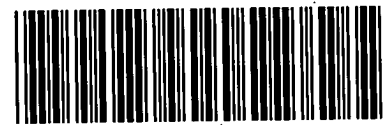


ARTIS FINANCE LIMITED
Report of the Directors and Financial Statements

For the year ended 31 December 2023

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28/09/2024
COMPANIES HOUSE

Company Registration Number: 12535605 (England & Wales)

ARTIS FINANCE LIMITED
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for the year ended 31 December 2023

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COMPANY DIRECTORS: W De Vleeschauwer
I Henderson
N Von Bezing (Appointed on 14 December 2023)

REGISTERED OFFICE: Artis Finance Limited
13.01 One Lyric Square
London
W6 0NB
United Kingdom

REGISTERED NUMBER: 12535605 (England and Wales)

INDEPENDENT AUDITOR: MHA
6th Floor
2 London Wall Place
London
EC2Y 5AU
United Kingdom

LEGAL ADVISOR: Reed Smith LLP
The Broadgate Tower
20 Primrose Street
London
EC2A 2RS
United Kingdom

The Directors present their report for Artis Finance Limited ("AFL" or "the Company") together with the audited financial statement for the year ended 31 December 2023.

Principal Activity

The principal activity of the company is to provide origination and general services to its subsidiary, Artis Loanco 1 PLC ("LoanCo"). The company was incorporated on 26th March 2020.

Events after the reporting date

There were no significant events after the reporting period.

Dividends

The Company has not declared any dividend during the year (2022 - USD Nil) and the Directors do not recommend the payment of a dividend.

Political Donations

The Company made no political contribution or incurred any political expenditures during the year (2022 - USD Nil).

Directors

The Directors who have held office during the year are as follows:

- W De Vleeschauwer
- I Henderson
- N Von Bezing (14 December 2023)

Directors who are eligible offer themselves for election at the forthcoming Annual General Meeting.

Directors Indemnities

Directors' and officers' insurance cover has been established for all Directors to provide appropriate cover for their reasonable actions on behalf of the Company. The indemnities, which constitute a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006, were in force during the 2023 financial year and remain in force for all current Directors of the Company.

Immediate Parent and Ultimate Controlling Party

Artis Finance Group Holdings Limited ("AFGH") is the immediate parent of Artis Finance Limited and the ultimate parent of the Group, which amongst others includes Artis Finance Limited and Artis LoanCo 1 PLC. The ultimate controlling party of Artis Finance Group Holdings Limited is the directors of this Company.

Future Development

The Company's business activities, together with the performance and positions are set out below. The Directors do not anticipate any changes to the present level of activity or the nature of the Company's business in the near future. The Directors have a reasonable expectations that the Company has adequate resources based on sufficient funds available in the Company to continue in operational existence for the foreseeable future and is well placed to manage its business risks successfully.

Going Concern

The financial statements have been prepared under the going concern assumption as per note 4.2

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Accounting Standards as adopted by the United Kingdom ("UK Adopted IFRSs") in conformity with the Companies Act 2006. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether UK adopted IFRS have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditor

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

This report was approved by the board and signed on its behalf.

On behalf of the Board:



W De Vleschauwer
Director

26 / 09 / 2024

Date

Independent auditor's report to the members of Artis Finance Ltd

Opinion

We have audited the financial statements of Artis Finance Ltd (the "Company") for the period ended 31 December 2023, which comprise the Statement of profit or loss and other comprehensive income, the Statement of financial position, the Statement of changes in equity, the Statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards as adopted by the United Kingdom ("UK adopted IFRSs").

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2023, and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted IFRSs; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditor's report to the members of Artis Finance Ltd (continued)

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the directors

As explained more fully in the statement of Director's responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Director's determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of Artis Finance Ltd (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the Group and the Parent company operates in;
- Reviewing key correspondence with regulatory authorities;
- Enquiry of management and those charged with governance around actual and potential litigation and claims and any instances of known or suspected instances of fraud;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to access compliance with applicable laws and regulations.

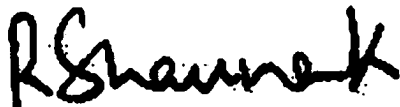
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities including those leading to material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Independent auditor's report to the members of Artis Finance Ltd (continued)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rakesh Shaunak FCA
(Senior Statutory Auditor)

for and on behalf of MHA, Statutory Auditor
London, United Kingdom

27 September 2024

Date:

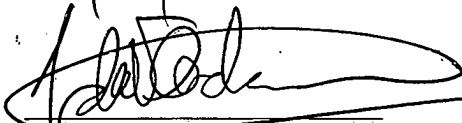
MHA is trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales
(registered number OC312313)

**Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2023**

	Notes	2023 \$	2022 \$
Continuing Operations			
Revenue	19	3,934,606	4,066,270
Finance Income	20	3,860	-
Administrative expenses	21	(3,380,462)	(3,096,448)
Operating Profit		<u>558,004</u>	<u>969,822</u>
Profit before income tax		558,004	969,822
Income Tax	7	-	-
Profit for the year		<u>558,004</u>	<u>969,822</u>
Other comprehensive income		-	-
Total comprehensive profit for the year		<u>558,004</u>	<u>969,822</u>

	Notes	2023 \$	2022 \$
ASSETS			
Non-Current Assets			
Property, plant and equipment	8	6,265	12,762
Intangible Assets	9	10,049	13,494
Investments	10	29,088,889	25,237,822
Trade and other receivables	11	27,374	26,011
		<u>29,132,577</u>	<u>25,290,089</u>
Current Assets			
Trade and other receivables	11	6,893,176	6,574,767
Cash and cash-equivalents	12	1,780,380	791,338
		<u>8,673,556</u>	<u>7,366,105</u>
TOTAL ASSETS		<u>37,806,133</u>	<u>32,656,194</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	13	38,467,009	34,578,120
Accumulated loss		(2,689,575)	(3,247,579)
TOTAL EQUITY		<u>35,777,434</u>	<u>31,330,541</u>
LIABILITIES			
Current Liabilities			
Borrowings	15	337,270	91,822
Trade and other payables	14	1,691,429	1,233,831
		<u>2,028,699</u>	<u>1,325,653</u>
TOTAL LIABILITIES		<u>2,028,699</u>	<u>1,325,653</u>
TOTAL EQUITY AND LIABILITIES		<u>37,806,133</u>	<u>32,656,194</u>

The financial statements were approved by the Board of Directors and authorised for issue on 26/07/2024 and were signed on its behalf by:


W. De Vleeschauwer
Director

ARTIS FINANCE LIMITED
Statement of Changes in Equity
for the year ended 31 December 2023

	Notes	Called up share capital	Accumulated loss	Total Equity
		\$	\$	\$
Changes in equity				
Balance at 31st December 2021		23,415,003	(4,217,401)	19,197,602
Issue of share capital	13	11,163,117	-	11,163,117
Total comprehensive profit for the year		-	969,822	969,822
Balance at 31st December 2022		<u>34,578,120</u>	<u>(3,247,579)</u>	<u>31,330,541</u>
Issue of share capital	13	3,888,889	-	3,888,889
Total comprehensive profit for the year		-	558,004	558,004
Balance at 31st December 2023		<u><u>38,467,009</u></u>	<u><u>(2,689,575)</u></u>	<u><u>35,777,434</u></u>

ARTIS FINANCE LIMITED
Statement of Cash Flows
for the year ended 31 December 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Operational cash outflow	1	1,177,085	(320,863)
Net cash from operating activities		<u>1,177,085</u>	<u>(320,863)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(1,981)
Purchase of intangible assets		-	(13,781)
Investments		(3,888,889)	(5,037,822)
Net cash from investing activities		<u>(3,888,889)</u>	<u>(5,053,584)</u>
Cash flows from financing activities			
Directors Loan		5,998	(287)
Proceeds of share issue		3,888,889	5,000,000
Inter-company loans advanced/(repaid)		(194,041)	1,025,320
Net cash from financing activities		<u>3,700,846</u>	<u>6,025,033</u>
Increase in cash and cash equivalents		989,042	650,586
Cash and cash equivalents at beginning of period		791,338	140,752
Cash and cash equivalents at end of period	2	<u>1,780,380</u>	<u>791,338</u>

	2023	2022
	\$	\$
1 Reconciliation of profit before income tax to cash absorbed by operations:		
Profit before income tax	558,004	969,822
Depreciation charges	6,497	6,497
Amortisation	3,445	287
Impairment on Investment	37,822	-
	<u>605,768</u>	<u>976,606</u>
Increase in trade and other receivables	109,049	(775,359)
Increase in trade and other payables	462,268	(522,110)
Operational cash outflow	<u>1,177,085</u>	<u>(320,863)</u>
2 Cash and cash equivalents		
The closing cash and cash equivalents balance on the Statement of Cash Flows and the Statement of Financial Position as at 31 December was as follows:		
Cash and cash equivalents	<u>1,780,380</u>	<u>791,338</u>

1 Statutory Information

Artis Finance Limited is a private company, limited by shares, registered and domiciled in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

2 Presentation Currency

The presentation currency of the financial statements is United States Dollar (USD or \$).

3 Principal Activity

The principal activity of the Company is to provide origination and general services to its subsidiary, Artis LoanCo 1 Plc.

4 Accounting Policies

4.1 Basis of preparation

These financial statements have been prepared in accordance with International Accounting Standards as adopted by the United Kingdom and IFRIC interpretations in conformity with the Companies Act 2006 and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on the historical cost basis as modified for the revaluation of certain financial instruments under IFRS 9 Financial Instruments. The financial statements have been prepared on a going concern basis.

The principal accounting policies applied in the preparation of the financial statements have been consistently applied, unless otherwise stated.

4.2 Going concern basis

The financial statements have been prepared under the going concern assumption. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for at least 12 months from the date of the approval of the Company financial statements with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. It is the prime responsibility of the Board to ensure the Company remains a going concern.

The Company's assets are generating revenues and an operating profit has been reported for the year ended 31 December 2023. The Directors' have prepared financial projections and cash flow forecasts covering a period of at least 12 months from the date of approval of these financial statements showing that the Company will have sufficient available funds to meet its contracted and committed expenditure. As at 31 December 2023, the Company has net assets of USD 35,777,434 (31 December 2022: USD 31,330,541) and a cash balance of USD 1,780,380 (31 December 2022: USD 791,338).

4 Accounting Policies (continued)

4.2 Going concern basis (continued)

Based on its review of the prepared financial projections and cash flow forecasts, the Directors have a reasonable expectation that the Company will be able to continue in operational existence for the next 12 months and continue to adopt the going concern basis of accounting in preparing these financial statements. These conditions do not indicate any existence of a material uncertainty related to events or conditions that may cast significant doubt about the Company's ability to continue as a going concern, and, therefore, that it may be able to realise its assets and discharge its liabilities in the normal course of business. These financial statements do not include the adjustments that would be required if the Company could not continue as a going concern.

4.3 Preparation of consolidated financial statements

The financial statements contain information about Artis Finance Limited as an individual Company and do not contain consolidated financial information as the parent of a Group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Artis Finance Group Holdings Limited (Reg Number 12873457), One Lyric Square, London, England, W6 0NB.

4.4 Investment in subsidiaries

Acquisitions of subsidiaries are accounted for using the acquisition method. The considerations for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Company to the former owners of the acquiree, and equity interests issued by the Company in exchange for control of the acquiree. Acquisition related costs are recognised in profit or loss as incurred.

4.5 Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

4.6 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with IFRS requires the Directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily available from other sources. 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 estimate is revised if the revision affects only that period or in the period of the revision and future years if the revision affects both current and future years.

4 Accounting Policies (continued)

4.7 New standards and interpretations

(i) New standards, amendments and interpretations issued effective as of 01 January 2023:

Description	Effective date
IFRS 17: Insurance Contracts	01 January 2023
Amendments to IAS 1 Presentations of Financial Statements of IFRS Practice Statement 2: Disclosure of Accounting Policies	01 January 2023
Amendments to IAS 12 Income Taxes: International Tax Reform - Pillar Two Model Rules	23 May 2023
Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	01 January 2023
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01 January 2023
Amendment to IFRS 17 Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information	01 January 2023

The Directors have considered the impact of the new standards, amendments and interpretations and do not consider there to be a significant impact from these newly effective standards, amendments and

(ii) Standards not yet effective, but available for early adoption:

Description	Effective date
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued 22 September 2022)	1 January 2024*
Amendments to IAS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants (issued on 31 October 2022)	1 January 2024*
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023)	1 January 2024**
Amendments to IAS 21 The Effect of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)	1 January 2025**

*Where new requirements are yet adopted in the UK, the effective date is disclosed.

** Not adopted in the UK.

The Company has not adopted any other new standards or interpretations that are not mandatory. The Directors anticipate that the adoption of those standards or interpretations will have no material impact on the financial statements of the Company in the period of initial application.

4.8 Revenue recognition

All forms of revenue are recognised when the services associated with them have been rendered, using the percentage of completion method based on the actual service provided as a proportion of the total services to be performed.

4 Accounting Policies (continued)

4.9 Property, plant and equipment

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

Depreciation is provided at the following annual rates to write off each asset over its estimated useful life:

Fixtures & Fittings:	25% on costs
Computer Equipment:	25% on costs

4.10 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

The Company amortises intangible assets with a limited useful life, using the straight-line method over the following periods:

Software:	25% on costs
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4.11 Financial Instruments

A financial instrument is recognised in the statement of financial position when the Company becomes a party to the contractual provision of the instrument. Financial instruments comprise of trade and other receivables, cash and cash equivalents and trade and other payables.

Financial assets and financial liabilities are measured at fair value plus or minus any attributable transaction cost incurred at the acquisition or issuance of the financial instrument.

4 Accounting Policies (continued)

4.11 Financial Instruments (continued)

Financial assets (continued)

Financial assets

Financial assets are classified as measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"), as appropriate.

The Company determine the classification of financial assets at initial recognition and are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortised cost

Amortised cost category comprises of financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss.

Fair value through other comprehensive income

a) Debt instruments

This category comprises debt instruments where it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The debt instruments are not designated as at fair value through profit or loss.

b) Equity instruments

Fair value through other comprehensive income category also comprises investment in equity that are not held for trading, and the Company irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

Subsequent measurement

Financial assets categorised as fair value through other comprehensive income are subsequently measured at fair value with unrealised gains and losses recognised directly in other comprehensive income and accumulated under fair value through other comprehensive income reserve in equity. For debt instruments, when the investment is derecognised or determined to be impaired, the cumulative gain or loss previously recorded in equity is reclassified to the profit or loss. For equity instruments, the gains or losses accumulated in other comprehensive income are never reclassified to profit or loss.

Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described below, are measured at fair value through profit or loss. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

4 Accounting Policies (continued)

4.11 Financial Instruments (continued)

Subsequent measurement

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value with gains or losses recognised in the profit or loss.

Financial liabilities

Financial liabilities held for trading are subsequently measured at fair value with all gains or losses recognised in profit or loss, and all other financial liabilities are measured at amortised costs, unless the fair value option is applied.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. While trade and other receivables and cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade and other receivables are written off when there is no reasonable expectations of recovery.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

4.12 Taxation

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Income tax payable on profits is based on applicable tax law and is calculated at rates of tax enacted or substantively enacted at the reporting date. Income tax payable is recognised as an expense in the period in which the profits arise. The tax effects of income tax losses available for carry forward are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised. The standard rate of Corporation Tax in the UK is 19% for the tax year starting 1 April 2023. The Government has announced that from 1 April 2024, the corporation tax rate will increase to 25%.

4.13 Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to the income statement in the year to which they relate.

4.14 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks.

4 Accounting Policies (continued)

4.15 Client monies held on account

The Company holds client money on account to make payments on their behalf. The arrangement is solely to settle obligations of the client and there is no potential that economic benefit will be produced for the Company from the arrangement. The client balances are maintained in an individual ledger.

4.16 Functional and presentation currency

The financial statements of the Company are presented in US Dollars because that is the primary functional currency of the company. All values are rounded to the nearest dollars (USD), except where otherwise indicated.

Transactions in currencies other than USD are recorded at the rate prevailing at the date of the transaction. At each reporting date, monetary items and non-monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing on the reporting date. Gains and losses arising on retranslation are recognised in profit or loss.

4.17 Principal risks and uncertainties

The principal risks and uncertainties facing the Company are financial instrument risks comprising: credit risk, liquidity risk and interest rate risks.

The principal nature of these risks are summarised below.

Credit Risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations.

The principal credit risk to the Company is that the Borrowers in Artis LoanCo 1 PLC ("the Issuer") will not be able to meet its obligations under the Loans advanced to them as they fall due. The Loans in Artis LoanCo 1 PLC are secured over certain of the Borrower's trade receivables, among other things, bills of exchange, promissory notes, irrevocable payment undertakings and other negotiable instruments.

Liquidity Risk

Liquidity risk reflects the risk that the Company will encounter difficulty in raising funds to meet commitments associated with its financial instruments, should the actual cash flows from its assets differ from those expected.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Interest rate Risk

Interest rate risk exists where assets and liabilities have interest rates set under a different basis or which reset at different times.

	2023	2022
	\$	\$
5 Employees and Directors		
Wages and salaries	1,322,943	1,325,664
National Insurance Contributions	155,369	169,473
Other pension costs	20,034	21,850
	<u>1,498,346</u>	<u>1,516,987</u>
Average Headcount	16	15
Directors' salaries	499,911	419,916
National Insurance Contributions	65,793	57,684
Directors' pension costs	1,991	1,627
	<u>567,695</u>	<u>479,227</u>
Average Headcount	2	2
6 Profit before income Tax		
The profit before income tax is stated after charging/(crediting):		
Depreciation	6,497	6,497
Amortisation of intangible assets	3,445	-
Audit fees	24,671	14,763
	<u>24,671</u>	<u>14,763</u>
7 Income Tax		
The Company is required to pay corporation tax on its accounting profit or loss. The standard rate of Corporation Tax in the UK is 23.5% (2023: 19%)		
Tax expenses comprises:		
- Current tax expense	-	-
Total Charge for the year	<u>-</u>	<u>-</u>
Utilisation of losses on which no deferred tax asset has previously been recognised.		
Reconciliation of total tax charge		
Profit before tax	<u>558,004</u>	<u>969,822</u>
The total charge for the period can be reconciled to the accounting loss as follows:		
Income tax charge calculated at the rate of 23.5%	131,131	184,266
Unused tax losses for which no deferred tax asset has been recognised	(131,131)	(184,266)
Income tax expense recognised in the Statement of Comprehensive Income	<u>-</u>	<u>-</u>

The Directors are aware of the increase in corporate tax rate to 25% starting 1 April 2024 which may have a significant effect on the future tax charge of the Company.

Tax losses of USD 1,765,365 (2022:USD 2,255,526) will be carried forward to the next tax year on which no deferred tax asset has been recognised.

8	Property, plant and equipment	Furniture and Fittings \$	Computer Equipment \$	Total \$
	Costs			
	As at 31 December 2021	1,032	22,975	24,007
	Additions	-	1,981	1,981
	As at 31 December 2022	1,032	24,956	25,988
	Additions	-	-	-
	As at 31 December 2023	<u>1,032</u>	<u>24,956</u>	<u>25,988</u>
	Depreciation			
	As at 31 December 2021	(301)	(6,428)	(6,729)
	Charge for the year	(258)	(6,239)	(6,497)
	As at 31 December 2022	(559)	(12,667)	(13,226)
	Charge for the year	(258)	(6,239)	(6,497)
	As at 31 December 2023	<u>(817)</u>	<u>(18,906)</u>	<u>(19,723)</u>
	Net Book Value			
	As at 31 December 2022	473	12,289	12,762
	As at 31 December 2023	<u>215</u>	<u>6,050</u>	<u>6,265</u>
9	Intangible Assets			Software
	Costs			
	As at 31 December 2021			-
	Additions			13,781
	As at 31 December 2022			<u>13,781</u>
	Additions			-
	As at 31 December 2023			<u>13,781</u>
	Depreciation			
	As at 31 December 2021			-
	Charge for the year			(287)
	As at 31 December 2022			<u>(287)</u>
	Charge for the year			(3,445)
	As at 31 December 2023			<u>(3,732)</u>
	Net Book Value			
	As at 31 December 2022			13,494
	As at 31 December 2023			<u>10,049</u>

	2023	2022
	\$	\$
10 Investments		
Opening Balance	25,237,822	20,200,000
Additions	3,888,889	5,037,822
Impairment	(37,822)	-
At end of the year	<u>29,088,889</u>	<u>25,237,822</u>
Net Book Value	<u>29,088,889</u>	<u>25,237,822</u>

The Company's investment in share capital includes the following:

Artis Loanco 1 PLC

Registered office: Suite 2, 7th Floor 50 Broadway, London, England, SW1H 0BD.

Nature of business: Financial services.

<i>Class of shares:</i>	Ordinary	Ordinary
% Shareholding	100%	100%
	2023	2022
	\$	\$
Aggregate capital and reserves	14,576,618	18,275,551
Loss for the year	<u>(7,587,822)</u>	<u>(1,150,883)</u>

On 5 November 2020 Artis Finance Limited acquired the entire share capital of Artis Loanco 1 PLC. Artis LoanCo 1 PLC is a wholly owned subsidiary of the company. In accordance with IFRS 10 the Company has accounted for the unconsolidated subsidiary at fair value through profit or loss.

AF Receivables Purchase Co 1 S.A.

Registered office: 16, Rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg

Nature of business: Financial services.

<i>Class of shares:</i>	Ordinary	Ordinary
% Shareholding	100%	100%
	2023	2022
	\$	\$
Aggregate capital and reserves	4,630	32,496
Loss for the year	<u>(27,865)</u>	<u>(5,327)</u>

On 15 March 2022 Artis Finance Limited acquired the entire share capital of AF Receivables Purchase Co 1 S.A. AF Receivables Purchase Co 1 S.A is a wholly owned subsidiary of the company. This Company has been dissolved on the 7th June 2024, and the sole shareholder will be liable for any known but unpaid liabilities or any yet unknown liabilities of the Company before any payment of itself. The full investment has been impaired.

	2023	2022
	\$	\$
11 Trade and other receivables		
Non-Current		
Rental deposit	<u>27,374</u>	<u>26,011</u>
Current		
Trade debtors	-	63,375
Intercompany: Other debtor	4,158,391	3,826,389
Intercompany: Accrued income	1,583,446	1,748,562
Deposits	-	87,984
Prepayments	48,348	174,287
Intercompany Loan: Artis Technologies Limited	907,424	606,975
Intercompany Loan: Fidem Insurance	7,180	7,166
Intercompany Loan: Quintessence Capital Management Ltd	187,750	60,029
Intercompany Loan: AROC Guernsey R Ltd	637	-
	<u>6,893,176</u>	<u>6,574,767</u>
Total trade and other receivables	<u>6,920,550</u>	<u>6,600,778</u>

12 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash at banks. The cash is held in the following currencies:

US Dollar	849,139	750,620
British Pound Sterling	930,667	39,546
Euro	574	1,172
	<u>1,780,380</u>	<u>791,338</u>

13 Called up share capital

During the year a further 38,888,889 (2022: 111,631,170) shares were issued at a par value of 10c. The total issue at a value of \$38,467,009 (2022: \$34,578,120) represents the entire share capital of the Company. Each share carries the right to one vote and at both of the preceding period ends, the entire share capital 384,670,089 (2022: 345,781,200) of the Company is owned by Artis Finance Group Holdings Limited.

All dividends are payable in accordance with the amounts of the paid up shares. The shares are not redeemable.

	2023	2022
	\$	\$
14 Trade and other payables		
Current		
Trade creditors	928,950	809,815
Unpaid pension contributions	5,460	4,674
Holiday accrual	51,179	25,904
Client monies on account	305,289	154,397
Insurance finance	-	108,418
Unpaid PAYE / NIC	138,477	63,577
Accrued expenses	165,398	33,904
Directors' current account	6,033	35
Intercompany Loan: AF Receivables Purchase Co 1 S.A.	22,439	33,107
VAT Payable	68,204	-
	<u>1,691,429</u>	<u>1,233,831</u>
15 Borrowings		
<i>Non-current:</i>		
<i>Artis Finance Group Holdings Ltd</i>		
Opening balance	91,822	5,229,619
Drawdown	485,000	1,573,206
Repayments	(239,552)	(547,886)
Debt to Equity conversion	-	(6,163,117)
Closing balance end of the year	<u>337,270</u>	<u>91,822</u>
Terms and debt repayment schedule:		
- Current	337,270	91,822
- More than 1 Year	-	-
Closing balance end of the year	<u>337,270</u>	<u>91,822</u>

This loan is unsecured and is repayable on demand. On the 12th of April 2022, USD 6,163,117 of debt was converted into equity.

16 Ultimate Parent Company

Artis Finance Group Holdings Limited is the ultimate parent of Artis Finance Limited and holds the entirety of the Company's issued share capital. The results of the Company appear in the Artis Finance Group Holdings consolidated accounts. These are the only consolidated group accounts within which these results are shown.

17 Related Party Disclosures

Artis Finance Group Holdings Limited - Parent

Principal Activity: Holding Company

This Company subscribed to the entire share capital of Artis Finance Limited totalling USD 38,467,009 (2022: USD 34,578,120). As at the year end the Company owed the parent USD 337,270 (2022: USD 91,822).

Artis Loanco 1 PLC - Wholly owned Subsidiary of Artis Finance Limited

Principal Activity: Provide working capital solutions to mid-market companies

Artis Finance Limited subscribed to the entire share capital of Artis Loanco 1 PLC USD 29,088,889 (2022: USD 25,200,000).

Artis Finance Limited provides Artis Loanco 1 PLC with origination and general services which generated USD 3,104,262 (2022: USD 3,066,255). The Company also recharged Artis Loanco 1 PLC for professional fees totalling USD Nil (2022: USD 92,534). As at year-end, USD 3,931,790 (2022: USD 3,826,388) remained unpaid. Servicing and origination services accrued but not yet paid as at year-end were USD 234,217 (2022: USD 585,344).

Artis Technologies Limited - Wholly owned subsidiary of Artis Finance Group Holdings Limited

Principal Activity: Provide IT Services to Artis Group Companies

Artis Technologies Limited is a 100% subsidiary of Artis Finance Group Holdings Ltd. Artis Finance Limited recharged USD 186,015 (2022: USD 782,481) to Artis Technologies Limited for services provided and the outstanding amount at year-end was USD 1,163,218. At the year end Artis Technologies Limited also have an outstanding loan due to Artis Finance Limited totalling USD 907,423 (2022: USD 606,975).

Fidem Insurance Limited - Wholly owned subsidiary of Artis Holdings (Guernsey) Limited

Principal Activity: Provide trade credit insurance for loans extended by the Group.

The immediate controlling party of Fidem Insurance Limited is Artis Holdings (Guernsey) Limited which owns 100% of the company. Artis Finance Limited paid expenses on behalf of Fidem Insurance Limited and USD 7,180 (2022: USD 7,166) remained unpaid at year-end. Fidem Insurance Limited has an expense reimbursement agreement with Artis Finance Limited where some of Fidem Insurance Limited's expenses are settled by Artis Finance Limited to maintain the solvency position of Fidem Insurance Limited. Artis Holdings (Guernsey) Limited is a holding company and owns the entire share capital in Fidem Insurance Limited. Both these companies are wholly owned subsidiaries of Artis Finance Group Holdings Limited.

AF Receivables Purchase Co 1 S.A. - Wholly owned Subsidiary of Artis Finance Limited

Principal Activity: Enter into securitisation transactions

Artis Finance Limited subscribed to the entire share capital of AF Receivables Purchase Co 1 S.A. totalling GBP 29,000 (2022: 29,000). Artis Finance Limited is holding cash on behalf of AF Receivables Purchase Co 1 S.A and also paid operational expenses on behalf of AF Receivables Purchase Co 1 S.A. The amount due from Artis Finance Limited was USD 22,439 (2022: USD 33,107) at year-end. The Company also recharged AF Receivables Purchase Co 1 S.A. USD 152,159.23 for professional fees which remained unpaid at year-end.

17 Related Party Disclosures (continued)

Quintessence Capital Management Limited - Wholly owned subsidiary of Artis Finance Group Holdings
Principal Activity: Financial Services

Artis Finance Limited paid operational expenses on behalf of Quintessence Capital Management Limited totalling USD 187,750 (2022: USD 60,029), which amount remained unpaid at year-end.

W De Vleeschauwer - Director

At the reporting date the Company owed its director, W de Vleeschauwer USD 6,033 (2022 USD35).

18 Charges

The company has one charge outstanding at the year-end which was created on 3 November 2020 and amended and restated on 20 December 2022. This is a fixed charge against the interest the Company has in Artis Loanco 1 PLC in order to guarantee the loan notes secured by Artis Loanco 1 PLC.

	2023	2022
	\$	\$
19 Revenue		
Engagement fees	35,000	125,000
Origination fees	1,929,011	2,102,593
Servicing fees	1,175,251	963,662
Back Charges: Artis Technologies Ltd	186,015	782,481
Back Charges: Artis Loanco 1 PLC	-	92,534
Back Charges: ESSAR	609,329	-
	<u>3,934,606</u>	<u>4,066,270</u>
20 Finance Income		
Interest income on bank accounts	<u>3,860</u>	<u>-</u>
21 Administrative expenses		
Salaries and related expenses	2,354,234	2,114,013
Rent & Office related expenses	184,364	169,295
Professional Services	197,213	137,669
Data Analysis & Subscriptions	133,394	132,345
IT & Communication	14,765	14,722
Travelling & Entertainment	265,624	128,500
Marketing & Web-design	5,071	3,575
Finance Charges	14,277	155,384
Insurance	133,424	142,051
Impairment Provision	37,822	-
Depreciation	6,497	6,497
Amortisation	3,445	287
Unrecoverable VAT	23,747	92,110
Due Diligence	1,336	-
Charitable Donations	5,249	-
	<u>3,380,462</u>	<u>3,096,448</u>