Zeno Capital Limited

(Registration number 1628131)
Group Annual Financial Statements
for the year ended 31 December 2023

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

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

These group annual financial statements have been voluntarily audited on instruction from the Directors'.

Issued 07 May 2024

General Information

Country of incorporation and domicile	Virgin Islands (British)
Nature of business and principal activities	Proprietary investments and property The Group is an investment group, in pursuance of which members of the public are invited or permitted to invest money and hold participatory interests in the Group's portfolio of securities and in items of which the investors share the risk and benefit of the investment
Directors	A Vassilopoulos CN Vassilopoulos M Maraschin GR Poole G Roussos CM Vining
Registered office	19 Waterfront Drive Road Town Tortola British Virgin Islands VG1110
Business address	1 King William Street London EC4N 7AF
Holding company	HBW Group Proprietary Limited incorporated in South Africa
Ultimate holding company	Supaluck Investments Proprietary Limited incorporated in South Africa
Bankers	Citibank NA London Investec Private Bank
Auditors	HLB CMA South Africa Incorporated Chartered Accountants (SA) Registered Auditors
Secretary	Totalserve Trust Company Limited
Company registration number	1628131
Level of assurance	These group annual financial statements have been voluntarily audited on instruction from the Directors'.
Preparer	The group annual financial statements were internally compiled by: U Jensen Group Financial Accountant
Issued	07 May 2024

Contents

The reports and statements set out below comprise the group annual financial statements presented to the shareholders:

Preparer

U Jensen
Group Financial Accountant

Published

07 May 2024

Audit Committee Report

1. Members of the Audit Committee

The members of the audit committee include:

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

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

2. Meetings held by the Audit Committee

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

3. External auditor

The audit committee has nominated HLB CMA South Africa Incorporated as the independent auditor and Marius Maritz as the designated partner, who is a registered independent auditor, for appointment of the 2023 audit.

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

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

4. Group Annual Financial Statements

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

5. Accounting practices and internal control

The audit committee has monitored the system of internal financial control established by the company and ensured that the directors have placed considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, an audit committee charter is in place setting out the committee's roles and responsibilities. These include:

- reviewing accounting, auditing and financial reporting matters;
- ensuring an effective control environment is maintained;
- assessing adherence to controls;
- monitoring proposed changes in accounting policies;
- advising the board on the accounting implications of major transactions;
- recommending the appointment of external auditors for approval;
- assessing adherence to controls and systems within the company;
- monitoring and appraising internal operating structures and systems to ensure that these are maintained;
- establishing guidelines for recommending the use of external auditors for non-audit services.

Audit Committee Report

6. Financial reporting framework

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

On behalf of the audit committee

George Roussos
George Roussos (May 15, 2024 12:42 GMT+2)

G Roussos
Chairman Audit Committee

07 May 2024

Directors' Responsibilities and Approval

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

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

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

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

The directors have reviewed the company's cash flow forecast for the year to 31 December 2024 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's group annual financial statements. The group annual financial statements have been examined by the company's external auditors and their report is presented on pages 8 to 10.

The group annual financial statements set out on pages 11 to 36, which have been prepared on the going concern basis, were approved by the directors on 07 May 2024 and were signed on their behalf by:

Approval of financial statements

Chris Vassilopoulos (May 15, 2024 11:45 GMT+1)

Director

London

07 May 2024

Directors' Report

The directors have pleasure in submitting their report on the group annual financial statements of Zeno Capital Limited for the year ended 31 December 2023.

1. Review of financial results and activities

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

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

2. Share capital

	2023	2022
Authorised	Number of shares	
Ordinary shares	350 000	350 000

	2023	2022	2023	2022
Issued	$ '000	$ '000	Number of shares	
Ordinary shares	139 815	139 815	67 650	67 650

There have been no changes to the authorised or issued share capital during the year under review.

3. Dividends

No dividends have been declared for the financial year ended 31 December 2023. (2022: Nil)

4. Insurance and risk management

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

5. Directorate

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

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

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

6. Holding company

The company's holding company is HBW Group Proprietary Limited which holds 64.73% (2022: 75.78%) of the company's equity. HBW Group Proprietary Limited is incorporated in South Africa.

7. Ultimate holding company

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

Directors' Report

8. Events after the reporting period

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

9. Going concern

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

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

10. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the BVI Business Companies Act, 2004.

11. Litigation statement

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

12. Secretary

The company secretary is Totalserve Trust Company Limited.

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

13. Statement of disclosure to the group's auditors

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

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

14. Terms of appointment of the auditors

At the AGM, the directors will be requested to reappoint HLB CMA South Africa Incorporated as the independent external auditors of the group and to confirm Mr MJ Maritz as the designated lead audit partner for the 2024 financial year.

15. Date of authorisation for issue of financial statements

The group annual financial statements have been authorised for issue by the directors on 07 May 2024.

Independent Auditor's Report

To the Shareholders of Zeno Capital Limited

Report on the Audit of the Group Financial Statements

Opinion

We have audited the group financial statements of Zeno Capital Limited (the company) set out on pages 11 to 36, which comprise the statement of financial position as at 31 December 2023, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the group annual financial statements, including material accounting policy information.

In our opinion, the group financial statements present fairly, in all material respects, the financial position of Zeno Capital Limited as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the BVI Business Companies Act, 2004.

Basis for Opinion

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

Key Audit Matters

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

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

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

Our audit procedures included examination of the methodology used by management and recalculation of values where applicable. All of the investment properties are fully let to third parties with the exception of the Buckmore property which are being let to Kiklo Spaces.

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

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

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

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Zeno Capital Limited group annual financial statements for the year ended 31 December 2023", which includes the Directors' Report and the Audit Committee's Report as required by the BVI Business Companies Act, 2004. The other information does not include the group financial statements and our auditor's report thereon.

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

In connection with our audit of the group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Group Financial Statements

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

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

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

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

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

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

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

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

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

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

07 May 2024
Johannesburg
CMA Office Park
No 1 Second Road
Halfway House
Midrand
South Africa

Statement of Financial Position as at 31 December 2023

Figures in US Dollar thousand	Note(s)	2023	2022
Assets			
Non-Current Assets			
Investment property	3	1 052 397	996 892
Property, plant and equipment	4	26	39
Investments in associates	6	4 827	4 827
Financial and investment assets	7	98 968	101 670
		1 156 218	**1 103 428**
Current Assets			
Trade and other receivables	8	8 604	15 394
Cash and cash equivalents	9	57 105	41 414
		65 709	**56 808**
Total Assets		**1 221 927**	**1 160 236**
Equity and Liabilities			
Equity			
Equity Attributable to Equity Holders of Parent			
Share capital	10	134 811	134 811
Reserves		(17 161)	(23 782)
Retained income		329 827	288 979
		447 477	400 008
Non-controlling interest		(10)	(3)
		447 467	**400 005**
Liabilities			
Non-Current Liabilities			
Loans from group companies	12	22 207	19 523
Borrowings	13	699 571	623 582
Financial liabilities at fair value	14	9 187	83 334
Deferred tax		1 496	1 420
		732 461	**727 859**
Current Liabilities			
Trade and other payables	15	26 373	22 981
Borrowings	13	15 626	9 379
Current tax payable		-	12
		41 999	**32 372**
Total Liabilities		**774 460**	**760 231**
Total Equity and Liabilities		**1 221 927**	**1 160 236**

Statement of Profit or Loss and Other Comprehensive Income

Figures in US Dollar thousand	Note(s)	2023	2022
Revenue	16	46 659	43 709
Operating income	17	15	354
Operating gains (losses)	18	1 438	(593)
Operating expenses		(19 151)	(8 863)
Operating profit	19	**28 961**	**34 607**
Investment income	20	2 747	3 856
Finance costs	21	(36 895)	(36 783)
Non-operating gains	22	46 028	31 744
Profit before taxation		**40 841**	**33 424**
Taxation	23	-	(52)
Profit for the year		**40 841**	**33 372**
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Share of comprehensive loss of equity accounted investments		-	(13 625)
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		6 621	(19 169)
Other comprehensive income (losses) for the year net of taxation		**6 621**	**(32 794)**
Total comprehensive income for the year		**47 462**	**578**

Profit attributable to:			
Owners of the parent		40 848	33 369
Non-controlling interest		(7)	3
		40 841	**33 372**
Total comprehensive income attributable to:			
Owners of the parent		47 469	575
Non-controlling interest		(7)	3
		47 462	**578**

Statement of Changes in Equity

Figures in US Dollar thousand	Share capital	Foreign currency translation reserve	Reserve for valuation of financial instruments	Retained income	Total attributable to equity holders of the group	Non-controlling interest	Total equity
Balance at 01 January 2022	**131 616**	**9 121**	**(109)**	**240 904**	**381 532**	**17 895**	**399 427**
Profit for the year	-	-	-	33 369	33 369	3	33 372
Other comprehensive loss	-	(19 169)	(13 625)	-	(32 794)	-	(32 794)
Total comprehensive income for the year	**-**	**(19 169)**	**(13 625)**	**33 369**	**575**	**3**	**578**
Issue of shares	3 195	-	-	-	3 195	(3 195)	-
Transfer between reserves	-	-	-	14 706	14 706	(14 706)	-
Total contributions by and distributions to owners of company recognised directly in equity	**3 195**	**-**	**-**	**14 706**	**17 901**	**(17 901)**	**-**
Balance at 01 January 2023	**134 811**	**(10 048)**	**(13 734)**	**288 979**	**400 008**	**(3)**	**400 005**
Profit for the year	-	-	-	40 848	40 848	(7)	40 841
Other comprehensive income	-	6 620	1	-	6 621	-	6 621
Total comprehensive income for the year	**-**	**6 620**	**1**	**40 848**	**47 469**	**(7)**	**47 462**
Balance at 31 December 2023	**134 811**	**(3 428)**	**(13 733)**	**329 827**	**447 477**	**(10)**	**447 467**
Note(s)	10	11					

Statement of Cash Flows

Figures in US Dollar thousand	Note(s)	2023	2022
Cash flows from operating activities			
Cash generated from operations	24	37 720	31 462
Interest income	20	2 102	485
Dividends received	20	25	-
Tax (paid) refunded	25	(12)	5
Net cash from operating activities		**39 835**	**31 952**
Cash flows from investing activities			
Net movement in investment property	3	(2 049)	(884)
Net movement in group loans	12	12 129	17 231
Net movement in financial and investment assets	7	2 478	1 277
Interest income	20	620	3 371
Net cash from investing activities		**13 178**	**20 995**
Cash flows from financing activities			
Proceeds on issue of share capital	10	-	3 195
Net movement in borrowings and other financial liabilities	13	(427)	10 553
Movement in deposits received		-	(610)
Finance costs	21	(36 895)	(36 783)
Net cash from financing activities		**(37 322)**	**(23 645)**
Total cash movement for the year		**15 691**	**29 302**
Cash and cash equivalents at the beginning of the year		41 414	12 112
Cash and cash equivalents at the end of the year	9	**57 105**	**41 414**

Accounting Policies

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these group annual financial statements.

1.1 Basis of preparation

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

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

These accounting policies are consistent with the previous period.

1.2 Consolidation

Basis of consolidation

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

The results of subsidiaries are included in the consolidated group annual financial statements from the date of obtaining control until the date that control is lost.

The accounting policies of all subsidiaries are the same as those of the parent.

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

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

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

1.3 Investments in associates

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

Investments in associates are accounted for using the equity method, being cost adjusted for post acquisition changes in the group's share of net assets, less any impairment losses.

Losses in an associate in excess of the company's interest therein, including any other unsecured receivables, are recognised only to the extent that the company has incurred a legal or constructive obligation to make payments on behalf of the associate.

Profits or losses on transactions between the company and an associate are eliminated to the extent of the company's interest therein.

Accounting policies of associates are consistent with those of the group.

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty

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

Critical judgements in applying accounting policies

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

Key sources of estimation uncertainty

Fair value estimation

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

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

Impairment testing

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

1.5 Investment property

Investment property consists of various commercial properties. These properties are held to earn rentals and for capital appreciation rather than being occupied by the company.

Investment property is initially recognised at cost, including transaction costs.

Cost for additions to or replacement of parts of investment property, are included in the costs of the investment property when they will result in future economic benefits.

Subsequent to initial measurement, investment property is measured at fair value, with changes in fair value recognised in profit or loss in the period in which it arises.

Gains or losses arising from a change in fair value, as well as gains or losses on disposal of investment property are included in profit or loss for the period in which they arise.

Accounting Policies

1.6 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

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

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

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

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

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. No material changes were made.

Depreciation is recognised in profit or loss.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

1.7 Investments in associates

Investments in associates are carried at cost less any accumulated impairment losses.

1.8 Financial instruments

Financial instruments are recognised when the group becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any, except for financial instruments at fair value through profit or loss which exclude transaction costs.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

The material accounting policies for each type of financial instrument held by the group are presented below:

Loans receivable at amortised cost

Management have assessed and classified loans receivable as financial assets at amortised cost.

Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost.

Investments in equity instruments

The group holds investments in listed shares. Refer to note 7.

They are subsequently measured at fair value, with fair value gains or losses recognised in profit or loss.

Dividends received on equity investments are recognised in profit or loss when the company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

Borrowings and loans from related parties

Loans from group companies and borrowings are classified as financial liabilities subsequently measured at amortised cost.

Interest expense on borrowings is calculated on the effective interest method, and is included in profit or loss.

Accounting Policies

1.8 Financial instruments (continued)

Trade and other payables

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

Financial liabilities at fair value through profit or loss

Fair value gains or losses on these liabilities are recognised in profit or loss.

Interest paid on financial liabilities at fair value through profit or loss is included in finance costs.

Cash and cash equivalents

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

Derecognition

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The group derecognises financial liabilities when its obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Reclassification

The group only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities are not reclassified.

1.9 Tax

Current tax assets and liabilities

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

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

Accounting Policies

1.9 Tax (continued)

Deferred tax assets and liabilities

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base used for taxation purposes.

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which they can be utilised.

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

The deferred tax rate applied to assets is determined by the expected manner of recovery. Where the expected recovery of the asset is through sale, the capital gains tax rate is applied. The normal tax rate is applied when the expected recovery is through use. A combination of these rates is applied if the recovery is expected to be partly through use and sale.

Deferred tax assets are reviewed at each reporting date and are reduced if it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. The review by management has not resulted in the reduction of the deferred tax assets.

Tax expenses

The income tax expense consists of current and deferred tax and is recognised in profit or loss.

1.10 Leases

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

No contracts were identified that required specific judgement as to whether they contained leases.

Group as lessor

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

Operating leases

Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease.

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

1.11 Impairment of assets

Management assesses, at the end of each reporting period, whether there is any indication that the assets may be impaired. If any such indication exists, then the recoverable amount of the asset is determined.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

Accounting Policies

1.11 Impairment of assets (continued)

An impairment loss is recognised for an asset (or a cash-generating unit) if the recoverable amount of the asset or cash generating unit is less than the carrying amount. The impairment loss is determined as the difference between the two amounts. For cash generating units, the impairment loss is allocated to reduce the carrying amount of goodwill included in the cash-generating unit and then to the other assets on a pro-rata basis.

Impairment losses are recognised immediately in profit or loss.

1.12 Share capital and equity

Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

1.13 Employee benefits

Short-term employee benefits

Short-term employee benefits are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement.

1.14 Provisions and contingencies

The group recognises provisions in circumstances where it has a present obligation resulting from past events, which can be measured reliably and for which it is probable that the group will be required to settle the obligation.

There is always a degree of estimation uncertainty involved with provisions as they are measured at management's best estimate of the amount which will be required to settle the obligation. When the effect of discounting is material, the provision is measured at the present value of such amounts.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in 27.

1.15 Revenue

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

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

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

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

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

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

1.16 Borrowing costs

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

Accounting Policies

1.17 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in US Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are translated at the end of the reporting period using the closing rate.

Cash flows arising from transactions in a foreign currency are recorded in US Dollars by applying to the foreign currency amount the exchange rate between the US Dollar and the foreign currency at the date of the cash flow.

Figures in US Dollar thousand 2023 2022

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• International tax reform - Pillar two model rules - amendments to IAS 12	01 January 2023	The impact of the amendment is not material.
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023	The impact of the amendment is not material.
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023	The adoption of this amendment has not had a material impact on the results of the company, but has resulted in more disclosure than would have previously been provided in the financial statements
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	The adoption of this amendment has not had a material impact on the results of the company, but has resulted in more disclosure than would have previously been provided in the financial statements

2.2 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the group's accounting periods beginning on or after 01 January 2024 or later periods but are not relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Non-current liabilities with covenants - amendments to IAS 1	01 January 2024	Unlikely there will be a material impact

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022

3. Investment property

	2023			2022		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	1 052 397	-	1 052 397	996 892	-	996 892

Reconciliation of investment property - 2023

	Opening balance	Additions	Foreign exchange movements	Total
Investment property	996 892	2 049	53 456	1 052 397

Reconciliation of investment property - 2022

	Opening balance	Additions	Disposals	Foreign exchange movements	Total
Investment property	1 115 500	990	(147)	(119 451)	996 892

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022

3. Investment property (continued)

Details of property

35 Basinghall Street, London, EC2 and 16 Coleman Street, London, EC2R
The property is let to Standard Chartered Bank on a fully repairing and insuring lease expiring in June 2027. The property has been mortgaged as security for the liability noted in note 13.

	2023	2022
- Purchase price: April 2013	346 497	346 497
- Capitalised expenditure	3 439	1 398
- Fair value adjustments	195 234	195 234
- Foreign exchange movement	(110 096)	(132 147)
	435 074	**410 982**

Riverbank House, 95 - 103 Upper Thames Street, London EC4R 3TJ
Long Leasehold Interest in land for a term of 155 years from 31 August 2007. The Head Lease contains a no cost option to renew for a further 50 years beyond this date. The property has been developed and is let in its entirity with a 25.5 year lease term from 26 May 2010. The property has been mortgaged as security for the liability noted in note 13.

	2023	2022
- Purchase price: December 2017	485 522	485 522
- Capitalised expenditure	3 083	3 083
- Fair value adjustments	51 915	51 915
- Foreign exchange movement	(31 280)	(57 200)
	509 240	**483 320**

Sainsbury Superstore, Trafalgar Way, Croydon, CRO 4XT
Land held under title deed number SH46251. The property is let, in it's entirity to Sainsbury's Supermarket Limited for a term of 99 years from 25 March 1987 to 24 March 2086. The lease is subject to 5 yearly rent reviews and is on full repairing and insuring terms with no onerous covenants on the landlord or the tenant. The property has been mortgaged as security for the liability noted in note 13.

	2023	2022
- Purchase price	44 046	44 046
- Fair value adjustment	59 041	59 041
- Foreign exchange movement	(6 969)	(11 861)
	96 118	**91 226**

Car storage facility and land at Buckmore Farm, Winchester Road, Petersfield GU32 3BU
Land held under title deed number SH46251. The property has been fully developed and has been let to Kiklo Spaces Limited. The property has been mortgaged as security for the liability noted in note 13.

	2023	2022
- Purchase price: June 2016	1 622	1 622
- Capitalised expenditure	10 434	10 425
- Foreign exchange movement	(91)	(683)
	11 965	**11 364**

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

Figures in US Dollar thousand 2023 2022

3. Investment property (continued)

Details of valuation

The effective date of the valuations was 31 December 2023. The investment properties are disclosed at the directors valuation as at the reporting date. The investment property is independently valued periodically

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

4. Property, plant and equipment

	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	15	(6)	9	15	(4)	11
Motor vehicles	45	(28)	17	45	(17)	28
IT equipment	1	(1)	-	1	(1)	-
Total	**61**	**(35)**	**26**	**61**	**(22)**	**39**

Reconciliation of property, plant and equipment - 2023

	Opening balance	Foreign exchange movements	Depreciation	Total
Furniture and fixtures	11	1	(3)	9
Motor vehicles	28	-	(11)	17
	39	**1**	**(14)**	**26**

Reconciliation of property, plant and equipment - 2022

	Opening balance	Foreign exchange movements	Depreciation	Total
Furniture and fixtures	12	1	(2)	11
Motor vehicles	39	-	(11)	28
IT equipment	1	-	(1)	-
	52	**1**	**(14)**	**39**

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022

5. Interests in subsidiaries

Name of company	Nature of business	% holding 2023	% holding 2022
Axel Finance Company Limited	Asset lending	100.00 %	100.00 %
Basinghall (MB) Limited	Investment holding	100.00 %	100.00 %
Basinghall (MH) Limited	Investment holding	100.00 %	100.00 %
Basinghall (SB) Limited	Investment holding	100.00 %	100.00 %
Basinghall (SH) Limited	Investment holding	100.00 %	100.00 %
Basinghall Properties Limited	Property holding	100.00 %	100.00 %
Basinghall Properties 1 Limited	Investment holding	100.00 %	100.00 %
Basinghall Properties 2 Limited	Investment holding	100.00 %	100.00 %
Caro Investment Holdings Limited	Investment holding	100.00 %	100.00 %
City Properties (London) Limited	Property holding	100.00 %	100.00 %
Fireblade Automotive Limited	Investment holding	100.00 %	100.00 %
Kiklo Cars Limited	Investment holding	100.00 %	100.00 %
Kiklo Cars USA LLC	Investment holding	100.00 %	100.00 %
Kiklo Spaces Limited	Property holding	100.00 %	100.00 %
P43 Limited	Property holding	100.00 %	100.00 %
P137 Limited	Property holding	100.00 %	100.00 %
Pikes Peak Properties Limited	Property holding	100.00 %	100.00 %
Project 2 Holdings Limited	Investment holding	100.00 %	100.00 %
Riverbank House Unit Trust	Property holding	100.00 %	100.00 %
Riverbank Unit Co 1 Limited	Investment holding	100.00 %	100.00 %
Riverbank Unit Co 2 Limited	Investment holding	100.00 %	100.00 %
Trimantle Unit Trust	Property holding	100.00 %	100.00 %
Zeno Capital (UK) Limited	Investment holding	70.00 %	70.00 %

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022

6. Investments in associates

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

Name of company	% ownership interest 2023	% ownership interest 2022	Carrying amount 2023	Carrying amount 2022
Primezone Properties Limited	30.00 %	30.00 %	4 827	4 827

7. Financial and investment assets

Investments held by the group which are measured at fair value, are as follows:

	2023	2022
Designated at fair value through profit or loss:		
Investment assets	97 970	99 522
Investment in investment cars. Investment cars are held for long term capital appreciation.		
Investment in listed shares	998	1 347
Investment in Manx Financial Group PLC		
Loans and receivables		
Loan to Wuriza Investments Limited	-	801
Unsecured loan, bearing interest at a fixed rate. The loan was repaid in full during the year.		
	98 968	**101 670**

Split between non-current and current portions

	2023	2022
Non-current assets	98 968	101 670

8. Trade and other receivables

	2023	2022
Financial instruments:		
Trade receivables	452	5 607
Accrued interest income	35	-
Other receivable	3 181	5 958
Trade receivables at amortised cost	3 668	11 565
Non-financial instruments:		
McLaren F1 GTR book project	-	5
Finance costs capitalised	4 040	3 116
Prepayments	896	708
Total trade and other receivables	**8 604**	**15 394**

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022

9. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	185	715
Short-term deposits	56 920	40 699
	57 105	**41 414**

Cash to the value of $39 173 468 has been earmarked for the development works at 1 Basinghall.

10. Share capital

Authorised		
350 000 Ordinary shares of US$ 1 000 each	350 000	350 000
Issued		
67 650 Ordinary shares	134 811	134 811

11. Foreign currency translation reserve

Translation reserve comprises exchange differences on consolidation of foreign subsidiaries.

Opening balance	(10 048)	9 121
Current year movement	6 620	(19 169)
	(3 428)	**(10 048)**

12. Loans from group companies

Associates		
Primezone Properties Limited	1 706	-
The loan is unsecured, interest free and has no fixed term of repayment.		
Holding company		
HBW Group Proprietary Limited	20 501	19 523
The loan is unsecured, interest free and convertible into ordinary shares.		

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022
13. Borrowings		
Held at amortised cost		
Mortgage bond 35 Basinghall Street, London Hamburg Commercial Bank secured loan (Initially £206 000 000. The interest margin is 2.35% over SONIA plus a credit adjustment spread of 11.93 basis points. There is a partial cash sweep from the net operating income of the property to repay capital under the facility. The loan was re-financed during the year and replaced by the loan as described below.	-	199 531
Senior and mezzanine loan facility 35 Basinghall Street, London M&G Investment Managers Limited arranged two fixed rate loans in 2023 maturing in October 2027: A senior loan totaling £144,000,000, with only interest being repayable over the term of the loan, with a margin of 1,75% over the applicable floating rate. A mezzanine loan totaling £67,000,000, with only interest being repayable over the term of the loan, with a margin of 7,92% over the applicable floating rate.	268 624	-
Mortgage bond Riverbank House Unit Trust, Swan Lane, London Loan arranged by funds managed by M&G Investment Management Limited totalling £316,500,000, balance outstanding as at 31 December 2023 £301 318 141. The loan is a senior, non-recourse and secured loan backed by a fixed charge over the long leasehold interest in the Riverbank House Unit Trust. The loan matures in September 2025. The interest margin is 3.5% over 3 month libor/4% over 3 month SONIA. There is a partial cash sweep, linked to a debt yield covenant. The loan is cross collateralized with P137 Limited.	383 608	381 243
Mortgage bond Sainsbury Superstore, Purleyway, Croydon, London Loan arranged by funds managed by M&G Investment Management Limited totalling £36,500,000, balance outstanding as at 31 December 2023 £34 749 169. The loan is a senior, non-recourse and secured loan backed by a fixed charge over the long leasehold interest in the Riverbank House Unit Trust. The loan matures in September 2025. The interest margin is 3.5% over 3 month libor/4% over 3 month SONIA. There is a partial cash sweep, linked to a debt yield covenant. The loan is cross collateralized with RHUT.	44 239	43 966
Loan facility Buckmore, Petersfield Secured facility from Investec (Tranche A), with an initial value of £5 500 000, balance outstanding as at 31 December 2023 £6 000 000, bearing interest on a quarterly basis on the base rate basis with a margin of 3.4% per annum. The facility is repayable in full on the termination date, which is 27 November 2025, 60 months from the date of the first draw down.	7 639	7 250
Loan facility Buckmore, Petersfield Secured facility from Investec (Tranche B), with an initial value of £6 000 000, balance outstanding as at 31 December 2023 £6 000 000, bearing interest on a quarterly basis on the base rate basis with a margin of 3.4% per annum. The facility is repayable in full within twelve months from the drawdown date. The facility has been settled in full subsequent to year end.	7 639	-

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022

13. Borrowings (continued)

Other payable Oxygen Asset Management profit share.	3 448	971
	715 197	**632 961**

Split between non-current and current portions

Non-current liabilities	699 571	623 582
Current liabilities	15 626	9 379
	715 197	**632 961**

14. Financial liabilities at fair value

At fair value through profit (loss)

Interest rate swaps	-	83 334

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

RPI swap	9 187	-

Zeno is the counterparty to a fixed for floating RPI inflation swap, expiring in June 2027. The RPI swap is held as a hedge against the Standard Chartered Bank lease at 1 Basinghall where the open annual RPI escalations are paid over as the floating leg and a fixed 2.825% is received from the swap counterparty.

	9 187	**83 334**

Split between non-current and current portions

Non-current liabilities	9 187	83 334

15. Trade and other payables

Financial instruments:		
Trade payables	1 203	163
Accrued audit fees	27	27
Accrued interest	7 524	7 202
Other payables	4 137	3 419
	12 891	**10 811**
Non-financial instruments:		
Amounts received in advance	10 975	9 919
VAT	2 507	2 251
	26 373	**22 981**

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022
16. Revenue		
Revenue comprises		
Rental Income and recoveries	46 659	43 709
17. Operating income		
Other income	15	354
18. Operating gains (losses)		
Gains (losses) on disposals, scrappings and settlements		
Investment property and investment assets	206	(42)
Foreign exchange gains (losses)		
Net foreign exchange gains (losses)	1 232	(551)
Total other operating gains (losses)	**1 438**	**(593)**

19. Operating profit (loss)

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

	2023	2022
Auditor's remuneration - external		
Audit fees	20	22
Employee costs		
Salaries, wages, bonuses and other benefits	307	57
Depreciation and amortisation		
Depreciation of property, plant and equipment	14	14

20. Investment income

	2023	2022
Dividend income		
Equity instruments at fair value through other comprehensive income:		
Listed investments	25	-
Total dividend income	**25**	**-**
Interest income		
Investments in financial assets and liabilities:		
Bank and other cash	2 102	485
Debt instruments at fair value through profit or loss	620	3 371
Total interest income	**2 722**	**3 856**
Total investment income	**2 747**	**3 856**

21. Finance costs

	2023	2022
Non-current borrowings	35 974	25 680
Financial liabilities at fair value through profit (loss)	921	11 103
Total finance costs	**36 895**	**36 783**

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand		2023	2022

22. Non-operating gains (losses)

	Note	2023	2022
Gains (losses) on disposals, scrappings or settlements			
Group loans written off		-	51 148
Debt instruments	14	34 854	-
		34 854	**51 148**
Fair value gains (losses)			
Loans from group companies		9 375	(15 758)
Financial assets mandatorily at fair value through profit or loss	7	(364)	502
Financial liabilities designated as at fair value through profit or loss	14	2 163	(4 148)
		11 174	**(19 404)**
Total other non-operating gains		**46 028**	**31 744**

23. Taxation

Major components of the tax expense

	2023	2022
Current		
Foreign income tax - current period	-	52

24. Cash generated from operations

	2023	2022
Profit before taxation	40 841	33 424
Adjustments for non-cash items:		
Depreciation, amortisation, impairments and reversals of impairments	14	14
Gains on sale and settlement of assets and liabilities	(35 061)	(51 106)
(Gains) losses on exchange differences	(1 232)	551
Fair value (gains) losses	(11 174)	19 404
Adjust for items which are presented separately:		
Interest income	(2 722)	(3 856)
Dividends received	(25)	-
Finance costs	36 895	36 783
Changes in working capital:		
(Increase) decrease in trade and other receivables	6 791	(6 283)
Increase (decrease) in trade and other payables	3 393	2 531
	37 720	**31 462**

25. Tax (paid) refunded

	2023	2022
Balance at beginning of the year	(12)	45
Current tax recognised in profit or loss	-	(52)
Balance at end of the year	-	12
	(12)	**5**

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022

26. Commitments

Authorised capital expenditure

Already contracted for but not provided for		
• Investment property	38 295	20 838

A contract has been awarded to undertake certain works at 1 Basinghall to redevelop the building, introduce carbon reducing technology and additional amenities for a contract sum of £30.08 million.

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

27. Contingencies

The company has signed contingencies in respect of the following:

- Zeno's guarantee to Investec on behalf of HBW Group's loan owed to Investec Bank Limited:
Zeno has provided a ZAR 500 000 000 guarantee to Investec Bank Limited as co-debtor for funds amounts owed to Investec Bank Limited by HBW Group Proprietary Limited.

28. Directors' emoluments

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

29. Related parties

Relationships	
Ultimate holding company	Supaluck Investments Proprietary Limited
Holding company	HBW Group Proprietary Limited
Subsidiaries	Refer to note 5
Associates	Refer to note 6
Other interests of the directors	HBW Group Proprietary Limited
	Primo Property Services Proprietary Limited
	Wuriza Investments Limited
	Milton Properties (London) Limited

Related party balances

Loan accounts - Owing (to) by related parties		
HBW Group Proprietary Limited	(20 501)	(19 523)
Primezone Properties Limited	(1 706)	-
Milton Properties (London) Limited	3 181	3 158
Wuriza Investments Limited	-	801
Amounts included in Trade receivable (Trade Payable) regarding related parties		
Primo Property Services Proprietary Limited	(3 400)	(3 400)
Loan from director - A Vassilopoulos	(164)	-

Related party transactions

Interest received from related parties		
Wuriza Investments Limited	(31)	(1)
Management fees paid to (received from) related parties		
Primo Property Services Proprietary Limited	-	3 400

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022

30. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2023

	Note(s)	Fair value through profit or loss - Mandatory	Amortised cost	Total	Fair value
Investments at fair value	7	998	-	998	998
Trade and other receivables	8	-	3 668	3 668	3 668
Cash and cash equivalents	9	-	57 105	57 105	57 105
		998	**60 773**	**61 771**	**61 771**

2022

	Note(s)	Fair value through profit or loss - Mandatory	Amortised cost	Total	Fair value
Investments at fair value	7	1 347	801	2 148	2 148
Trade and other receivables	8	-	11 565	11 565	11 565
Cash and cash equivalents	9	-	41 414	41 414	41 414
		1 347	**53 780**	**55 127**	**55 127**

Categories of financial liabilities

2023

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Trade and other payables	15	-	12 891	12 891	12 891
Loans from group companies	12	-	22 207	22 207	22 207
Borrowings	13	-	715 197	715 197	715 197
Other financial liabilities at fair value	14	9 187	-	9 187	9 187
		9 187	**750 295**	**759 482**	**759 482**

2022

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Trade and other payables	15	-	10 811	10 811	10 811
Loans from group companies	12	-	19 523	19 523	19 523
Borrowings	13	-	632 961	632 961	632 961
Other financial liabilities at fair value	14	83 334	-	83 334	83 334
		83 334	**663 295**	**746 629**	**746 629**

Notes to the Group Annual Financial Statements

Figures in US Dollar thousand	2023	2022

30. Financial instruments and risk management (continued)

Capital risk management

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

There are no externally imposed capital requirements.

Financial risk management

Overview

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

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

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

Liquidity risk

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

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

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

Foreign currency risk

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

Exchange rates

The following closing exchange rates were applied at reporting date:

US Dollar per unit of foreign currency:		
UK Pound	1.273	1.208

Notes to the Group Annual Financial Statements

31. Going concern

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

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

32. Events after the reporting period

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