PART V

HISTORICAL FINANCIAL INFORMATION AND ACCOUNTANTS' REPORT ON ECO BUILDINGS LTD

SECTION A – ACCOUNTANTS' REPORT ON ECO BUILDINGS GROUP LTD

The Directors
Fox Marble Holdings Plc
160 Camden High Street
London
NW1 0NE

The Directors
SPARK Advisory Partners Limited
5 St John's Lane,
London
EC1M 4BH

PKF
Accountants & business advisers

28 April 2023

Dear Directors and Proposed Directors

Accountants report on the Historical Financial Information of Eco Buildings Group Ltd ("Eco Buildings")

Introduction

We report on the Historical Financial Information of Eco Buildings Group Ltd ("Eco Buildings") for the period from 30 November 2021 to December 2021 which comprises the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cashflows, and the related notes ("Historic Financial Information"). This Historical Financial Information has been prepared for inclusion in the Admission Document of the Company dated 28 April 2023 on the basis of the accounting policies set out in note 2 to the Historic Financial Information. This report is given for the purpose of complying with paragraph (a) of Schedule Two of the AIM Rules for Companies and for no other purpose.

Responsibility

The directors and proposed directors of the Company (the "Directors") are responsible for preparing the Historic Financial Information on the basis of preparation set out in the notes to the Financial Information and in accordance with UK adopted International Accounting Standards ("IFRS").

It is our responsibility to form an opinion on the Historic Financial Information as to whether the financial information gives a true and fair view, for the purposes of the Admission Document, and to report our opinion to you.

Save for any responsibility arising under paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent provided, and save for any responsibility that we have expressly agreed in writing to assume, to the fullest extent permitted by law we do not assume responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies, consenting to its inclusion in the Admission Document.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council ("FRC") in the United Kingdom. We are independent of the Company and Eco Buildings in accordance with the FRC's ethical standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement, whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Conclusions Relation to Going Concern

We are required to report if we have anything material to add or draw attention to in respect of the Directors' statement in the Financial Information about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the Financial Information and the Directors' identification of any material uncertainties to Eco Buildings ability to continue as a going concern over a period of at least twelve months from the date of this Admission Document.

We have nothing material to add or to draw attention to.

Opinion

In our opinion, the Historical Financial Information in Part V gives, for the purpose of the Admission Document dated 28 April 2023, a true and fair view of the state of affairs of Eco Buildings Group Ltd as at 31 December 2021 and of its results, cash flows and changes in equity for the periods then ended in accordance with IFRS and has been prepared in a form that is consistent with the accounting policies adopted by the Company.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules we are responsible for this report as part of the Admission Document and we declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully

PKF Littlejohn LLP
Reporting Accountant

SECTION B – HISTORICAL FINANCIAL INFORMATION ON ECO BUILDINGS GROUP LTD

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2021

	Notes	Period ended 31 December 2021 £
Administrative expenses		671
Operating loss		**671**
Loss before taxation		**671**
Taxation	4	—
Loss after taxation		**671**
Basic and diluted earnings per share	5	(67.10p)

The notes form an integral part of this Historical Financial Information

STATEMENT OF FINANCIAL POSITION

FOR THE PERIOD ENDED 31 DECEMBER 2021

	Notes	As at 31 December 2021 £
ASSETS		
CURRENT ASSETS		
Other receivables	6	1,000
TOTAL CURRENT ASSETS		1,000
TOTAL ASSETS		**1,000**
LIABILITIES		
NON-CURRENT LIABILITIES		—
CURRENT LIABILTIES		—
Trade and other payables	7	671
NET ASSETS		**329**
EQUITY		
Share capital	8	1,000
Retained earnings		(671)
TOTAL EQUITY AND LIABILITIES		**329**

The notes form an integral part of this Historical Financial Information

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2021

	Share Capital £	Retained earnings £	Total equity £
Balance at 30 November 2021	**—**	**—**	**—**
Loss and total comprehensive loss for the period	**—**	**(671)**	**(671)**
Transactions with owners			
Ordinary shares issued on incorporation	1,000	—	1,000
Total transactions with owners in their capacity as owners	**1,000**	**—**	**1,000**
Balance at 31 December 2021	**1,000**	**(671)**	**329**

The notes form an integral part of this Historical Financial Information

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2021

	Period ended 31 December 2021 £
CASH FLOWS USED IN OPERATING ACTIVITIES	
Loss for the period	(671)
Adjustments for changes in working capital Increase in trade and other payables	671
NET CASH FLOW USED IN OPERATING ACTIVITIES	—
NET INCREASE IN CASH AND CASH EQUIVALENTS	—
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	—
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	—

Material non-cash transactions

The change in other receivables of £1,000 is a non-cash item as it relates to monies owed on ordinary shares issued, but not yet paid.

The notes form an integral part of this Historical Financial Information

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2021

STATUTORY INFORMATION

Eco Buildings is a private company, limited by shares, registered in England and Wales. The Company was incorporated on 30 November 2021. The address of its registered office is Building 3, North London Business Park, England, N11 1GN. The Company's registered number is 13774419.

The principal activity of Eco Buildings Group Ltd ("Eco Buildings" or the "Company") is the manufacture and sale of prefabricated housing units. As at 31 December 2021 Eco Buildings had no bank account and was not trading.

ACCOUNTING POLICIES

Basis of preparation

The Historical Financial Information has been prepared for the sole purpose of publication within this Prospectus. It has been prepared in accordance with the requirements of the Prospectus Regulation Rules and in accordance with UK-adopted International Accounting Standards and the requirements of the Companies Act 2006.

The Historical Financial Information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The Historical Financial Information has been prepared under the historical cost convention.

The preparation of Historical Financial Information in compliance with UK-adopted IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgement in applying the company's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements are disclosed in more detail under the critical accounting judgement policies.

Going concern

There was no trade caried out and there were limited outgoings during the period ending 31 December 2021. Since the period end the Company has entered into an agreement to acquire operational assets to produce glass fibre reinforced gypsum panels for construction of modular buildings from Gulf Wall FZO, a company based in Dubai. To support its current and future operations the Company has raised £522,500 in unsecured convertible loan notes and initiated preparations for admission on AIM via a reverse takeover with Fox Marble Holdings Plc.

The Company at present assesses at each reporting date whether it is a going concern for the 12 months following the date the accounts were approved by the board of directors. In making this assessment management considers:

a) the reliance on raising money to fund working capital requirements and capital expenditure

b) the current working capital position and operational requirements;

c) the sensitivities of forecast sales figures over the next two years;

d) the timing and magnitude of planned expenditure; and

e) the level of indebtedness of the company and timing of when such liabilities may fall due, and accordingly the working capital position over the next 18 months.

Management considers in detail the going concern assessment, including the underlying assumptions, risks and mitigating actions to support the assessment. The assessment is subject to estimation uncertainty and there is judgement in determining underlying assumptions

There are several scenarios which management have considered that could impact the financial performance of the Company. These include:

a) Disruption of the supply chain, and any delays in the supply of raw material that may impact the ability of the Company to produce its products.

b) Failure to secure financing for working capital and capital expenditure requirements.

c) Failure to execute sales contracts.

d) Changes in legislation that may increase lead times in production or geographical market penetration.

e) Delays in procuring machinery needed for the Company‘s core operations.

As at 31 December 2021 the Company had no cash and cash equivalents.

If the cash inflows over the next 18 months are lower than anticipated the Directors have available to them a number of contingent actions that they can take to mitigate the impact of potential downside scenarios. These include seeking additional financing, reviewing planned expenditure, and reducing overheads. The Directors are confident that they will be able to adapt the business plan to address working capital needs of the Company going forward.

In conclusion having regard to the existing and future working capital position and projected sales the Directors are of the opinion that the application of the going concern basis is appropriate.

Critical accounting estimates and judgements

In preparing the Historical Financial Information, management may make judgements and estimates that affect the application of the Company’s accounting policies and make estimates about the future. The Directors do not consider there to be any critical estimates of judgments that have been made in arriving at the amounts recognised in the Historical Financial Information.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Taxation

Income tax for the period is based on the taxable income for the year. Taxable income differs from profit or loss as reported in the statement of comprehensive income for the period as there are some items which may never be taxable or deductible for tax and other items which may be deductible or taxable in other periods. Income tax for the period is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade and other receivables is based on the lifetime expected credit loss, based on past and forward-looking information.

Trade and other payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade and other payables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Share capital

The Company’s ordinary shares are classified as equity.

Earnings per share

Basic earnings per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number or ordinary shares in issue during the period.

Segment reporting

IFRS 8 requires that an entity disclose financial and descriptive information about is reportable segments, which are operating segments or aggregations of operating segments. Operating segments are identified on the basis of international reports that are regularly reviewed by the Directors to allocate resources and to assess performance.

At present the Company is considered to have only one segment within the United Kingdom. As the Company develops the Directors will review its judgement.

Financial Instruments

Financial assets are recognised on the company's statement of financial position when the company has become party to the contractual provisions of the instrument and are initially measured at fair value, expect for financial assets at fair value through the statement of comprehensive income, which are initially measured at fair value, excluding transaction costs. Financial assets include cash and cash equivalents and trade and other receivables. The carrying amount of trade receivables is considered to be the same as their fair value due to the short-term nature.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows of the investment have been affected.

Financial assets are only derecognised when the contractual rights to the cash flows from the asset expire or when the asset transfers and substantially all the risks and rewards of ownership to another entity.

Financial liabilities are recognised on the company's statement of financial position when the company has become party to the contractual provisions of the instrument and are initially measured at fair value. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial liabilities include trade and other payables and convertible debt instruments.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption as well as any interest payable while the liability is outstanding.

Trade and other payables that are not interest-bearing are stated at nominal value at the statement of financial position date. Any interest charges or late payment penalties are recognised only when agreed with the supplying party or it is considered probable that they will be levied.

Financial liabilities are derecognised when, and only when. The company's obligations are discharged, cancelled or they expire.

Capital Management

The Directors' objectives when managing the Company's capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued share capital and reserves.

New standards and interpretations not yet adopted

The Company has adopted all of the new and amended standards and interpretations issued by the International Accounting Standards Board that are relevant to its operations and effective for account periods commencing on or after 1 January 2021.

At the date of authorisation of these financial statements, the following key standards and amendments were in issue but not yet effective. The Company has not applied these standards in the preparation of these financial statements.

- Amendments to IAS 1 and IAS 8 Definition of material
- Amendments to IFRS 3 References to the Conceptual Framework
- Amendments to IAS 16 Property, Plant and Equipment—Proceeds before Intended Use
- Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract
- Annual Improvements to IFRS Standards 2018-2020 Cycle
- Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments and IFRS 16 Leases.

The adoption of the above standards and interpretations is not expected to lead to any changes to the Company's accounting policies or have any other material impact on the financial position or performance of the Company.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

EMPLOYEES AND DIRECTORS

There were no staff costs for the period ended 31 December 2021.

The average number of employees, including directors, during the period was 1.

INCOME TAX

The standard rate of corporation tax in the UK is 19% with effect from 1 April 2017. Accordingly, the Company's earnings for this accounting period are taxed at an effective rate of 19%.

No liability to UK corporation tax arose for the period ended 31 December 2021.

EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number or ordinary shares in issue during the year.

	Period ended 31 December 2021 **£**
Loss for the period	(671)
Number of shares	
Weighted average number of ordinary shares	1,000
Earnings per share	
Basic and dilutive loss per share	(67.10p)

OTHER RECEIVABLES

	As at 31 December 2021 £
Called up share capital not paid	1,000

Other receivables relate to amounts due from shareholders for the issue of share capital in the Company. The Company considers that the carrying amount of trade and other receivables approximates their fair value (see note 9).

TRADE AND OTHER PAYABLES

	As at 31 December 2021 £
Current:	
Payable to related parties (note 9)	311
Accrued expenses	360
	671

SHARE CAPITAL

	31 December 2021 Number of ordinary shares	Share capital 31 December 2021 £
Issue called up and fully paid ordinary shares of £1.00 each		
At start of the period	—	—
Issued on incorporation	1,000	1,000
At end of the period	**1,000**	**1,000**

On 30 November 2021, the Company issued in aggregate 800 Ordinary Shares to Dr Etrur Albani and 200 Ordinary Shares to Dominic Redfern at a price of £1 per share, in connection with the Company's incorporation.

The ordinary shares have full rights to voting, dividends and distributions.

RELATED PARTY DISCLOSURES

As at 31 December 2021 £800 was owed by Dr Etrur Albani, the director and majority shareholder of the Company.

As at 31 December 2021, £200 was owed by Dominic Redfern, the minority shareholder of the Company.

As at 31 December 2021, £311 was owed by the Company to Ecobuildings Enterprises Limited due to expenses paid on the behalf of the Company.

EVENTS AFTER THE REPORTING PERIOD

In April 2022 the Company has agreed heads of terms with Fox Marble Holdings Plc for an acquisition of the entire issued share capital of the Company via a reverse takeover.

In March 2022 the Company entered into an agreement with Gulf Walling FZCO, a company established in the JebelEBEL Ali, Free Zone, Dubai, UAE and Dominic Redfern, the managing director and principal owner of Gulf Walling FZCO to acquire its operational assets for a consideration of $1,000,000 in loan notes and 200 ordinary shares in the capital of the Company.

Between 6 May 2022 and 30 May 2022, the Company issued £522,500 of unsecured convertible loan notes.

On 27 June 2022 Eco Buildings Group Albania, a wholly owned subsidiary of the Company, was incorporated.

ULTIMATE CONTROLLING PARTY

The Company is controlled by Dr E Albani who is the majority shareholder and director.

SECTION C – UNAUDITED INTERIM HISTORICAL FINANCIAL INFORMATION ON ECO BUILDINGS GROUP LTD FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Notes	Nine months ended 30 September 2022 Unaudited £	For period ended 31 December 2021 Audited £
Continuing operations			
Administrative expenses	4	(175,434)	(671)
Operating loss		**(175,434)**	**(671)**
Net finance costs	5	(135,130)	—
Loss before taxation		**(310,564)**	**(671)**
Taxation	6	—	—
Loss after taxation		**(310,564)**	**(671)**
Other Comprehensive Income		—	—
Net loss		**(310,564)**	**(671)**
Basic and diluted earnings per share	7	(31,056.38p)	(67.10p)

The notes form an integral part of this Historical Financial Information

STATEMENT OF FINANCIAL POSITION

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Notes	**As at 30 September 2022 Unaudited £**	As at 31 December 2021 Audited £
ASSETS			
NON-CURRENT ASSETS			
Right of use asset	9	263,510	—
Property, plant & equipment	8	853,742	—
TOTAL NON-CURRENT ASSETS		1,117,252	—
CURRENT ASSETS			
Other receivables	10	72,331	1,000
Cash and cash equivalents		2,188	—
TOTAL CURRENT ASSETS		74,518	1,000
TOTAL ASSETS		**1,191,770**	**1,000**
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities	11	172,388	—
Borrowings	12	738,864	—
TOTAL NON-CURRENT LIABILITIES		911,253	—
CURRENT LIABILTIES			
Borrowings	12	532,500	—
Lease liabilities	11	56,805	—
Trade and other payables		1,447	671
		590,752	671
TOTAL LIABILITIES		**1,502,005**	**671**
NET ASSETS		**(310,235)**	**329**
EQUITY			
Share capital	13	1,000	1,000
Retained earnings		**(311,235)**	(671)
TOTAL EQUITY		**(310,235)**	**329**

The notes form an integral part of this Historical Financial Information

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Nine months ended 30 September 2022 Unaudited £	Period ended 31 December 2021 Audited £
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss for the period	(310,564)	(671)
Net finance costs	130,807	—
Finance on lease	5,043	—
Operating loss for the year	(175,434)	—
Adjustments for changes in working capital		
Depreciation on right of use asset	14,046	—
Increase in trade and other receivables	(71,331)	—
Increase in trade and other payables	776	671
NET CASH FLOW USED IN OPERATING ACTIVITIES	(231,942)	—
CASH FLOW USED IN INVESTING ACTIVITIES		
Expenditure on property plant and equipment	(244,965)	—
Expenditure of lease asset	(59,834)	—
NET CASH FLOW USED IN INVESTING ACTIVITIES	(304,799)	—
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of convertible loan notes	532,500	—
NET CASH FLOW FROM FINANCING ACTIVITIES	522,500	—
NET INCREASE IN CASH AND CASH EQUIVALENTS	(4,241)	—
CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	**—**	**—**
Foreign exchange	**6,428**	
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**2,187**	**—**

Material non-cash transactions

In the period ended 30 September 2022 the Company acquired operational assets from Gulf Wall FZO, a company registered and based in Dubai, United Arab Emirates. The consideration for this purchase was the issue of shares in Eco Buildings Group Ltd and the issue of $1,000,000 (£759,763) loan note.

The notes form an integral part of this Historical Financial Information

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Share Capital £	Retained earnings £	Total equity £
As at incorporation	—	—	—
Loss and total comprehensive loss for the period	-	(671)	(671)
Transactions with owners			
Ordinary shares issued on incorporation	1,000	—	1,000
Total transactions with owners in their capacity as owners	**1,000**	**—**	**1,000**
Balance at 31 December 2021	**1,000**	**(671)**	**329**
Loss and total comprehensive loss for the period	—	(**310,564**)	(**310,564**)
Balance at 30 September 2022	**1,000**	**(311,235)**	**(310,235)**

The notes form an integral part of this Historical Financial Information

NOTES FOR FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2022

1. STATUTORY INFORMATION

Eco Buildings is a private company, limited by shares, registered in England and Wales. The Company was incorporated on 30 November 2021. The address of its registered office is Building 3, North London Business Park, England, N11 1GN. The Company's registered number is 13774419.

The principal activity of Eco Buildings Group Ltd ("Eco Buildings" or the "Company") is manufacture and sale of prefabricated housing units

2. ACCOUNTING POLICIES

Basis of preparation

The Historical Financial Information has been prepared for the sole purpose of publication within this Prospectus. It has been prepared in accordance with the requirements of the Prospectus Regulation Rules and in accordance with UK-adopted International Accounting Standards and the requirements of the Companies Act 2006.

The Historical Financial Information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The Historical Financial Information have been prepared under the historical cost convention.

The preparation of Historical Financial Information in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgement in applying the company's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements are disclosed in more detail under the critical accounting judgement policies.

Going concern

The Company assesses at each reporting date whether it is a going concern for the 12 months following the date the accounts were approved by the board of directors. In making this assessment management considers:

a) the current working capital position and operational requirements;

b) the timing of expected sales receipts and completion of existing sales contracts;

c) the sensitivities of forecast sales figures over the next two years;

d) the timing and magnitude of planned expenditure; and

e) the level of indebtedness of the company and timing of when such liabilities may fall due, and accordingly the working capital position over the next 18 months.

Management considers in detail the going concern assessment, including the underlying assumptions, risks and mitigating actions to support the assessment. The assessment is subject to estimation uncertainty and there is judgement in determining underlying assumptions

There are several scenarios which management have considered that could impact the financial performance of the Eco Buildings. These include:

a) Disruption of the supply chain, and any delays in the supply of raw material that may impact the ability of the Company to produce its products.

b) Failure to secure financing for working capital and capital expenditure requirements.

c) Failure to execute sales contracts entered into by the Company since the period end

d) Changes in legislation that may increase lead times in production or geographical market penetration.

e) Delays in procuring machinery needed for the Company's core operations.

If the cash inflows over the next 18 months are lower than anticipated the Company has identified that it has available to it a number of contingent actions, that it can take to mitigate the impact of potential downside scenarios. These include seeking additional financing, reviewing planned expenditure, and reducing overheads.

In conclusion having regard to the existing and future working capital position and projected sales the Company is of the opinion that the application of the going concern basis is appropriate.

Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements and estimates that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised retrospectively.

The directors consider the discount rate used for the convertible loan notes issued between 6 May 2022 and 30 September 2022 to be a significant area of judgement. Due to the short-term nature of all convertible loan notes issued between 6 May 2022 and 30 September 2022 at the total par value of £522,500 these loan notes were considered as non-derivative financial instruments and no finance income was attributed to them. The notes mature on 30 April 2023 at their nominal value of £532,500 plus an uplift on maturity of £532,500 or can be converted into shares at a discount of 50% on IPO price.

The directors consider the fair value to the assets acquired as part of the business combination as significant judgment, as well as the classification of the acquisition as a business combination, rather than an asset purchase. As permitted by IFRS 3 Business Combinations, the business combination is accounted for using provisional amounts. Any adjustments to the provisional amounts will be made within the measurement period to reflect new information obtained about fact and circumstances that were in existence at the acquisition date. The measurement period cannot exceed one year from the acquisition date.

Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity, on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquired entity; and

The acquisition date fair value of any previous equity interest in the acquired entity, over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Acquisitions costs are included in the profit and loss unless they specifically relate to the issue of shares in connection with a business combination.

Foreign currencies

Eco Buildings' presentational and functional currency is pound sterling (£). Transactions in currencies other than the functional currency are recorded at a rate of exchange approximating to that prevailing at the date of transaction. At each statement of financial position date, monetary assets and liabilities that are denominated in currencies other than the functional currency are translated at the amounts prevailing at the balance sheet date and any gains or losses arising are recognised in the income statement.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation of items of property, plant and equipment, is calculated on the hours of use (HOU) to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. As at 30 September 2022 the assets were not yet in operation and as such no depreciation has been recorded in the current period.

Where parts of an item of property and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each reporting period.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Leases

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

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

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

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

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

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

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

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

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

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

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

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

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

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

Taxation

Income tax for the period is based on the taxable income for the year. Taxable income differs from profit or loss as reported in the statement of comprehensive income for the period as there are some items which may never be taxable or deductible for tax and other items which may be deductible or taxable in other periods. Income tax for the period is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

No liability to UK corporation tax arose for the period ended 30 September 2020.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is based on the lifetime expected credit loss, based on past and forward-looking information.

Trade and other payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade and other payables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Share capital

The Company's ordinary shares are classified as equity.

Earnings per share

Basic earnings per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number or ordinary shares in issue during the year.

Segment reporting

IFRS 8 requires that an entity disclose financial and descriptive information about is reportable segments, which are operating segments or aggregations of operating segments. Operating segments are identified on the basis of international reports that are regularly reviewed by the Directors to allocate resources and to assess performance.

At present the Company is considered to have only one segment within the United Kingdom. As the Company develops the Directors will review its judgement.

Financial Instruments

Financial assets are recognised on the company's statement of financial position when the company has become party to the contractual provisions of the instrument and are initially measured at fair value, expect for financial assets at fair value through the statement of comprehensive income, which are initially measured at fair value, excluding transaction costs. Financial assets include cash and cash equivalents and trade and other receivables. The carrying amount of trade receivables is considered to be the same as their fair value due to the short-term nature.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows of the investment have been affected.

Financial assets are only derecognised when the contractual rights to the cash flows from the asset expire or when the asset transfers and substantially all the risks and rewards of ownership to another entity.

Financial liabilities are recognised on the company's statement of financial position when the company has become party to the contractual provisions of the instrument and are initially measured at fair value. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial liabilities include trade and other payables and convertible debt instruments.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption as well as any interest payable while the liability is outstanding.

Trade and other payables that are not interest-bearing are stated at nominal value at the statement of financial position date. Any interest charges or late payment penalties are recognised only when agreed with the supplying party or it is considered probable that they will be levied.

Financial liabilities are derecognised when, and only when. The company's obligations are discharged, cancelled or they expire.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost with any difference between the proceeds (net of transaction costs) and the redemption value recognised in the statement of profit or loss over the period of the borrowings using the effective interest rate method.

Capital Management

The Directors' objectives when managing the Company's capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued share capital and reserves.

New standards and interpretations not yet adopted

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IFRS 3 *Reference to the Conceptual Framework*	The Group has adopted the amendments to IFRS 3 *Business Combinations* for the first time in the current year. The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 *Levies*, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.
Amendments to IAS 16 *Property, Plant and Equipment—Proceeds before Intended Use*	The Group has adopted the amendments to IAS 16 for the first time in the current year. The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 *Inventories*. The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes. If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.
Amendments to IAS 37 *Onerous Contracts – Cost of Fulfilling a Contract*	The Group has adopted the amendments to IAS 37 for the first time in the current year. The amendments specify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).
Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle	The Group has adopted the amendments included in the *Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle* for the first time in the current year. The Annual Improvements include amendments to four standards. *IFRS 1 First-time Adoption of International Financial Reporting Standards* The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure

cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Accounting Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

IFRS 9 Financial Instruments

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

IFRS 16 Leases

The amendment removes the illustration of the reimbursement of leasehold improvements.

IAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 *Fair Value Measurement* to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17)	*Insurance Contracts*
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current*
Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of Accounting Policies*
Amendments to IAS 8	*Definition of Accounting Estimates*
Amendments to IAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the period ended 30 September 2022.

The average number of employees, including directors, during the period was 2.

4. EXPENSES BY NATURE

	Nine months ended 30 September 2022 Unaudited £	Period ended 31 December 2021 Audited £
Administrative expenses		
Travel and accommodation	3,817	—
Machinery dismantling costs	79,982	—
Legal fees	1,692	—
Professional fees	49,354	—
Website costs	1,043	671
Bank fees	477	—
Depreciation	14,046	—
Foreign Exchange	9,261	—
Other administrative costs	15,762	—
	175,434	**671**

5. NET FINANCE COSTS

	Nine months ended 30 September 2022 Unaudited £	Period ended 31 December 2021 Audited £
Interest on lease	5,043	—
Interest expense on borrowing	25,765	—
Net foreign exchange loss on loan note	104,412	—
	135,130	—

6. TAXATION

	Nine Month ended 30 September 2022 £	Period ended 31 December 2021 £
Reconciliation of effective tax rate		
Loss before income tax	310,564	671
Tax calculated at domestic tax rates applicable to profits in the respective countries at a weighted average rate of 18.26% (2021 – 19%)	57,989	128
Tax effect of expenses that are not deductible in determining taxable profit	—	—
Capital allowances in excess of depreciation and amortisation	—	—
Deferred tax asset not recognised in respect of losses	(57,989)	(128)
	—	—

7. EARNINGS PER SHARE

	Nine months ended 30 September 2022 Unaudited £	Period ended 31 December 2021 Audited £
Loss for the period	**(310,564)**	**(671)**
Number of shares		
Weighted average number of ordinary shares	1,000	1,000
Earnings per share	—	—
Basic and dilutive	(31,056.37p)	(67.10p)

8. PROPERTY, PLANT AND EQUIPMENT

	Factory plan and machinery £	Total Property, Plant and Equipment £
Cost		
As at 31 December 2021	—	—
Additions	853,742	853,742
As at 30 September 2022	**853,742**	**853,742**
Depreciation		
As at 31 December 2021	**—**	**—**
Charge for the period	**—**	**—**
As at 30 September 2022	—	—
Net book value		
As at 31 December 2021	—	—
As at 30 September 2022	**853,742**	**853,742**

On 3 March 2022 the Company entered into an agreement to acquire operational assets from Gulf Wall FZO, a company registered in Dubai, United Arab Emirates. The consideration for this purchase was the issue of shares in Eco Buildings Group Ltd and the issue of a loan note with a nominal value of $1,000,000 (£759,763). The fair value of the loan note on issue was calculated at £608,777. In the period ending 30 September 2022 the Company has incurred a total of £244,965 of directly attributable costs of bringing the acquired assets to location for their intended use in Durres, Albania. There were no accumulated depreciation and impairment losses in the period.

9. LEASES

Right of use asset	**Buildings £**	**Buildings £**
Cost		
As at 31 December 2021	—	—

Right of use asset	**Buildings £**	**Buildings £**
Additions	277,556	277,556
As at 30 September 2022		
Accumulated Depreciation		
As at 31 December 2021	—	—
Charge for the period	14,046	14,046
As at 30 September 2022	**14,046**	**14,046**
Carrying Amount		
As at 31 December 2021	—	—
As at 30 September 2022	**263,510**	**263,510**

On 4 July 2022 Eco Buildings Group Albania, a wholly owned subsidiary of the Company, entered into a five-year lease agreement for an 8,410 sqm site in Durres, Albania, on which a purpose-built factory building is being erected. Rental costs for the lease of €6,000 per calendar month.

The maturity analysis of lease liabilities is presented in note 11.

10. OTHER RECEIVABLES

	Notes	**Nine months ended 30 September 2022 Unaudited £**	Period ended 31 December 2021 Audited £
Called up share capital not paid	13	1,000	1,000
VAT recoverable		8,032	—
Other receivables		63,299	—
		72,331	**1,000**

The Company considers that the carrying amount of trade and other receivables approximates their fair value.

11. LEASE LIABILITIES

On 4 July 2022 Eco Buildings Group Albania, a wholly owned subsidiary of the Company, has entered into a five-year lease agreement for an 8,410 sqm site in Durres, Albania, on which a purpose-built factory building is being erected. Rental costs for the lease of €6,000 per calendar month.

Group	**Nine months ended 30 September 2022 £**	Period ended 31 December 2021 £
Maturity Analysis:		
Year 1	63,756	—
Year 2	63,756	—
Year 3	63,756	—
Year 4	63,756	—
Year 5	31,878	—
	286,903	—
Less Un-earned interest	(57,710)	—
	229,193	—
Analysed as:		
Non-current	172,388	—
Current	56,805	—
	229,193	—

12. BORROWINGS

	Nine months ended 30 September 2022 Unaudited £	Period ended 31 December 2021 Audited £
Current liabilities		
Convertible loan notes	532,500	—
	532,500	—
Non-Current liabilities		
Loan note	738,864	—
	738,864	—

Between 6 May 2022 and 30 September 2022, the Company issued £532,500 of unsecured convertible loan notes. The loan notes convert to shares on 50% discount on Admission of the Company to AIM.

On 3 March 2022 the Company entered into an agreement to acquire operational assets from Gulf Wall FZO, a company registered in Dubai, United Arab Emirates. The consideration for this purchase was the issue of shares in Eco Buildings Group Ltd and the issue of $1,000,000 (£759,763) loan note. The terms of the loan note were agreed on 7 September 2022. The loan note has a four year term and an interest rate of 2%. As at 30 September 2022 the loan note held at amortised cost had a balance of £738,864.

13. SHARE CAPITAL

	30 September 2022 Number of ordinary shares	**31 December 2021 Number of ordinary shares**	**Share capital 30 September 2022 £**	**Share capital 31 December 2021 £**
Issue called up and fully paid ordinary shares of £1.00 each				
At start of the period	1,000	—	1,000	—
Issued on incorporation	—	1,000	—	1,000
At end of the period	**1,000**	**1,000**	**1,000**	**1,000**

The ordinary shares have full rights of voting, dividends and distribution.

14. INTERESTS IN SUBSIDIARY UNDERTAKINGS

Company	% ownership	Date of incorporation	Registered Address	Place of incorporation	Principal Activity
Eco Buildings Group Albania Sh.P.K	100%	27 June 2022	Tirane Rruga “Frosina Plaku”, pall. 21,hyrja 13, kati 1, Tirane, Shqiperi	Albania	Operating Company

15. RELATED PARTY DISCLOSURES

As at 30 September 2022 £300 was owed by Dr Etrur Albani, the director and minority shareholder of the Company.

As at 30 September 2022, £200 was owed by Dominic Redfern, the minority shareholder of the Company.

As at 30 September 2022, £250 was owed by Linden Holdings (Malta) Limited, the minority shareholder of the Company.

As at 30 September 2022, £250 was owed by Genard Kadiu, the minority shareholder of the Company.

During the period the Company provided funding to Gulf Walling FZO, accompany 100% owned by Dominic Redfern for the dismantling and shipping of the assets acquired as part of the business combination described in note 11. The total amount of funding provided amounted to £280,000.

16. BUSINESS COMBINATIONS

On 3 March 2022 the Company entered into an agreement to acquire the trade and operating assets from Gulf Wall FZO, a company registered in Dubai, United Arab Emirates. The consideration for this purchase was 20% of the issued share capital of Eco Buildings Group Ltd and the issue of $1,000,000 (£759,763) loan note.

As consideration for the acquisition Eco Buildings Group Ltd has issued an Unsecured Loan Note (“Loan Note”) in the amount of $1 million (£759,763) and 20% of the issued share capital of the Company. The terms of the loan note were agreed on 7 September 2022.

The acquisition has been accounted for under IFRS 3 'Business Combinations' using the acquisition method.

	Provisional fair value £
Provisional Fair value of consideration issued	
Loan note issued	608,777
	608,777

The assets and liabilities recognised as a result of the acquisition are as follows:	Provisional fair value £
Plant and equipment	608,777
Net assets acquired	608,777

An accounting entry has been made to reflect the initial accounting for the Acquisition of the trade and assets from Gulf Wall FZO by the Company. The Company will need to determine the fair value of the net assets acquired pursuant to the proposed Acquisition within 12 months of the acquisition date in accordance with IFRS 3. This process, known as a Purchase Price Allocation exercise may result in a reduction of goodwill, which may be material. The Purchase Price Allocation process will require a valuation of the identifiable intangible assets acquired. The approach adopted by the Board is permissible and appropriate.

The acquired business contributed a net loss of £191,026 to the group for the period from 3 March 2022 to 30 September 2022. If the business had been acquired at 1 January 222 the impact on revenue would be nil and the net loss would have been £191,026.

17. EVENTS AFTER THE REPORTING PERIOD

Since the period end date of 30 September 2022, the Company issued a further £110,000 of convertible loan notes on the same terms as those described in note 12 above.

18. ULTIMATE CONTROLLING PARTY

As at 30 September 2022 in the opinion of the Directors, there is no single ultimate controlling party. As at 31 December 2021 Etrur Albani was deemed to be the ultimate controlling party.