compared to 3,9% in 2023. It is expected that in 2025, the economy will show growth of 3,1% compared to 2024 and in the years 2026-27 to fluctuate around 3,2% in real terms.

The Greek economy, in the last years, has been in a phase of development and continuous improvement of the economic climate. The Company has managed to maintain and strengthen its presence in the country without any particular problems.

The imposition of sanctions against Russia and its associated legal and natural persons, both by the European Union and the USA, and by a number of countries around the world, continued in 2024 due to the prolonged war between Russia and Ukraine. Compliance with sanctions creates an additional need to continuously strengthen counterparty assessment and control procedures and policies.

The prolonged inflation has resulted in increased operating costs for businesses and governments in most countries.

The significant increases in borrowing rates for both the US Dollar and the Euro aimed at restraining inflation, resulted in a significant increase in borrowing costs. The gradual decrease in borrowing rates that started in the second half of

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 31 December 2024

2024 is expected to continue in 2025.

The developments in the Middle East with the ongoing crisis between Israel and the Palestinian Hamas and the Lebanon-based Hezbollah, combined with the collapse of the regime in Syria, are causing further instability in the region. Attacks on shipping in the Red Sea by the Houthis in Yemen are forcing many carriers to change routes, negatively affecting the already tensed supply chain.

In response to the recent global economic changes, the new government of the US has implemented significant tariffs on imported products to balance the country's trade balance, creating global turmoil and an initial collapse in financial markets. The reactions of most countries leave room for normalisation of trade relations, both with countries such as South Korea and Japan, but also with countries in the Middle East and the European Union. The big concern arises from the strong reaction of China, which announced the imposition of significant tariffs on imports from the US.

### 31. Operating Environment of the Group (continued)

This development is expected to adversely affect the global supply chain and disrupt the trade balances of the countries that are trying to determine their reactions.

The Group has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

Despite the limited direct exposure, the conflict is expected to negatively impact the tourism and services industries in Cyprus. Furthermore, the increasing energy prices, fluctuations in foreign exchange rates, unease in stock market trading, rises in interest rates, supply chain disruptions and intensified inflationary pressures may indirectly impact the operations of the Group. The indirect implications will depend on the extent and duration of the crisis and remain uncertain.

Management has considered the unique circumstances and the risk exposures of the Group and has concluded that there is no significant impact in the Group's profitability position. The event is not expected to have an immediate material impact on the business operations. Management will continue to monitor the situation closely.

### 32. Related party transactions

The following transactions were carried out with related parties:

#### 32.1 Lease agreement with directors

|                            | 2024  | 2023          |
|----------------------------|-------|---------------|
|                            | €     | Restated<br>€ |
| Lease liability            | 4,855 | 9,246         |
| Interest expense on leases | 239   | 363           |
| Rent expense               | -     | 2,580         |

The above lease agreement relates to an apartment in Greece and was entered into between the subsidiary Wealth Living I.K.E. and Mr. Eleftherios Kontos, who is both a director and shareholder of the parent company, Globalwealth Group Plc. The lease term is 36 months, expiring on 31 January 2026, with a monthly rent of €450.

During 2023, the Group also rented another apartment in Greece to Mr. Eleftherios Kontos under a short-term lease, for which rent expense of €2,580 was recognised in the statement of profit or loss. The lease ended in September 2023.

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 32.2 Lease agreements with related parties

|                               | 2024         | 2023          |
|-------------------------------|--------------|---------------|
|                               | €            | Restated<br>€ |
| Lease receivable              | 99,6         |               |
| Interest income on sub-leases | 08           | -             |
|                               | <u>5,342</u> | <u>80</u>     |

The above lease arrangements relate to leased apartments in Greece and were entered into between the subsidiary Wealth Living I.K.E. and the related company KINFEEL I.K.E. For the terms of the sub-leases please refer to note 25.

KINFEEL I.K.E. is controlled by Petrenitis Nikolaos, who is both a key management personnel and a shareholder in Wealth Living I.K.E.

### 32. Related party transactions (continued)

#### 32.3 Receivables from related parties

|                     | <u>Nature of transactions</u> | 2024          | 2023     |
|---------------------|-------------------------------|---------------|----------|
|                     |                               | €             | €        |
| KINFEEL I.K.E.      | Trade                         | 7,200         | -        |
| Petrenitis Nikolaos | Technical support             | 15,000        | -        |
|                     |                               | <u>22,200</u> | <u>-</u> |

The receivable amount of €7,200 from the related company KINFEEL I.K.E., relates to the consideration receivable by the Group for the disposal of shares in the subsidiary WEALTH Living I.K.E. The balance bears no interest and it is repayable on demand.

The amount receivable from Petrenitis Nikolaos relates to a prepayment for services that he will provide to the Group.

#### 32.4 Payables to related parties

|                | <u>Nature of transactions</u> | 2024         | 2023     |
|----------------|-------------------------------|--------------|----------|
|                |                               | €            | €        |
| KINFEEL I.K.E. | Trade                         | 1,664        | -        |
|                |                               | <u>1,664</u> | <u>-</u> |

The amount relates to services provided during the year. The amount is interest-free and there is no fixed repayment date.

#### 32.5 Shareholders' current accounts - debit balances (Note 23)

|                 | 2024         | 2023         |
|-----------------|--------------|--------------|
|                 | €            | €            |
| Alexios Vadorou | <u>1,328</u> | <u>1,337</u> |

The shareholders' current accounts are interest free and have no specified repayment date.

# GLOBALWEALTH GROUP PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

### 32.6 Receivables from joint ventures

|                                 | <u>Nature of transactions</u> | <b>2024</b><br>€ | 2023<br>€ |
|---------------------------------|-------------------------------|------------------|-----------|
| Kennedy Residences              | Finance                       | <b>140,000</b>   | -         |
| Gregou Residences               | Finance                       | <b>200,000</b>   | -         |
| Allowance for impairment losses |                               | <b>(9,389)</b>   | -         |
|                                 |                               | <b>330,611</b>   | -         |

The above balances include an allowance for impairment losses totaling €9,389, allocated as €3,866 for Kennedy Residences and €5,523 for Gregou Residences.

The impairment losses were recognised in the year under review.

These balances are interest-free and are repayable on demand.

### 33. Participation of Directors in the company's share capital

The percentage of share capital of the Company held directly or indirectly by each member of the Board of Directors (in accordance with Article (4) (b) of the Directive DI 190-2007-04), as at 31 December 2024 and 8 October 2025 (5 days before the date of approval of the financial statements by the Board of Directors) were as follows:

|                    | <b>31 December</b><br><b>2024</b><br>% | <b>8 October</b><br><b>2025</b><br>% |
|--------------------|----------------------------------------|--------------------------------------|
| Alexios Vadorou    | 31.3                                   | 12.7                                 |
| Eleftherios Kontos | 15.6                                   | 7.9                                  |
| Ilias Georgouleas  | -                                      | 20.1                                 |
| Maria Panayiotou   | -                                      | 0.5                                  |
| Michael Ioannides  | -                                      | 22.6                                 |

### 34. Shareholders holding more than 5% of share capital

The persons holding directly or indirectly more than 5% of the share capital as at 31 December 2024 and 8 October 2025 (5 days before the date of approval of the financial statements by the Board of Directors) were as follows:

|                         | <b>31 December</b><br><b>2024</b><br>% | <b>8 October</b><br><b>2025</b><br>% |
|-------------------------|----------------------------------------|--------------------------------------|
| Andronikos Vadorou      | 14.5                                   | 5.7                                  |
| Alexios Vadorou         | 31.3                                   | 12.7                                 |
| Eleftherios Kontos      | 15.6                                   | 7.9                                  |
| LLPO Holdings Ltd       | -                                      | 22.6                                 |
| Rosioco Development Ltd | -                                      | 12                                   |
| Volentol Holding Ltd    | -                                      | 6.4                                  |

# GLOBALWEALTH GROUP PLC

## 35. Non-controlling interests

The following table summarises the information relating to the Group's subsidiary that has material NCI, before any intra-group eliminations:

|                                                   |                |
|---------------------------------------------------|----------------|
| <b>31 December 2024</b>                           |                |
| <b>NCI percentage</b>                             | <b>51%</b>     |
|                                                   | <b>€</b>       |
| Non-current assets                                | 39,034         |
| Current assets                                    | 105,174        |
| Non-current liabilities                           | (19,016)       |
| Current liabilities                               | (49,840)       |
| <b>Net assets</b>                                 | <b>75,353</b>  |
| <b>Net assets attributable to NCI (51%)</b>       | <b>38,430</b>  |
| Revenue                                           | 13,334         |
| Profit for the period                             | 32,305         |
| <b>Profit for the year allocated to NCI (51%)</b> | <b>14,145</b>  |
| <b>31 December 2023</b>                           |                |
| <b>NCI percentage</b>                             | <b>35%</b>     |
|                                                   | <b>€</b>       |
| Non-current assets                                | 101,820        |
| Current assets                                    | 56,192         |
| Non-current liabilities                           | (58,499)       |
| Current liabilities                               | (56,464)       |
| <b>Net assets</b>                                 | <b>43,049</b>  |
| <b>Net assets attributable to NCI (35%)</b>       | <b>15,067</b>  |
| Revenue                                           | 53,594         |
| Loss for the period                               | (16,952)       |
| <b>Loss for the year allocated to NCI (35%)</b>   | <b>(5,933)</b> |

In June 2024, the Group disposed 15 percent interest in Wealth Living I.K.E., as disclosed in Note 19, decreasing its ownership from 65 to 49 percent. The carrying amount of Wealth Living I.K.E.'s net assets in the Group's consolidated financial statements on the date of the disposal was €57,612.

|                                                                 |                     |
|-----------------------------------------------------------------|---------------------|
|                                                                 | <b>€</b>            |
| Carrying amount of NCI disposed (€57,612 x 15%)                 | 9,218               |
| Consideration received from NCI                                 | (7,200)             |
| <b>Decrease in equity attributable to owners of the Company</b> | <b><u>2,018</u></b> |

**The decrease in equity attributable to owners of the Company comprised a decrease in retained earnings of €2,018.**

## 36. Taxation

The Group is subject to corporation tax in the countries in which it operates as follows:

|        |             |             |
|--------|-------------|-------------|
|        | <b>2024</b> | <b>2023</b> |
| Cyprus | 12,5%       | 12,5%       |
| Greece | 22%         | 22%         |

The special contribution for defence is calculated in Cyprus for non-commercial interest receivable at a rate of 30% (2023: 30%). 100% of non-commercial interest receivable is excluded from the calculation of taxable income for corporate tax purposes (2023: 100%). In some cases, dividends from abroad may be subject to special defence contribution of 17% (2023: 17%).

Due to tax losses sustained in the year, no tax liability arises on the Company. Tax losses may be carried forward for five years. As at 31 December 2024, the balance of tax losses which is available for offset against future taxable profits amounts to €306,163 for which no deferred tax asset is recognised in the statement of financial position, because it is

## **GLOBALWEALTH GROUP PLC**

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not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

# GLOBALWEALTH GROUP PLC

## 37. Operating segments

The Group has the following two strategic divisions, which are its reportable segments. These divisions offer different products and services, which are managed separately and are subject to risks and rewards that are different from those of other operating segments.

The following summary describes the operations of each reportable segment.

### Reportable segments

|                  |                                                                                |
|------------------|--------------------------------------------------------------------------------|
| Property Sales   | Acquisition and sale of properties for a profit                                |
| Property Leasing | Leasing and sub-leasing of residential apartments under long-term arrangements |

### i) Information about reportable segments

Information related to each reportable segment is set out below. Segment profit/ (loss) before tax is used to measure performance because management believes that this information is most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

2024

|                                                                               | Property<br>Sales | Property<br>Leasing | Other           | Total            |
|-------------------------------------------------------------------------------|-------------------|---------------------|-----------------|------------------|
|                                                                               | €                 | €                   | €               | €                |
| <b>Segment profit (loss) before tax</b>                                       | <b>(12,073)</b>   | <b>(32,305)</b>     | <b>(97,939)</b> | <b>(77,708)</b>  |
| External revenues                                                             | 145,000           | 13,334              | -               | <b>158,334</b>   |
| Inter-segment revenues                                                        | -                 | -                   | -               | -                |
| <b>Segment revenue</b>                                                        | <b>145,000</b>    | <b>13,334</b>       | <b>-</b>        | <b>158,334</b>   |
| Interest income                                                               | -                 | -                   | 9,205           | 9,205            |
| Interest expense                                                              | -                 | (2,270)             | -               | (2,270)          |
| Depreciation                                                                  | -                 | (2,883)             | -               | (2,883)          |
| Share of profit (loss) of equity-accounted investees                          | (6,964)           | -                   | -               | (6,964)          |
| Other material items of income and expense and non-cash items:                |                   |                     |                 |                  |
| Change in fair value of financial assets at fair value through profit or loss | -                 | -                   | 13,589          | 13,589           |
| Gain on recognition of sub-leases                                             | -                 | 45,470              | -               | 45,470           |
| Impairment losses on other receivables                                        | (9,389)           | -                   | -               | (9,389)          |
| <b>Segment assets</b>                                                         | <b>488,850</b>    | <b>144,208</b>      | <b>763,635</b>  | <b>1,396,694</b> |
| Equity-accounted investees                                                    | 46,869            | -                   | -               | 46,869           |
| Capital expenditure                                                           | -                 | 200                 | -               | 200              |
| <b>Segment liabilities</b>                                                    | <b>(905)</b>      | <b>(68,856)</b>     | <b>(98,447)</b> | <b>(168,208)</b> |



## 37. Operating segments (continued)

2023

|                                                                               | Property<br>Sales<br>€ | Property<br>Leasing<br>€ | Other<br>€      | Total<br>€       |
|-------------------------------------------------------------------------------|------------------------|--------------------------|-----------------|------------------|
| <b>Segment profit (loss) before tax</b>                                       | <b>(4,432)</b>         | <b>(16,952)</b>          | <b>(65,349)</b> | <b>(86,733)</b>  |
| External revenues                                                             | 50,000                 | 53,594                   | -               | 103,594          |
| Inter-segment revenues                                                        | -                      | -                        | -               | -                |
| <b>Segment revenue</b>                                                        | <b>50,000</b>          | <b>53,594</b>            | <b>-</b>        | <b>103,594</b>   |
| Interest income                                                               | -                      | -                        | 1,315           | 1,315            |
| Interest expense                                                              | -                      | (3,121)                  | -               | (3,121)          |
| Depreciation                                                                  | -                      | (2,089)                  | -               | (2,089)          |
| Share of profit (loss) of equity-accounted investees                          | -                      | -                        | -               | -                |
| Other material items of income and expense and non-cash items:                |                        |                          |                 |                  |
| Change in fair value of financial assets at fair value through profit or loss | -                      | -                        | (26,464)        | (26,464)         |
| Gain on recognition of sub-leases                                             | -                      | -                        | -               | -                |
| Impairment losses on other receivables                                        | -                      | -                        | -               | -                |
| <b>Segment assets</b>                                                         | <b>231,729</b>         | <b>158,012</b>           | <b>837,125</b>  | <b>1,226,866</b> |
| Equity-accounted investees                                                    | -                      | -                        | -               | -                |
| Capital expenditure                                                           | -                      | 14,216                   | -               | 14,216           |
| <b>Segment liabilities</b>                                                    | <b>(2,004)</b>         | <b>(114,964)</b>         | <b>(14,266)</b> | <b>(131,234)</b> |

## ii) Reconciliation of information on reportable segments to the amounts reported in the financial statements

| Revenues                                               | 2024<br>€         | 2023<br>€         |
|--------------------------------------------------------|-------------------|-------------------|
| Total revenue for reportable segments                  | 158,334           | 103,594           |
| Revenue for other segments                             | -                 | -                 |
| Elimination of inter-segment revenue                   | -                 | -                 |
| <b>Consolidated revenue</b>                            | <b>158,334</b>    | <b>103,594</b>    |
| <b>Profit (loss) before tax</b>                        | <b>2024<br/>€</b> | <b>2023<br/>€</b> |
| Total profit (loss) before tax for reportable segments | 20,231            | (21,384)          |
| Loss before tax for other segments                     | (97,939)          | (65,349)          |
| Elimination of inter-segment profit                    | -                 | -                 |
| <b>Consolidated profit before tax</b>                  | <b>(77,708)</b>   | <b>(86,733)</b>   |

# GLOBALWEALTH GROUP PLC

## 37. Operating segments (continued)

| <b>Assets</b>                        | <b>2024</b>      | <b>2023</b>      |
|--------------------------------------|------------------|------------------|
|                                      | <b>€</b>         | <b>€</b>         |
| Total assets for reportable segments | 633,058          | 389,741          |
| Assets for other segments            | 763,635          | 837,125          |
| Other unallocated amounts            | -                | -                |
| <b>Consolidated total assets</b>     | <b>1,396,694</b> | <b>1,226,866</b> |

| <b>Liabilities</b>                        | <b>2024</b>      | <b>2023</b>      |
|-------------------------------------------|------------------|------------------|
|                                           | <b>€</b>         | <b>€</b>         |
| Total liabilities for reportable segments | (69,761)         | (116,968)        |
| Liabilities for other segments            | (98,447)         | (14,266)         |
| Other unallocated amounts                 | -                | -                |
| <b>Consolidated total liabilities</b>     | <b>(168,208)</b> | <b>(131,234)</b> |

Other material items\_

| <b>2024</b>                                                                   | <b>Reportable<br/>segment<br/>totals</b> | <b>Adjustments</b> | <b>Consolidated<br/>totals</b> |
|-------------------------------------------------------------------------------|------------------------------------------|--------------------|--------------------------------|
|                                                                               | <b>€</b>                                 | <b>€</b>           | <b>€</b>                       |
| Interest income                                                               | -                                        | 9,205              | 9,205                          |
| Interest expense                                                              | (2,270)                                  | -                  | (2,270)                        |
| Depreciation                                                                  | (2,883)                                  | -                  | (2,883)                        |
| Share of profit (loss) of equity-accounted investees                          | 6,964                                    | -                  | 6,964                          |
| Change in fair value of financial assets at fair value through profit or loss | -                                        | 13,589             | 13,589                         |
| Gain on recognition of sub-leases                                             | -                                        | 45,470             | 45,470                         |
| Impairment losses on other receivables                                        | (9,389)                                  | -                  | (9,389)                        |

| <b>2023</b>                                                                   | <b>Reportable<br/>segment<br/>totals</b> | <b>Adjustments</b> | <b>Consolidated<br/>totals</b> |
|-------------------------------------------------------------------------------|------------------------------------------|--------------------|--------------------------------|
|                                                                               | <b>€</b>                                 | <b>€</b>           | <b>€</b>                       |
| Interest income                                                               | -                                        | 1,315              | 1,315                          |
| Interest expense                                                              | (3,121)                                  | -                  | (3,121)                        |
| Depreciation                                                                  | (2,089)                                  | -                  | (2,089)                        |
| Share of profit (loss) of equity-accounted investees                          | -                                        | -                  | -                              |
| Change in fair value of financial assets at fair value through profit or loss | -                                        | (26,464)           | (26,464)                       |
| Gain on recognition of sub-leases                                             | -                                        | -                  | -                              |
| Impairment losses on other receivables                                        | -                                        | -                  | -                              |

## iii) Geographic information

There are no reportable revenues or non-current assets in the Company's country of domicile. In presenting the geographic information, segment revenue has been based on the geographic location of customers and segment assets were based on the geographic location of the assets.

| <b>Revenue</b> | <b>2024</b>    | <b>2023</b>    |
|----------------|----------------|----------------|
|                | <b>€</b>       | <b>€</b>       |
| Greece         | 158,334        | 103,594        |
|                | <b>158,334</b> | <b>103,594</b> |

| <b>Non-current assets</b> | <b>2024</b>   | <b>2023</b>    |
|---------------------------|---------------|----------------|
|                           | <b>€</b>      | <b>€</b>       |
| Greece                    | 85,904        | 101,821        |
|                           | <b>85,904</b> | <b>101,821</b> |

## GLOBALWEALTH GROUP PLC

### 38. Reconciliation of movements of liabilities to cash flows arising from financing activities

|                                                  | <b>Liabilities</b>     | <b>Equity</b>                |                       |                           |               |                  |
|--------------------------------------------------|------------------------|------------------------------|-----------------------|---------------------------|---------------|------------------|
|                                                  | <b>Lease liability</b> | <b>Share capital/premium</b> | <b>Other reserves</b> | <b>Accumulated losses</b> | <b>NCI</b>    | <b>Total</b>     |
|                                                  | €                      | €                            | €                     | €                         | €             | €                |
| <b>Balance at 1 January 2024</b>                 | 90,265                 | 1,224,048                    | 44,337                | (187,820)                 | 15,067        | <b>1,185,897</b> |
| <i>Changes from financing cash flows</i>         |                        |                              |                       |                           |               |                  |
| Proceeds from the issue of ordinary shares       | -                      | 263,690                      | (57,999)              | -                         | -             | <b>205,691</b>   |
| Proceeds from the sale of shares in subsidiaries | -                      | -                            | -                     | -                         | 7,200         | <b>7,200</b>     |
| Proceeds from the sale of own shares             | -                      | -                            | 7,752                 | -                         | -             | <b>7,752</b>     |
| Payments for the purchase of own shares          | -                      | -                            | (10,081)              | -                         | -             | <b>(10,081)</b>  |
| Payments of lease liabilities                    | (25,731)               | -                            | -                     | -                         | -             | <b>(25,731)</b>  |
| Interest paid                                    | (2,270)                | -                            | -                     | -                         | -             | <b>(2,270)</b>   |
| <b>Total changes from financing cash flows</b>   | <b>(28,001)</b>        | <b>263,690</b>               | <b>(60,328)</b>       | -                         | <b>7,200</b>  | <b>182,561</b>   |
| <b>Other changes</b>                             |                        |                              |                       |                           |               |                  |
| <i>Liability-related</i>                         |                        |                              |                       |                           |               |                  |
| Termination of leases                            | (6,964)                | -                            | -                     | -                         | -             | <b>(6,964)</b>   |
| Interest expense                                 | (2,270)                | -                            | -                     | -                         | -             | <b>2,270</b>     |
| <b>Total liability-related other changes</b>     | <b>(4,694)</b>         | -                            | -                     | -                         | -             | <b>(4,694)</b>   |
| <b>Total equity-related other changes</b>        | -                      | -                            | -                     | (93,871)                  | (16,163)      | <b>(77,708)</b>  |
| <b>Balance at 31 December 2024</b>               | <b>57,570</b>          | <b>1,487,738</b>             | <b>(15,991)</b>       | <b>(281,691)</b>          | <b>38,430</b> | <b>1,286,056</b> |

GLOBALWEALTH GROUP PLC

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## 39. Events after the reporting period

On 28 March 2025, following regulatory approval, the Company completed a reverse takeover through the acquisition of 100% of the share capital of GMM Global Money Managers Ltd, as previously approved by the shareholders at the Extraordinary General Meeting held on 3 July 2024. As consideration, the Company issued 15,108,643 ordinary shares with a nominal value of €0,001 each, at an issue price of €0,372055 per share, corresponding to a total consideration of €5,636,355. The acquisition is part of the Group's strategic growth and diversification plan to transform as a wealthtech-driven diversified investment and asset management group. The initial accounting for the business combination is incomplete at the time the financial statements were authorised for issue. In this respect, the remaining disclosure requirements could not be made since the fair valuation of the net assets acquired has not yet been finalised.

On 28 March 2025, following regulatory approval, the Company completed a reverse takeover through the acquisition of 100% of the share capital of GMM Global Money Managers AIFM Ltd, as previously approved by the shareholders at the Extraordinary General Meeting held on 3 July 2024. As consideration, the Company issued 44,022,331 ordinary shares with a nominal value of €0,001 each, at an issue price of €0,372055 per share, corresponding to a total consideration of €16,422,751. The acquisition is part of the Group's strategic growth and diversification plan to transform as a wealthtech-driven diversified investment and asset management group. The initial accounting for the business combination is incomplete at the time the financial statements were authorised for issue. In this respect, the remaining disclosure requirements could not be made since the fair valuation of the net assets acquired has not yet been finalized.

On 17 April 2025, the Company acquired 133 loan notes of €1,000 each, issued under the Celtona 2-year Unsecured Convertible 7% Bond. The notes bear interest at 7% per annum and are convertible, at the option of the Company, into shares of the subsidiary of Celtona, at a conversion price to be determined at the time. Both principal and accrued interest are repayable on 25 July 2026.

On 16 January 2025, based on a resolution of the Board of Directors of the subsidiary company of the same date, GMM Global Money Managers Ltd provided cash advances of €40,000 to the Company. The balances are interest-free and repayable on demand.

On 17 January 2025, based on a resolution of the Board of Directors of the subsidiary company of the same date, GMM Global Money Managers AIFM Ltd provided cash advances of €35,000 to the Company. The balances are interest-free and repayable on demand.

On 27 March 2025, the Company entered into an agreement with Captor Capital Corp., a company registered in Toronto, Canada, for the acquisition of 450 unsecured convertible loan notes with a nominal value of US\$1,000 each. The notes bear interest at 6,5% per annum and are either redeemable at nominal value together with accrued interest on 27 May 2026, or convertible into ordinary shares of the issuer in accordance with the terms of the agreement.

On 14 April 2025, the Company entered into a loan agreement with Wealthyhood Limited, a company incorporated in the United Kingdom, as part of the first stage of an aggregate investment of GBP 1,300,000. Under the agreement, the Company provided a convertible loan of GBP 200,000. The loan matures on 30 April 2026, carries interest at 3% compounded annually, and is convertible, including any capitalized interest, into preferred or ordinary shares of the issuer at the discretion of the Company, at a conversion price per share based on a pre-money valuation of GBP 8,500,000. On 14 May 2025, the Company advanced a further loan of GBP 255,000 under the same agreement, which is convertible at a conversion price per share based on a pre-money valuation of GBP 10,750,000.

On 19 June 2025, the Company based on a resolution of its Board of Directors of the same date, provided to Global Group A.E., a company registered in Greece, cash advances of €50,000. The balance is interest-free and will be converted into equity shares of the investee upon demand by the Company, at a valuation to be determined at a later date.

On 14 September 2025, the Company entered into the Subscription and Shareholders' Agreement with the existing shareholders of Wealthyhood Ltd. The Company shall acquire 24,202 preferred shares in Wealthyhood Ltd, representing 12,59% of total shares outstanding and 11,8% interest on a fully diluted basis. In addition, the Company shall acquire 41,520 ordinary shares representing 21,61% of total shares outstanding and 20,24% interest on a fully diluted basis. In aggregate, the Company shall acquire 34,20% of total shares outstanding and 32,04% interest on a

## GLOBALWEALTH GROUP PLC

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fully diluted basis. The consideration for the acquisition of the preferred shares shall be in cash for the amount of €1,540,000 and the acquisition of the ordinary shares will take via the exchange of ordinary shares from existing shareholders of Wealthyhood Ltd and a new issuance of shares by the Company.

As explained in note 31, the geopolitical situation in Eastern Europe and the Middle East remains intense with the continuation of the conflict between Russia and Ukraine and the Israel-Gaza conflict. As at the date of authorising these consolidated financial statements for issue, the conflicts continue to evolve as military activity proceeds and additional sanctions are imposed.

Depending on the duration of the conflict between Russia and Ukraine, the Israel-Gaza conflict and continued negative impact on economic activity, the Group might experience further negative results, and liquidity restraints and incur additional impairments on its assets in 2025 which relate to new developments that occurred after the reporting period.

On 14 October 2025 the Board of Directors of Globalwealth Group Plc has approved and authorized these financial statements for issue.