Savarin P.L.C.

Annual Report

2020

Company Registration Number: C 92435

Savarin P.L.C.

2020

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For the period ended 31 December 2020

The directors present their report of Savarin P.L.C., formerly known as Crecol Limited (the "Company") for the period from the date of incorporation until the 31 December 2020. The Company was incorporated on 3 July 2019.

Board of directors

The following have served as directors of the Company during the period under review, and the respective shareholding, if applicable:

FJV Management Limited
Kurt Risiott (appointed on 22 October 2020)

In accordance with the Company's Articles of Association, the present directors are to remain in office.

Auditors

PricewaterhouseCoopers have been appointed as auditors of the Company.

Principal activities

The Company is to hold investments in subsidiary companies for capital growth and income generation.

Review of business development and financial position

During the reporting period, the Company registered a loss for the year amounting to EUR (114,040) (both before and after taxation). Shareholders' equity amounted to EUR (64,040).

Dividends

No dividends are being declared. The directors do not recommend the payment of a dividend during the reporting period. Accumulated losses amounting to EUR (114,040) are being carried forward to the next financial year.

Principal risk and uncertainties

The Company's directors monitor the investees' performance on a periodic basis. The Company is also exposed to financial risks. The Company's overall risk management framework with reference to note 14 to the financial statements focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the Company's financial performance. Risk management is carried out within the Company, where applicable, under the policies approved by the Board of Directors.

General Meeting

The Company shall, in each year, hold a general meeting as its annual general meeting in addition to any other meetings that year. The board of the Company may, whenever it deems fit, convene an extraordinary general meeting. The general meeting of the Company exercises powers vested into it by law as well as by the memorandum of association. Resolutions of the general meeting are put to the vote of the Board and shall be decided by poll.

Code of Ethics

The Company has adopted a system of ethical and legal rules which shall apply throughout all the activities of the Company. Adhering to these rules ensures that all activities of the Company are realized within the respective legal and ethical boundaries. Such rules apply to members of the statutory body of the Company as well as to the contractual partners of the Company.

Compliance with Code of Ethics

The compliance with the ethical and legal rules of the Company is secured by adhering to the Compliance directive of the Crestyl Group which is a binding internal directive for all the companies of the Crestyl Group. Any breach of rules set out in the Compliance Directive shall be reported to the ethical committee. Any breach of the ethical rules of the Company by its contractual partner shall be considered as a material breach of the partner's obligations.

Conflict of interest

The board of directors hereby declare that none of them has any conflict of interest.

Contingencies and Litigations

There were no contingencies and litigations in 2020.

Events after the reporting date and future developments

On January 7, 2021 the agreement on transfer of ownership interests between Crestyl Savarin Ltd. and Savarin P.L.C. was concluded. Based on this agreement the ownership interests in Palace Savarin Holdco, s.r.o. (limited liability company with registered seat at Boudníkova 2506/1, Libeň Praha 8, Id.No. 08686416, registered in the Commercial Register maintained by the Municipal Court in Prague under File No. C 323265) and Savarin HoldCo, s.r.o. (limited liability company with its registered seat at Boudníkova 2506/1, Libeň, 180 00, Praha 8, Id. No. 08173273, registered by the Municipal Court in Prague under File No C 313382) were transferred from Crestyl Savarin Ltd. (a company incorporated and existing under the laws of the Republic of Malta, with its registered seat at B2, Industry Street 5, Central Business District, Qormi CBD 5030, the Republic of Malta, registered with the Malta Business Registry C 69924) to the Company for the price of EUR 1,530. Palace Savarin HoldCo is the sole owner of 100% ownership interest in Palace Savarin, s.r.o. with its seat at Boudníkova 506/1, Libeň, 180 00, Praha 8, Id. No. 08722561. Savarin HoldCo is the sole owner of 100 % ownership interest in WELWYN COMPANY, a.s. with its seat at Václavské náměstí 837/11, Nové Město, 110 00 Praha 1, Id. No. 26310554.

Together with the transfer of shares the following receivables of Crestyl Savarin Ltd. were assigned to the Company for the total consideration of EUR 51,155,000:

- Receivable under or in connection with the loan provided to Savarin HoldCo, s.r.o. based on the Facility Agreement entered into by and between Crestyl Savarin Ltd. as creditor and Savarin HoldCo, s.r.o. as debtor orally on 17 January 2020, confirmed in writing under a written facility agreement dated 17 December, 2020. As of the date hereof the principal of the loan amounts to EUR 39,389,350;
- Receivable under or in connection with the loan provided to Savarin HoldCo, s.r.o. based on the Facility Agreement entered into by and between the Crestyl Savarin Ltd. as creditor and Savarin HoldCo, s.r.o. as debtor orally on 17 January 2020, confirmed in writing under a written facility agreement dated 17 December 2020. As of the date hereof the principal of the loan amounts to EUR 11,765,650.

On January 11, 2021 the bonds having a nominal amount EUR 83,841,463 were issued for a 5 year term for 71.288 % of par value. The proceeds from the issuance of these bonds amounted to EUR

59,769,902 and were used as the consideration for the assignment of receivables transferred together with the ownership interests in the underlying investments (refer to above).

The bonds were accepted to trading on the Prague stock-exchange (Rybná 14/682, Prague, Czech Republic) on January 12, 2021. No rating was assigned.

Other than the above and the matters disclosed in Note 16 to these financial statements, up to the date of the approval of the financial statements by the directors, there are no other subsequent events which either warrant a modification of the values of its assets and liabilities or any additional disclosures.

Approved by the Board of Directors on April,30 2021 and signed on its behalf by:

Adriana Camilleri Vassallo
for and on behalf of
FJV Management Limited
Director

Kurt Risiott
Director

Registered Office

B2, Industry Street,
Zone 5, Central Business District
Qormi CBD 5030
Malta

Savarin P.L.C.

Directors' Report

For the Year Ended 31 December 2020

Directors' Responsibility for the Financial Statements

The Companies Act, 1995 (Chapter 386, Laws of Malta) (the "Act") requires the directors of Savarin P.L.C. (the "Company") to prepare financial statements for each reporting period which give a true and fair view of the financial position of the Company as at the end of the reporting period and of the profit or loss of the Company for that reporting period in accordance with the requirements of International Financial Reporting Standards as adopted by the EU.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Company and to enable them to ensure that the financial statements have been properly prepared in accordance with the provisions of the Act.

The directors 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.

The directors are responsible for ensuring that the Company establishes and maintains internal control to provide reasonable assurance with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

The directors are also responsible for establishing a control environment and maintain policies and procedures to assist in achieving the objective of ensuring, as far as possible, the orderly and efficient conduct of the Company's business. This responsibility includes establishing and maintaining controls pertaining to the Company's objective of preparing financial statements as required by the Act and managing risks that may give rise to material misstatements in those financial statements. In determining which controls to implement to prevent and detect fraud, the directors consider the risks that the financial statements may be materially misstated as a result of fraud.

Adriana Camilleri Vassallo
for and on behalf of
FJV Management Limited
Director

Kurt Risiott
Director

Savarin P.L.C.

Statement of Financial Position

As at 31 December 2020

	Note	31.12.2020 EUR
CURRENT ASSETS		
Other current receivables	6	99,744
Prepaid expenses	7	202,161
Total assets		**301,905**
EQUITY		
Share capital	8	50,000
Accumulated losses	8	(114,040)
Total equity		**(64,040)**
CURRENT LIABILITIES		
Trade payables	9	120,780
Estimated payables	10	226,080
VAT payables		19,085
Total liabilities		**365,945**
Total equity and liabilities		**301,905**

The accompanying notes are an integral part of these financial statements.

The financial statements on pages 7 to 24 were approved and authorised for issue by the Board of Directors on April 30, 2021 and signed on its behalf by:

Adriana Camilleri Vassallo
for and on behalf of
FJV Management Limited
Director

Kurt Risiott
Director

Savarin P.L.C.

Statement of Comprehensive Income

For the Year Ended 31 December 2020

	Note	For the period from 3 July 2019 to 31 December 2020 EUR
Operating expense	11	(179,079)
Other income	12	66,706
Impairment of other short-term receivables and prepaid expenses	6,7	(1,659)
Financial expense		(8)
Loss before taxation		**(114,040)**
Income tax expense	13	-
Loss for the period		**(114,040)**
Total comprehensive loss for the period		**(114,040)**

The accompanying notes are an integral part of these financial statements.

Savarin P.L.C.

Statement of Changes in Equity

For the Year Ended 31 December 2020

	Note	Share capital EUR	Accumulated losses EUR	Total equity EUR
Balance as at 3 July 2019		3,000	--	**3,000**
Loss for the period		--	(114,040)	**(114,040)**
Total comprehensive loss for the period		**--**	**(114,040)**	**(114,040)**
Transactions with owners, recognised directly in equity				
Issue of share capital	8	47,000	--	**47,000**
Contributions and distributions		--	--	**--**
Total transactions with owners		**47,000**	**--**	**47,000**
Balance at 31 December 2020		**50,000**	**(114,040)**	**(64,040)**

The accompanying notes are an integral part of these financial statements.

Savarin P.L.C.

Statement of Cash Flows

For the Year Ended 31 December 2020

	Note	For the period from 3 July 2019 to 31 December 2020 EUR
Cash flows from operating activities		
Loss for the period		(114,040)
Impairment loss on other short-term receivables	6	929
Impairment loss on prepaid expenses	7	730
		(112,381)
Changes in:		
Receivables and prepaid expenses	6,7	(253,564)
Payables	9,10	365,945
		112,381
Net cash generated from / (used in) operating activities		--
Net cash generated from / (used in) investing activities		--
Net cash generated from / (used in) financing activities		--
Movements 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		--

The accompanying notes are an integral part of these financial statements.

1 Reporting entity

Savarin P.L.C, formerly known as Crecol Limited (the "Company") is a limited liability company domiciled and incorporated in Malta in terms of the provisions of the Companies Act, 1995 (Chapter 386, Laws of Malta). The Company is to hold investments in subsidiary companies for capital growth and income generation. The Company's activities are governed by the provisions of the Maltese law.

The address of its registered office is B2, Industry Street, Zone 5, Central Business District, Qormi CBD 5030, Malta.

Ownership structure as at	31/12/2020	Class of shares	Number of shares as at 31/12/2020
Savarin Holdco Limited	99,998%	A	49,999
Crestyl Finco Development Limited	0,002%	B	1
			50,000

Directors of the Company as at 31 December 2020:
- FJV Management Limited
- Kurt Risiott

2 Basis of preparation

2.1 Statement of compliance

The financial statements (the "financial statements") have been prepared and presented in accordance with International Financial Reporting Standards as adopted by the EU. All references in these financial statements to IAS, IFRS or SIC / IFRIC interpretations refer to those adopted by the EU. They have also been drawn up in accordance with the provisions of the Companies Act, 1995 (Chapter 386, Laws of Malta) (the "Act"). In accordance with the requirements of the Companies Act, 1995 (Chapter 386, Laws of Malta) (the "Act") the financial statements were prepared for the period from 3 July 2019, the date of incorporation until the 31 December 2020, with no comparative information being presented.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies (for further information refer to Note 2.4 Use of estimates and judgements).

2.1.1 Going concern

During the accounting, the Company sustained a loss amounting to EUR 114,040. As at 31 December 2020, the Company has a negative equity position of EUR 64,040.

In carrying out the going concern assessment, management also took note of subsequent events as disclosed in Note 16.

Taking cognisance of this undertaking, the directors consider it appropriate to prepare the financial statements on a going concern basis.

2 Basis of preparation (continued)

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, i.e. assets and liabilities are measured at historical cost.

2.3 Functional and presentation currency

These financial statements are presented in Euro (EUR), which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting principles 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 accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. In the opinion of the directors of the Company, the accounting estimates and judgments made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of their requirements of IAS 1 (revised).

3 Significant accounting policies

The Company has applied consistently the accounting policies to all periods presented in these financial statements.

3.1 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at exchange rates at the dates of the transactions. As at the reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at the exchange rate valid at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to the functional currency at the foreign exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss.

3.2 Financial assets

3.2.1 Initial recognition and measurement

The Company initially recognizes financial assets on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Financial assets are classified at amortized cost.

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3.2.2 Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified as financial assets at amortized cost (debt instruments).

This category 'Financial assets at amortized cost' is the most relevant to the Company. The Company's financial assets at amortized cost includes other receivables,

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

3.2.3 Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

3 Significant accounting policies (continued)

3.2 Financial assets (continued)

3.2.4 Offsetting

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Other current receivables

Other current receivables represent other financial assets which are held in the business model "Held to collect" and whose cash flows are solely payments of principal and interest (SPPI), but which are not based on a loan contract. Such assets are recognized initially at transaction price as defined in IFRS 15. Subsequent to initial recognition, receivables are measured at amortized cost using the effective interest method, less any impairment losses.

3.3 Financial liabilities

Non-derivative financial liabilities comprise trade and other payables.

Financial liabilities are initially recognized on the date that they are originated. Such financial liabilities are recognized initially at fair value less any directly attributable transaction costs.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the contractual cash flows of the financial liability.

Finance charges, including premiums payable on settlement or redemption and direct issue costs, are recognized in profit or loss on an accrual basis using the effective interest method and are added to the carrying amount of the.

The Company classifies any part of long-term loans that is due within one year from the date of the statement of financial position, as current liabilities.

3.4 Equity

3.4.1 Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

3 Significant accounting policies (continued)

3.5 Impairment

3.5.1 Non-derivative financial assets

The Company calculates the loss allowance for financial assets measured at amortized cost in the amount of 12-month expected credit loss (ECL) for the assets whose credit risk has not increased significantly since initial recognition and in the amount of lifetime ECL for the assets whose credit risk has increased significantly since initial recognition.

Significant increase in credit risk is assessed at least on each reporting date for provided loans, primarily on the basis of quantitative and qualitative information relevant to the credit quality of the counterparty and of the financial asset, such as assessment of the state of the underlying project of the financed entity, financial analysis and comparison of project performance to the initial plan. Information on the changes in external financing cost, if available, is also taken into account. A significant increase in credit risk is always considered to have occurred if the counterparty is at least 30 days past due on a principal or interest repayment. An asset is considered to be credit-impaired if the counterparty is at least 90 days past due on a principal or interest repayment or if other information indicating the credit-impaired status are available, such as an insolvency or a breach of convents by the counterparty. When an asset is credit-impaired, it is at the same time considered to be defaulted. Significant increase in credit risk is not assessed for financial assets whose credit risk is considered to be low. These are mainly considered to be cash & cash equivalents and receivables from banks, since these assets represent short-term exposures towards investment grade-rated counterparties. For financial assets that have been modified and not derecognized, significant increase on credit risk is assessed in relation to the date of modification of terms instead of the date of initial recognition. Whether the loss allowance is measured at 12-month ECL or at lifetime ECL is assessed individually.

Based on these characteristics, The Company classifies financial assets into 3 Stages:

- Stage 1 - assets whose credit risk has not increased significantly since initial recognition,
- Stage 2 - assets whose credit risk has increased significantly since initial recognition,
- Stage 3 – credit-impaired financial assets.

ECL is calculated based on the formula:

ECL = PD * LGD * EAD * Dt, where:

PD is Probability of Default (12 Months for Stage 1 and Lifetime for Stage 2 and 3). PD is estimated from the external rating of the counterparty, implied by the borrowing rate and corresponding yields of externally rated debt securities. For Stage 3 financial assets, PD is 1 as these assets are credit-impaired.

LGD is the loss given default, based on information provided by external credit rating agencies for individual external credit rating steps.

EAD is the gross carrying amount of the financial asset at reporting date, adjusted for accrued interest and repayment schedule in the period of ECL assessment (12 Months or Lifetime).

Dt is the discount factor, based on the effective interest rate of the financial asset.

3 Significant accounting policies (continued)

3.5 Impairment (continued)

3.5.1 Non-derivative financial assets (continued)

The loss allowance is adjusted for forward-looking information in case of exposures for which ECL is calculated in the amount of Lifetime ECL. Forward-looking information is incorporated based on available information of the real estate market outlook and management judgment on the possible impact the market development might have on the amount of ECL by way of credit rating downgrade or upgrade, depending on whether the information is expected to have a positive or negative impact.

For the receivables and contract assets the Company applies the simplified approach and always measures the ECL for these assets in the amount of lifetime ECL, using the provisioning matrix approach.

3.6 Other income

Other income comprises the fair value of the consideration received or receivable for the provision of services. Other income is shown net of value-added tax, returns, rebates and discounts. Other income is recognised on an accrual basis, i.e. in the period to which it relates in terms of substance and timing.

Other income comprises mainly income from waiver of debt and provision of services to related parties.

3.7 Finance expense

Finance expense comprises bank charges. Finance expense is recognised as it accrues in profit or loss, using the effective interest method.

3.8 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4 Standards not yet effective

The following Standards, Amendments to Standards and Interpretations have been issued by International Accounting Standards Board ("IASB") but are not yet effective for annual periods beginning on 1 January 2020. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these Standards early.

Standards and Interpretations adopted by the EU

Amendments to IFRS 16 Leases COVID-19-Related Rent Concessions (applicable for annual periods beginning on or after 1 June 2020)

The amendments introduce an optional practical expedient that simplifies how a lessee accounts for rent concessions that are a direct consequence of COVID-19. A lessee that applies the practical expedient is not required to assess whether eligible rent concessions are lease modifications, and accounts for them in accordance with other applicable guidance. The resulting accounting will depend on the details of the rent concession. For example, if the concession is in the form of a one-off reduction in rent, it will be accounted for as a variable lease payment and be recognised in profit or loss.
The practical expedient will only apply if:

- the revised consideration is substantially the same or less than the original consideration;
- the reduction in lease payments relates to payments due on or before 30 June 2021; and
- no other substantive changes have been made to the terms of the lease.

This practical expedient is not available for lessors.

Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 2023)

The amendments clarify that the classification of liabilities as current or non-current shall be based solely on the entity's right to defer settlement at the end of the reporting period. The entity's right to defer settlement for at least 12 months from the reporting date need not be unconditional but must have substance. The classification is not affected by management's intentions or expectations about whether and when the Entity will exercise its right. The amendments also clarify the situations that are considered settlement of a liability.

Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022)

The amendments to IAS 16 require that the proceeds from selling items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended must be recognised, together with the cost of those items, in profit or loss and that the entity must measure the cost of those items applying the measurement requirements of IAS 2.

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract (applicable for annual periods beginning on or after 1 January 2022)

In determining costs of fulfilling a contract, the amendments require an entity to include all costs that relate directly to a contract. Paragraph 68A clarifies that the cost of fulfilling a contract comprises both: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

5 First-time Adoption of IFRS

These financial statements are the Company's first financial statements that comply with IFRS. The Company's IFRS transition date is 3 July 2019, which is the date of the Company´s incorporation. In preparing these financial statements, the Company has applied no optional exemptions in IFRS 1. As these are the first financial statements of the Company and there were no previous financial statements of the Company prepared under a different financial reporting framework, no reconciliation between a previous GAAP and IFRS is presented.

6 Other current receivables

Other current receivables can be analysed as follows:

31.12.2020	Gross carrying amount	Loss allowance	Expected weighted average loss rate	Credit-impaired
Current (not past due)	8,681	(9)	0.10%	Yes
1-30 days past due	--	--	1.00%	Yes
31-90 days past due	91,992	(920)	1.00%	Yes
91-180 days past due	--	--	5.00%	Yes
181-360 past due	--	--	50.00%	Yes
More than 360 days past due	--	--	100.00%	Yes
Total	**100,673**	**(929)**		

7 Prepaid expenses

As at 31 December 2020, prepaid expenses of the Company in total amount of EUR 202,161 (net of loss allowance of EUR 730) represent professional and legal fees accrued as incremental cost related to issue of bonds in January 2021 (for further information refer to description of subsequent events in note 16). These incremental cost of bonds issue will be included in the initial measurement of bond liability recognized in 2021.

8 Equity

Share Capital

	31.12.2020
	EUR
Authorised issued and fully paid-up	
49,999 Ordinary A shares of EUR 1 each	49,999
1 Ordinary B share at EUR 1	1
	50,000

All ordinary shares in the Company, irrespective of the letter by which they are denominated shall rank equally in all respects subject that the B ordinary shares will not be entitled to a vote in the general meetings, shall not carry any dividend entitlements and shall not be entitled to any surplus of assets of the Company on a winding up but shall have a prior claim over the holder/s of the Ordinary A shares for the return of the nominal value of the said Ordinary B shares.

Accumulated losses

Accumulated losses represent accumulated losses of EUR (114,040). No dividends were declared or distributed out of the accumulated losses during the period.

9 Trade payables

As at 31 December 2020, the Company's trade payables relate mainly to the provision of services relating to the bonds issue in January 2021.

10 Estimated payables

As at 31 December 2020, the Company's estimated payables could be summarized as follows.

	31.12.2020
	EUR
Accrued incremental cost related to bonds issue	137,000
Accrued professional fees	79,080
Accrued annual audit fees	10,000
	226,080

11 Operating expense

Directors' fees incurred by the Company during the period amounted to EUR 6,395. Auditors' remuneration incurred by the Company during the year amounted to EUR 10,000- excluding VAT.

There were no regular employees employed during the period.

	For the period from 3 July 2019 to 31 December 2020 EUR
Registered office fees	737
Directors' fees	6,395
Compliance costs	915
Professional fees	133,472
Disbursement fees	572
Audit fees	10,000
Formation costs	2,123
Other professional fees	5,781
Other taxes	19,084
	179,079

12 Other income

	For the period from 3 July 2019 to 31 December 2020 EUR
Other income from related parties	66,706
	66,706

13 Taxes

Tax recognised in profit or loss

	For the period from 3 July 2019 to 31 December 2020
	EUR
Current tax expense (Malta Income tax at 35%)	--
Change in current tax expense related to prior years	--
Deferred tax expense	--
Tax expense for the period	--

Reconciliation of tax expense

	For the period from 3 July 2019 to 31 December 2020
	EUR
Loss before taxation	(114,040)
Tax at the applicable rate of 35%	39,914
Tax effect of:	
Disallowed expenses	(60,222)
Non-taxable income	20,308
Tax expense for the period	--

Unrecognised deferred tax assets

The Company does not have any unrecognised deferred tax assets during the period.

14 Financial instruments

Overview

The Company's activities expose it to a variety of financial risks: mainly liquidity risk. The Company's overall risk management programme focuses on the unpredictability of market conditions and therefore seeks to minimise potential adverse effects on the Company's financial performance. Risk management is carried out by the directors. The directors evaluate on a periodical basis, financial risk factors based on appropriate skills, experience and supervision.

The most significant risks to which the Company is exposed to are described below.

Liquidity risk

The Company's exposure to liquidity risk arises from its obligations to meet financial liabilities, which comprise other payables. Prudent liquidity risk management includes maintaining sufficient cash and committed credit facilities to ensure the availability of an adequate amount of funding to meet the Company's obligations when they become due.

The table set out below shows liabilities at 31 December 2020 by their remaining contractual maturity. The amounts disclosed in the maturity table are the contractual undiscounted cash flows.

	Contractual cash flows (excluding interest)					
31.12.2020	**On demand and less than 1 month**	**From 1 to 3 months**	**From 3 to 12 months**	**From 1 to 5 years**	**In more than 5 years**	**Total**
Trade and other payables	120,780	--	--	--	--	120,780
Estimated payables	--	226,080	--	--	--	226,080
Total	**120,780**	**226,080**	**--**	**--**	**--**	**346,860**

Currency risk

The Company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which receivables and payables are denominated and the functional currency of the Company. Foreign currency exchange risk is limited and arises from recognised monetary assets and liabilities.

Below we disclose the currency risk based on the functional currency (EUR) of the Company:

	CZK
Prepaid expenses	7,297
Trade payables	(7,305)
Net exposure	**(8)**

14 Financial instruments (continued)

Capital management

The Company's objectives when managing capital are to safeguard its ability to continue to operate as a going concern in order to provide returns for shareholders and to maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of its gearing ratio. Total negative equity of the Company as at 31 December 2020 amounted to EUR 64,040 and total liabilities as at 31 December 2020 amounted to EUR 365,945.

15 Related parties

Ultimate parent company

The Company is a subsidiary of Savarin HoldCo Limited, the registered office of which is situated at B2, Industry Street, Zone 5 Central Business District, Qormi, CBD5030, Malta. Savarin HoldCo Limited is the subsidiary of Crestyl Finco Development Limited, the registered office of which is situated at B2, Industry Street, Zone 5 Central Business District, Qormi, CBD5030, Malta. Crestyl Finco Development Limited is the subsidiary of Crestyl Holding Ltd., the registered office of which is situated at B2, Industry Street, Zone 5 Central Business District, Qormi, CBD5030, Malta. Crestyl Holding Ltd. is the subsidiary of Cali Global Investments (the ultimate parent company), the registered office of which is situated at B2, Industry Street, Zone 5 Central Business District, Qormi, CBD5030, Malta.

The ultimate parent prepares consolidated financial statements of the Group, of which the Company and its subsidiaries form part. These consolidated financial statements are filed and will be available for public inspection at the Malta Business Registry.

Transactions with key management personnel

Director's fees incurred by the Company during the period amounted to EUR 6,395.

Related party balances and transactions

Amounts due from related parties and transactions are disclosed below.

For the period from 3 July 2019 to 31 December 2020	Other income	Receivables	Estimated payables
	EUR	EUR	EUR
Crestyl Savarin Ltd	8,681	8,672	-
FJV Management Limited	-	91,072	79,080
Crestyl Finco Development Limited	58,025	-	-
Total	**66,706**	**99,744**	**79,080**

16 Events after reporting date

On January 7, 2021 the agreement on transfer of ownership interests between Crestyl Savarin Ltd. and Savarin P.L.C. was concluded. Based on this agreement the ownership interests in Palace Savarin Holdco, s.r.o. (limited liability company with registered seat at Boudníkova 2506/1, Libeň Praha 8, Id.No. 08686416, registered in the Commercial Register maintained by the Municipal Court in Prague under File No. C 323265) and Savarin HoldCo, s.r.o. (limited liability company with its registered seat at Boudníkova 2506/1, Libeň, 180 00, Praha 8, Id. No. 08173273, registered by the Municipal Court in Prague under File No C 313382) were transferred from Crestyl Savarin Ltd. (a company incorporated and existing under the laws of the Republic of Malta, with its registered seat at B2, Industry Street 5, Central Business District, Qormi CBD 5030, the Republic of Malta, registered with the Malta Business Registry C 69924) to the Company for the price EUR 1,530. Palace Savarin HoldCo is the sole owner of 100% ownership interest in Palace Savarin, s.r.o. with its seat at Boudníkova 506/1, Libeň, 180 00, Praha 8, Id. No. 08722561. Savarin HoldCo is the sole owner of 100 % ownership interest in WELWYN COMPANY, a.s. with its seat at Václavské náměstí 837/11, Nové Město, 110 00 Praha 1, Id. No. 26310554.

Together with the transfer of shares the following receivables of Crestyl Savarin Ltd. were assigned to the Company for the total consideration of EUR 51,155,000:

- Receivable under or in connection with the loan provided to Savarin HoldCo, s.r.o. based on the Facility Agreement entered into by and between Crestyl Savarin Ltd. as creditor and Savarin HoldCo, s.r.o. as debtor orally on 17 January 2020, confirmed in writing under a written facility agreement dated 17 December, 2020. As of the date hereof the principal of the loan amounts to EUR 39,389,350;
- Receivable under or in connection with the loan provided to Savarin HoldCo, s.r.o. based on the Facility Agreement entered into by and between the Crestyl Savarin Ltd. as creditor and Savarin HoldCo, s.r.o. as debtor orally on 17 January 2020, confirmed in writing under a written facility agreement dated 17 December 2020. As of the date hereof the principal of the loan amounts to EUR 11,765,650.

On January 11, 2021 the bonds having a nominal amount EUR 83,841,463 were issued for a 5 year term for 71.288 % of par value. The proceeds from the issuance of these bonds amounted to EUR 59,769,902 and were used as the consideration for the assignment of receivables transferred together with the ownership interests in the underlying investments (refer to above).

Independent auditor's report

To the Shareholders of Savarin P.L.C.

Report on the audit of the financial statements

Our opinion

In our opinion:

- The financial statements give a true and fair view of the financial position of Savarin P.L.C. (the Company) as at 31 December 2020, and of the company's financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU; and
- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

Our opinion is consistent with our additional report to the board of directors.

What we have audited

Savarin P.L.C.'s financial statements, set out on pages 7 to 24, comprise:

- the statement of financial position as at 31 December 2020;
- the statement of comprehensive income for the period then ended;
- the statement of changes in equity for the period then ended;
- the statement of cash flows for the period then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent auditor's report *- continued*

To the Shareholders of Savarin P.L.C.

Independence

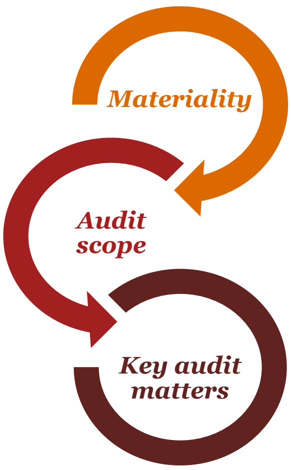
We are independent of the company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 18A of the Accountancy Profession Act (Cap. 281).

We did not provide any non-audit services to the company during the period ended 31 December 2020.

Our audit approach

Overview



- Overall materiality: EUR 1,343, which represents 0.75% of total expenses

- Bond issue and transfer of ownership subsequent to the reporting date

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which the company operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall materiality	EUR 1,343
How we determined it	0.75% of total expenses
Rationale for the materiality benchmark applied	Total expenses were set as the benchmark, considering that the company is newly incorporated. Furthermore, although the principal activity of the Company is to hold investments, no investments were held during the period to, or as at, 31 December 2020. We chose 0.75% which is within the range of quantitative materiality thresholds that we consider acceptable.

We agreed with the board of directors that we would report to them misstatements identified during our audit above EUR 67 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

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

Key audit matter	How our audit addressed the Key audit matter
Bond issue and transfer of ownership subsequent to the reporting date On January 7, 2021 the agreement on transfer of ownership interests between Crestyl Savarin Ltd, a related party, and the Company was concluded. Based on this agreement, the ownership interests in Palace Savarin Holdco s.r.o. and Savarin HoldCo, s.r.o (the "underlying investments"), were transferred from Crestyl Savarin Ltd. to the Company. Together with the transfer of shares, the receivables of Crestyl Savarin Ltd. were assigned to the Company for the total consideration of EUR 51,155,000. On January 11, 2021, bonds having a nominal value of EUR 83,841,463 were issued for a 5 year term for 71.288% of par value. The proceeds from the issuance of these bonds amounted to EUR 59,769,902 and were used as the consideration for the assignment of receivables transferred together with the ownership interests in the underlying investments and for the settlement of the costs in connection with the transaction, as noted above. For further details please refer to Note 16 in the financial statements. The company is now classified as a public interest entity because of the issuance of the above-mentioned bonds, which were issued after the reporting period, but before the financial statements were approved by the directors. The change in the company status had a significant impact on our audit approach resulting in our inclusion of this as a Key audit matter.	Our audit procedures included • We obtained a copy of the signed agreement relating to the transfer of ownership interests in the underlying investments between Crestyl Savarin Ltd and the Company; • We obtained a copy of the signed agreement assigning the receivables of Crestyl Savarin Ltd to the Company; • We obtained the documents supporting the bond issue and agreed the cash consideration received to the bank statement; • We also ensured that adequate disclosures were included in the financial statements explaining the events that happened subsequent to the reporting date.

Other information

The directors are responsible for the other information. The other information comprises the Directors' report (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except as explicitly stated within the *Report on other legal and regulatory requirements*.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine 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.

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 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. In particular, it is difficult to evaluate all of the potential implications that COVID-19 will have on the company's business and the overall economy.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Independent auditor's report - continued

To the Shareholders of Savarin P.L.C.

Report on other legal and regulatory requirements

Report on the compliance of the format of financial statements with the requirements of the European Single Electronic Format ("ESEF")

We have been engaged as part of our audit engagement letter by the directors of the Company to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the electronic reporting format of the Financial Statements of Savarin P.L.C. for the reporting period from 3 July 2019 to 31 December 2020 (the "Electronic Reporting Format of the Financial Statements").

Description of the subject matter and applicable criteria

The Electronic Reporting Format of the Financial Statements has been applied by the directors of the Company to comply with the requirements of Article 118 of the Czech Law 256/2004 "Act on trading on capital markets" and Article 3 of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation"). The applicable requirements regarding the Electronic Reporting Format of the Financial Statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the Electronic Reporting Format of the Financial Statements and, in our view, constitute appropriate criteria to form a reasonable assurance conclusion.

Responsibilities of the directors

The directors of the Company are responsible for the application of the Electronic Reporting Format of the Financial Statements that complies with the requirements of the ESEF Regulation.

Our responsibilities

Our responsibilities were to express a reasonable assurance conclusion whether the Electronic Reporting Format of the Financial Statements complies with the ESEF Regulation.

We conducted our engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised) - 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Electronic Reporting Format of the Financial Statements is prepared, in all material aspects, in accordance with the applicable requirements.

Reasonable assurance is a high level of assurance, but it does not guarantee that the engagement performed in accordance with International Standard on Assurance Engagements 3000 (Revised) - 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board will always detect a material misstatement when it exists (significant non-compliance with the requirements).

Independent auditor's report *- continued*

To the Shareholders of Savarin P.L.C.

Our planned and performed procedures were aimed at obtaining reasonable assurance that the Electronic Reporting Format of the Financial Statements was applied, in all material aspects, in accordance with the applicable requirements and such application is free from material errors or omissions. Our procedures included in particular:

- obtaining an understanding of the internal control system and processes relevant to the application of the Electronic Reporting Format of the Financial Statements, including the preparation of the XHTML format of the financial statements;
- verification whether the XHTML format was applied properly;

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, based on the procedures performed, the Electronic Reporting Format of the Financial Statements complies, in all material respects, with the ESEF Regulation.

Other reporting requirements

The *Annual Report 2020* contains other areas required by legislation or regulation on which we are required to report. The Directors are responsible for these other areas.

The table below sets out these areas presented within the Annual Report, our related responsibilities and reporting, in addition to our responsibilities and reporting reflected in the *Other information* section of our report. Except as outlined in the table, we have not provided an audit opinion or any form of assurance.

Area of the *Annual Report 2020* and the related Directors' responsibilities	**Our responsibilities**	**Our reporting**
Directors' report (On pages 3 to 6) The Maltese Companies Act (Cap. 386) requires the directors to prepare a Directors' report, which includes the contents required by Article 177 of the Act and the Sixth Schedule to the Act.	We are required to consider whether the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements. We are also required to express an opinion as to whether the Directors' report has been prepared in accordance with the applicable legal requirements. In addition, we are required to state whether, in the light of the knowledge and understanding of the Company and its environment obtained in the course of our audit, we have identified any material misstatements in the Directors' report, and if so to give an indication of the nature of any such misstatements	In our opinion: • the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386). We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the *Other information* section.

Independent auditor's report - *continued*

To the Shareholders of Savarin P.L.C.

Area of the *Annual Report 2020* and the related Directors' responsibilities	Our responsibilities	Our reporting
	Other matters on which we are required to report by exception We also have responsibilities under the Maltese Companies Act (Cap. 386) 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. • the financial statements are not in agreement with the accounting records and returns. • we have not received all the information and explanations which, to the best of our knowledge and belief, we require for our audit.	We have nothing to report to you in respect of these responsibilities.

Independent auditor's report - continued

To the Shareholders of Savarin P.L.C.

Other matter – use of this report

Our report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with Article 179 of the Maltese Companies Act (Cap. 386) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent.

Appointment

We were first appointed as auditors of the Company by directors resolution on 24 March 2021 for the period ended 31 December 2020. The company became listed on a regulated market on 11 January 2021.

PricewaterhouseCoopers
78, Mill Street
Zone 5, Central Business District
Qormi
Malta

Joseph Camilleri
Partner

30 April 2021