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10 July 2023

Cindrigo Holdings Limited

("Cindrigo " or the "Company]

Final Results and Danir AB Finance

2022 Full Year Accounts

Cindrigo Holdings Limited (LSE: CINH) is pleased to announce that its audited accounts for the year ended 31 December 2022 have been approved and extracts are attached to this announcement and available in full on the Company's website at www.cindrigo.com.

The Company apologises for the delay in publishing these accounts which arose as a result of a misunderstanding regarding whether or not the Company was a Public Interest Entity. This misunderstanding has been resolved with the assistance of the Financial Reporting Council in the UK and the Regulator in Guernsey where the Company is incorporated.

£1 million Convertible Loan

Cindrigo is also pleased to announce that it has entered into an agreement with its largest shareholder, Danir AB ("Danir"), to invest a further £1,000,000 in the Company to provide additional working capital for the continuing development of its geothermal power plant in Northern Croatia.

The investment is by way of a four-year Convertible Loan Note ("CLN") and attracts a fee equating to annual compound interest at a rate of 12 per cent per annum. The fee will be paid on completion of the loan. The Company has created and issued to Danir £1,573,519 interest free unsecured CLNs. The CLN is convertible into ordinary shares of the Company at a fixed price of £0.70 per share.

The CLN should enable the Company to provide a clear working capital statement in the Prospectus that it is preparing to support its application to relist its enlarged share capital of the Company on the Main Market of the London Stock Exchange.

A further announcement on the relisting will be made in due course.

** ENDS**

For more information please contact

Cindrigo Holdings Limited

Lars Guldstrand (CEO) +44 (0) 7408 861 667

St. Brides Partners (PR)

Catherine Leftley, Paul Dulieu +44 (0) 20 7236 1177

Extracts from the Audited Accounts for the year ended 31 December 2022 are set out below:

CEO's Statement

For Cindrigo Holdings Group (formerly Challenger Acquisitions Limited the "Company ") the year 2022 was a year of material change

Initially formed in November 2014 to undertake one or more acquisitions in the entertainment and leisure sectors with a particular focus on the attractions sector. With none of the proposed projects coming to fruition the company looked for alternative activity.

The Company had been looking for suitable projects and believed the energy sector, in particular renewable energy, was an attractive sector in which to focus its development. In 2021 it completed the acquisition of Cindrigo Energy Limited and its wholly owned subsidiary Cindrigo Limited. The companies acquired were part of a group of companies (the "Group") pursuing renewable energy projects, initially in the Ukraine, built on cooperation with China Energy a world leader in energy development in combination with a broad Swedish expertise and experience in the waste to energy and biomass energy sector.

Strategic and Operational Review

Due to the situation in Ukraine, the Group suspended its projects in Ukraine in February 2022. In anticipation of the development of the troubles in Ukraine the Company has since the middle of 2022 concentrated its efforts in the geothermal sector. The Group acquired an option in November 2021 to acquire the entire issued share capital of Energy Co-invest Global Corp. ("ECG"), a renewable energy developer based in Canada with geothermal opportunities and assets primarily in Iceland and Croatia. This option was exercised in March 2022 with ECG being a platform for the Group's geothermal business and the continued development and pursuit of geothermal opportunities, primarily in Central Europe ECG also held 48% of the issued share capital of GEG a geothermal specialist based in Iceland with potential project in Chile and Kenya.

In June 2022 the Group via its wholly owned subsidiary Cindrigo Geothermal Limited acquired 90% of the issued share capital of EES Dravacel Energetika d.o.o.('Dravacel'), a Croatian incorporated company, which held and continues to hold a geothermal exploration licence in respect of 57.9 km2 in Slatina, northern Croatia ('CCP Slatina' or the 'Project'), believed to be suitable for geothermal development (the 'Acquisition'). Dravacel has the permits necessary to implement a well-defined drilling programme to access the geothermal heat resources.

The Group's Board of Directors reflects the industry expertise necessary to pursue this opportunity.

Acquisition of Cindrigo Energy Limited

On 30 July 2021, the Group acquired Cindrigo Limited and Cindrigo Energy Limited, which were part of a group of companies pursuing renewable energy projects in the Ukraine.

The acquisition constituted a reverse takeover for the Company.

The entire issued share capital of Cindrigo Limited has been distributed to the Company by Cindrigo Energy and following such distribution Cindrigo Energy Limited has been dissolved.

Cindrigo Holdings Limited (as the Company has been renamed) is in the process of preparing an application to the FCA for its enlarged ordinary share capital to be readmitted to the standard segment of the Official List of the London Stock Exchange and to trading on the Main Market of the London Stock Exchange.

Board of director changes

There have been no changes in the Board of Directors during the financial year ended 31 December 2022.

Investments

The Group holds two investments from previous ventures on the statement of financial position which are fully impaired.

Dallas, Texas investment

In January 2019, the Group agreed to sell its US$300,000 investment in the Odyssey of Texas back to the original developers in tranches over the course of 2019. To date, the Group has received US$275,000 of the principal sum and US$7,625 of the interest. The remaining balance of US$25,000 is still outstanding and being pursued by the Group, however given the uncertainty of the recoverability of this balance in has been impaired in full.

New York Wheel equity units

The Group retains an equity unit in this project. Since the value of these units relates directly to the stalled project on Staten Island, there is no carrying value on the balance sheet for this investment. The Group has transferred one of the equity units to a loan note holder as part of a settlement on existing loan notes.

Cindrigo Limited Investment

To complete the acquisition of Cindrigo Energy Limited and Cindrigo Limited the Group issued 140,449,800 new ordinary shares and convertible loan notes with a principal value of £612,259.41 convertible into up to 6,122,594 new ordinary shares at £0.10 per share as consideration for the acquisition.

In accordance with IFRS the transaction is recorded as an investment in the accounts of the Group which eliminates on consolidation.

Cindrigo Energy Limited held a 100% investment in Cindrigo Limited which in turn held a 99% investment in Kyiv Power BTS LLC a company incorporated in Ukraine. This company would have acted as the holding company for the operations to build and operate waste to energy plants in contracts with the Ukrainian government. Given the invasion of Ukraine by the Russian Federation in February 2022 all operations in Ukraine were suspended indefinitely and accordingly there is uncertainty about whether the investment is recoverable. Accordingly in the company only accounts of Cindrigo Holdings Limited the investment has been fully impaired. This impairment does not impact the net assets of the group as the investment is eliminated in the consolidation for the Cindrigo Group financial statements.

Other important events post reporting period, is that the Company has signed Framework agreement with Petroline a company based in the Abu Dhabi UAE regarding project funding (contingent on Due Diligence) and Kaishan, a Singapore based company for full turn key EPC contract, to be finalized in specific contract for Croatia 1 (Slatina 3). The Group's largest shareholder have also provided additional £1million of working capital, the funds were received in April 2023.

Current priority is to raise and finalise Project development funds for the Dravacel /Croatia 1 project, to move the project forward, while also evaluate additional licenses primarily in Europe, to strengthen the portfolio.

On behalf of the new Cindrigo Holdings Board, we would like to take this opportunity to thank our shareholders and note holders for their patience and support during another challenging year.

Lars Guldstrand
Chief Executive Officer
Date : 9 July 2023

Financial Review

Overview

The Group posted a loss in the year under review as a result of administrative expenses and cost of interest on the convertible loan notes. There was no revenue for the year ended 31 December 2022.

Profit for the year

For the year, the Group recorded a loss of £2,467k (2021 loss: of £2,016k). and administrative expenses of £1,780k (2021: £1,981k). The key components of administrative expenses in the group financial statements include £270K in legal fees, £285K in consulting fees, £155k in professional and £266K in travel. The biggest cost driver was the £97k (2021: £204k) in accrued interest and finance costs for the outstanding convertible notes. The Group reports a total consolidated comprehensive loss of £2,467k (2021 loss: £2,016k).

Balance Sheet

The total amount of assets on the balance sheet as per the balance sheet date is £1,941k (2021: £2,425k). In addition, the Group shows cash and cash equivalents of £690k (2021: £1,562k) and trade and other receivables of £402k (2021: £863k).

A mix of equity and convertible notes has financed these assets. The equity at the balance sheet date amounted to (£779k) (2021: £1,335k) and the liabilities were £2,720k (2021: £1,090k).

Cash flow

Cash used in operations totalled £1,991K (2021: £1,922k).

Closing cash

As at 31 December 2022, the Group held £690k (2021: £1,562k) in the bank accounts.

Simon Fawcett
Chief Financial Officer
Date : 09 July 2023

Consolidated Statement of Comprehensive Income

The statement of comprehensive income is set out below.

	Note	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Administrative expenses		(1,780)	(1,811)
Other operating income		10	
Operating profit / (loss)		(1,770)	(1,811)
Amounts written off investments		-	-
Finance costs	12	(97)	(204)
Profit / (Loss) before income taxes		(1,867)	(2,016)
Income tax expense	16	-	-
Profit / (Loss) after taxation		(1,867)	(2,016)
Profit / (Loss) for the year		(1,867)	(2,016)
Share of Profit / (loss) in associate		(603)	-
Share of (Profit) / loss attributable to Non-controlling interest		3	-
Total comprehensive profit / (loss) attributable to owners of the parent		(2,467)	(2,016)
Earnings / (Loss) per share:			
Basic from continuing operations	17	(0.017)	(0.014)
Diluted from continuing operations	17	(0.017)	(0.014)

Consolidated Statement of Financial Position

The statement of financial position as at 31 December 2022 is set out below:

	Note	As at 31 December 2022 £'000	As at 31 December 2021 £'000
Assets			
Non - current assets			
Property, plant and equipment	6	622	-
Intangible Assets	7	227	-
Current assets			
Cash and cash equivalents	8	690	1,562
Trade and other receivables	9	402	863
Investments	10	-	-
Total current assets		**1,941**	**2,425**
Total assets		**1,941**	**2,425**
Equity and liabilities			
Capital and reserves			
Share capital account	8	12,038	11,879
Equity component of convertible instruments		3,456	3,275
Retained earnings		(16,270)	(13,818)
Non-controlling Interests		(3)	-
Total equity attributable to equity holders		**(779)**	**1,335**
Current liabilities			
Borrowings	11	2,407	889
Trade and other payables	13	313	201
Total current liabilities		**2,720**	**1,090**
Total equity and liabilities		**1,941**	**2,425**

Consolidated Statement of Changes in Equity

The statement of changes in equity is set out below:

	Share Capital account £'000	Equity component of convertible instruments £'000	Retained earnings £'000	Total £'000
As at 1 January 2021	**8,394**	**106**	**(10,909)**	**(2,409)**
Profit for the year				
Total comprehensive loss for the year	**-**	**-**	**(2,016)**	**(2,016)**
Transaction with owners				
Proceeds from Issue of shares	3,485	-	-	**3,485**
Conversion of loan notes to equity instruments		3,169		**3,169**
	-		-	**-**
Other movements in equity	-	-	(892)	**(892)**
As at 31 December 2021	**11,879**	**3,275**	**(13,818)**	**1,335**

	Share Capital account £'000	Equity component of convertible instruments £'000	Retained earnings £'000	Non controlling interest Total £'000	Total £'000
As at 1 January 2022	**11,879**	**3,275**	**(13,818)**	**-**	**1,335**
Profit for the year					
Total comprehensive loss for the year			**(2,467)**	**-**	**(2,467)**
Transaction with owners					
Proceeds from Issue of shares					
Conversion of loan notes to equity instruments		181		**-**	**181**
Other movements in reserve			15	**-**	**15**
Other movements in equity	159			**-**	**159**
Amounts attributable To NCI				**(3)**	**(3)**
As at 31 December 2022	**12,038**	**3,456**	**(16,270)**	**(3)**	**(779)**

Share capital comprises the Ordinary Shares issued by the Group.

Retained earnings represent the aggregate retained losses of the Group since incorporation.

Equity component of convertible instruments represents the equity element of instruments with a convertible element.

Consolidated Statement of Cash Flows

The cash flow statement is set out below:

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Cash flow from operating activities		
Loss for the period before taxation	(2,473)	(2,016)
Premium paid on convertible loan note repayment		-
Net unrealised FX effect		-
Interest	97	204
Operating cash flows before movements in working capital	**(2,564)**	**(2,220)**
(Increase)/Decrease in receivables	461	569
Decrease in accounts payable and accrued liabilities	112	(271)
Net cash used in operating activities	**(1,991)**	**(1,922)**
Fixed assets investment	(849)	-
Payback from investments	-	-
Net cash outflow from investing activities	**(849)**	**-**
Changes in borrowings/convertible instruments	1,615	-
Equity component of convertible instruments	181	-
Other movements in equity/Minority interest	172	3,485
Funding received from Cindrigo Limited	-	70
Net cash inflow from financing activities	**1,968**	**70**
Net decrease in cash and cash equivalents	**(872)**	**1,562**
Cash and cash equivalent at beginning of period	1,562	5
Cash and cash equivalent at end of period	**690**	**1,562**

Notes to the consolidated financial statements

1. **GENERAL INFORMATION**

The Group was incorporated under section II of the Companies (Guernsey) Law 2008 on 24 November 2014, it is limited by shares and has registration number 59383.

The Group had an investment of US$3m in New York Wheel Investor LLC, a Group that was set up to fund the equity component for the project to build a New York Wheel which includes an approximate 630 foot high observation wheel with 36 capsules, a 68,000 square foot terminal and retail building, and a 950 space parking garage. This investment was fully impaired as a result of the termination of the project and litigation between New York Wheel Investor LLC and one of the primary contractors. One share with a nominal value of US$1m was given to the former Starneth owners to pay the debt resulting from the second tranche of the purchase contract. The Group entered into an investment into the Dallas Wheel project. The investment was sold in 2019 for consideration of US$300k of which US$275k was received however no further sums have been received since. Given the uncertainty as to whether the project will ultimately proceed the fair value of the Dallas wheel investment was fully impaired as at year end.

On the 30 July 2021, the Group completed its reverse takeover of Cindrigo Limited and Cindrigo Energy Limited, which are part of a group of companies that were pursuing renewable energy projects in the Ukraine and Central Europe.

The Group entered into an agreement with Cindrigo Energy Limited in respect of a achieving the acquisition of Cindrigo Energy Limited and its wholly owned subsidiary Cindrigo Limited. The Acquisition proceeded pursuant to a new Plan of Arrangement under the British Columbia Business Corporations Act. Under the arrangement the Group acquired each share in the issued share capital of Cindrigo Energy Limited in exchange for 0.875 new shares issued by the Group. As a result of the exchange the former shareholders of Cindrigo Energy Limited acquired 96.5% of the enlarged issued share capital of the Group on a fully diluted basis if all consideration loan notes had been converted.

The Acquisition constituted a reverse takeover for the Company.

The Group is making an application for its enlarged ordinary share capital to be readmitted to the standard segment of the Official List of the FCA and to trading on the Main Market of the London Stock Exchange.

The Group’s registered office is located at PO Box 186, Royal Chambers, St Julian’s Avenue, St. Peter Port, Guernsey GY1 4HP, Channel Islands.

2. **SIGNIFICANT ACCOUNTING POLICIES**

Basis of preparation

The consolidated financial statements of Cindrigo Holdings Limited (formerly Challenger Acquisitions Limited) for the year ended 31 December 2022 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS's as adopted by the EU), issued by the International Accounting Standards Board (IASB), including interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) applicable to the companies reporting under IFRS.

The preparation of consolidated 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. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

The financial information has been presented in British Pound (£), being the functional currency of the Group.

Basis of consolidation

The consolidated financial statement incorporates the results of the Group and its wholly owned subsidiaries:

The Group conducts its operational business through the Company's wholly-owned subsidiary, Cindrigo Limited (UK).

All inter-company, investments, balances, transactions, income and expenses and profits and losses resulting from inter-company group transactions are eliminated in full on consolidation. Unrealised losses are also eliminated when the transaction provides evidence of an impairment of the asset transferred.

The following company's are consolidated into the Group financial statements:

Name of Company	Country of incorporation	Nature of operations	% owned	Method of Consolidation
Cindrigo Limited	U.K	Cost Centre	100%	Full consolidation
Cindrigo Geothermal Limited	U.K	Holding company	100%	Full consolidation
Dravacel Energetika doo	Croatia	Geothermal energy	90%	Full consolidation
Energy Co-Invest Global	Canada	Holding company	100%	Full consolidation
GEG efh	Iceland	Geothermal energy	48%	Equity accounting
Kyiv Power BTS LLC	Ukraine	Holding company	99%	Full consolidation

Going concern

At 31 December 2022 the Group had net liabilities of (£779k). The consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. In assessing whether the going concern assumption is appropriate, the Directors take into account all available information for the foreseeable future, in particular for the twelve months from the date of approval of the financial information.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future

In April 2023 the company secured a further £1,000k in financing from a major shareholder in the group and the funds have been received at the date of the issue of the financial statements.

Additionally, the Group has warrant options with existing convertible loan note holders worth up to £6,000k when the Group completes its listing. The Group also has the option to reduce staff costs which are principally fees and consulting costs payable to the directors to preserve working capital.

The directors have prepared cashflow forecasts until the year ended December 2024 and consider that the company has sufficient working capital.

The Directors' objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. At the date of this financial information, the Group had been financed from equity and convertible notes. In the future, the capital structure of the Group is expected to consist of convertible notes and equity attributable to equity holders of the Group, comprising issued share capital and reserves.

New standards, interpretations and amendments effective from 1 January 2022

There were no new standards or interpretations effective for the first time for periods beginning on or after 1 January 2022 that had a significant effect on the Group's consolidated financial statements.

Standards and interpretations issued but not yet applied

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective.

The directors do not expect that any of these standards and interpretations will have a material impact on the consolidated financial statements of the Group.

Segment Reporting

For the purpose of IFRS 8, the Chief Operating Decision Maker "CODM" takes the form of the board of directors. The Directors are of the opinion that the business of the Group comprised a single activity, being the identification and acquisition of target companies or businesses in the energy sector.

Foreign Currency Translation

Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in British Pounds (GBP), which is Cindrigo Holdings functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange gains and losses are presented in the statement of profit or loss, within finance income or finance costs.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

Fair value of assets

Assets are tested for fair value whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. A reduction in fair value 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 fair value, 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). Non-financial assets other than goodwill that suffered a significant reduction in fair value are reviewed for possible reversal of the significant reduction in fair value at the end of each reporting period.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Investments and other financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

The Group's investments in corporate debt securities which are held within a business model whose objective is achieved both by collecting contractual cash flows and by selling securities are classified as held at fair value through profit or loss (FVTPL).

Investments in equity securities have been classified as measured at FVTPL.

Interest income from financial assets at fair value through profit or loss is included in the net gains/(losses). Interest on financial assets held at amortised cost, calculated using the effective interest method is recognised in the statement of profit or loss as part of revenue from continuing operations.

Impairment of financial assets

Financial assets are assessed for indicators of decline in fair value at the end of the reporting period. The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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 (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

Income recognition

Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Employee benefits

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Share based payments

Employee options

The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (eg the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (eg profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (eg the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Social security contributions payable in connection with an option grant are considered an integral part of the grant itself and the charges are treated as cash-settled transactions.

The options are administered by Cindrigo Holdings Limited. When the options are exercised, Cindrigo Holdings Limited transfers the appropriate amount of shares to the employee. The proceeds received net of any directly attributable transaction costs are credited directly to equity.

Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity under share capital as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

3. CRITICAL ESTIMATES, JUDGEMENTS AND ERRORS

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included together with information about the basis of calculation for each affected line item in the consolidated financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

Significant estimates and judgements

The areas involving significant estimates or judgements are:

- Going concern
  See accounting policies (note 2) for details of the assessment made.
- Fair value of the Investments
  The Group issued £14,044k of ordinary shares and convertible loan notes with a principal value of £612k convertible into up to 6,122,594 new ordinary shares at £0.10 per shares to acquire the Cindrigo Energy Limited. Given the operations of Cindrigo Energy Limited in Ukraine have been suspended indefinitely the investment has been impaired in the company only accounts. The investment eliminated on consolidation so there is no impact on the Group's financial statements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

4. FINANCIAL RISK MANAGEMENT

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

Risk	Exposure arising from	Measurement	Management
Market risk – foreign exchange	Future commercial cash flows not denominated in GBP	Cash flow forecasting Sensitivity analysis	No hedging
	Recognised financial assets and liabilities not denominated in GBP		No hedging
Credit risk	Cash and cash equivalents, trade receivables, other receivables	Aging analysis Credit ratings	Diversification of bank deposits. Follow-ups to loan investment
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Foreign exchange risk

The Group is especially focused on the currency pairs USD/GBP. The Group's only active investment is denominated in GBP.

The Group's exposure to foreign currency risk at the end of the current period, expressed in £'000 was as follows:

Currency	Assets in CCY	Assets in GBP	10% change	Liabilities in CCY	Liabilities in GBP	10% change
USD	-	-	-	-	-	-
EUR	1k	1k	(0.1k)	-	-	-
CHF	-	-	-	-	-	-
SEK	-	-	-	18,000k	1,429k	143k

The Group's exposure to foreign currency risk at the end of the prior period, expressed in £'000 was as follows:

Currency	Assets in CCY	Assets in GBP	10% change	Liabilities in CCY	Liabilities in GBP	10% change
USD	284	210	21	(362)	(254)	(26)
EUR	1	-	-	-	-	-
CHF	-	-	-	-	-	-

During the year, £13k foreign-exchange related gains were recognised in profit or loss.

As described above the Group is primarily exposed to changes in the USD/GBP exchange rate. The sensitivity of profit or loss to changes in the exchange rates as summarized in the above table arises mainly from the Group's SEK denominated liability.

Interest rate risk

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. To limit the risk the Group's main cash resources are held with banks with a minimum external rating of A.

Liquidity Risk

The Group currently holds cash balances to provide funding for normal trading activity. Trade and other payables are monitored as part of normal management routine.

As at 31 December 2022 all financial assets were classified at fair value. A maturity analysis of the Group's financial assets is as follows:

	As at 31 December 2022 £'000	As at 31 December 2021 £'000
0 to 3 months	402	863
3 to 6 months	-	-
6 months +	-	-
Total	402	863

As at 31 December 2022 all financial liabilities were classified at amortised cost. A maturity analysis of the Group's financial liabilities based on contractual undiscounted payments is as follows:

	As at 31 December 2022 £'000	As at 31 December 2021 £'000
0 to 3 months	313	1,090
3 to 6 months	2,407	-
6 months +	-	-
Total	2,720	1,090

5. BUSINESS SEGMENTS

For the purpose of IFRS 8, the Chief Operating Decision Maker "CODM" takes the form of the board of Directors. The Directors are of the opinion that the business of the Group comprised a single activity, being the identification and acquisition of target companies or businesses in the energy sector.

6. PROPERTY, PLANT AND EQUIPMENT

Land was acquired as part of new acquisition Dravacel, in June 2022, land is in Croatia and has license to construct GEFL energy site.

	LAND £'000	Total £'000
At 31 December 2021	-	-
Additions	622	622
At 31 December 2022	622	622

The land is not depreciated. The directors have considered whether the value of the land requires an impairment as at 31 December 2022, due to the fact that Dravacel has exploration rights for the land the directors consider that there has been no diminution in the carrying value of the land since the acquisition.

7. INTANGIBLE ASSETS

Intangible assets includes Patents and licence, this is property of Dravacel, acquired in June 2022.

	PATENTS AND LICENCES £'000	Total £'000
At 31 December 2021	-	-
Additions	622	622
At 31 December 2022	622	622

8. SHARE CAPITAL

Issued and fully paid	Number of shares	Share capital account £'000
At 31 December 2021	142,202,476	22,458
Issue of shares		
At 31 December 2022	142,202,476	22,458

9. CASH AND CASH EQUIVALENTS

	2022 £'000	2021 £'000
Cash at bank and in hand	690	1,562
Total cash and cash equivalents	690	1,562

10. TRADE AND OTHER RECEIVABLES

	2022 £'000	2021 £'000
Prepayments	1	6
Trade debtors	23	-
Other debtors	39	59
TCB Investors	339	-
JTC deposit	-	186
Loan note consideration due	-	612
Total trade and other receivables	402	863

On 5 August 2022 CINH lent TCB Investors OU the Vendor of ECG £340,000 for a term to 31st December 2023.

11. Borrowings

Current	2022 £'000	2021 £'000
Convertible notes	2,065	612
Other loans	342	277
	2,407	889

	Note 1 £’000	Note 2 £’000	Note 3 £’000	Note 4 £’000	Note 5 £’000	Note 6 £’000	
Balance at 31 December 2020 (liability)	1,091	808	50	-	-	-	Balance at 31 December 2020 (liability)
Balance at 31 December 2020 (equity)	106	-	-	-	-	-	Balance at 31 December 2020 (equity)
Finance Charge	97	72	4		-	-	Finance Charge
Conversion of loan to equity instrument	-1,000	-700	-	-	-	-	Conversion of loan to equity instrument
Conversion of loan note 3	-	-	-54	-	-	-	
Issue of Note 4	-	-	-	1,575	-	-	
Other movements	-188	-180	-	-	-	-	Release of accrued interest
Balance at 31 December 2021 (liability)	-	-	-	-	-	-	Balance at 31 December 2021 (liability)
Balance at 31 December 2021(equity)	1,000	700	-	1,575	-	-	Balance at 31 December 2021 (equity)
Issue of Note 5/6	-	-	-	-	1,443	827	Issue of note 5/6
Finance Charge	-	-	-	-	-23	-1	Finance Charge
Conversion of loan to equity instrument	-	-	-	-	-68	-113	Conversion of loan to equity instrument
Other movements	-	-	-	-	-		Release of accrued interest
Balance at 31 December 2022 (liability)	-	-	-	-	1352	713	Balance at 31 December 2022 (liability)
Balance at 31 December 2022 (equity)	1,000	700	-	1,575	68	113	Balance at 31 December 2022 (equity)

Note 1

On 29 January 2016, the Group issued further £1 million of secured convertible notes. The notes were unlisted, secured, transferable and convertible. Maturity date was 30 June 2019. The Secured Convertible Notes were secured by one common unit of New York Wheel Investor LLC, representing a total value US$1 million. Interest accrued at 8% per annum and was payable quarterly. One eighth of the interest can be settled in cash or shares at the Group’s discretion. Seven eighths of the interest is settled in new convertible notes with the same terms. The notes are convertible in cash or shares at the option of the holder and can be converted into Ordinary Shares at a fixed conversion price of £0.80 per Ordinary Share. The Group can redeem the notes at a 10% premium anytime. As per the nature of this convertible instrument, £106k has been recognised as an equity component in of convertible instruments in statement of changes of equity, using a discount rate of 12%.

In August 2021 the loan notes, including all accumulated but unpaid interest, were settled by new 10-year zero coupon loan notes with a principal value of £1m which have been reclassified as an equity instrument under IFRS.

Note 2

The last tranche of £400,000 of the £1 million funding facility announced by the Group on 13 June 2017, was drawn on 18 January 2018 and subsequently the Group issued convertible note for £400,000. The notes were unlisted, unsecured, transferable and convertible. Maturity date was 8 June 2019. No conversions could happen in the first 120 days. The maximum amount that could be converted in any 30day period was 20% of the principal amount. The conversion price was the lowest volume weighted average price over 10 days prior to the conversion. Interest rate was 8% per annum and payable upon conversion at the Group's option in cash or ordinary shares at the conversion price. The Group could redeem in cash all or any part of the outstanding convertible note with a 25% premium to the principal amount. Despite reaching maturity this note was still outstanding and continued to accrue interest in accordance with the interest terms stated

In August 2020 the loan notes, including all accumulated but unpaid interest, were settled by new 10- year zero coupon loan notes with a principal value of £700,000 which have been reclassified as an equity instrument under IFRS.

Note 3

The Group issued £52,000 in unsecured convertible notes on 21 September 2020. The noteholder could convert all or part of the principal amount of its notes into ordinary shares of the Group ('Ordinary Shares') at any time at a fixed conversion price of 0.1p per Ordinary Share of £0.01 (pre-consolidation). The notes were unlisted, unsecured, transferable and could be redeemed by the Group on 19 May 2021, at the Group's option in cash or in Ordinary Shares at 0.1p per Ordinary Share. Interest accrued at 5% per annum and payable quarterly, or upon conversion, at the Group's option in cash or by issuing Ordinary Shares.

In August 2021 the loan notes converted automatically on the completion of the acquisition of Cindrigo Energy Limited and 194,931 new ordinary shares were issued in respect of such conversion.

Note 4

On 11 October 2021 the Group created up to £1,575,000 Series 4 unlisted, unsecured, zero-coupon, convertible and transferable loan notes 2031.

Note 5

On 6th September 2022 Company received funding of SEK 18,000k from Danir AB. The loan is interest free and payable on 05 September 2025 but has an option to convert.

Note 6

On 5th August 2022 Danir agreed to lend CINH £750,000 at an interest rate of 5% per annum. The Loan was to be convertible at a 25% discount to VWAP or £1.25 per share which ever was the higher.

On 9th December 2022 CINH agreed with Danir to restructure the facility. A loan of £750,000 was advanced to CINH on that date with agreements and loan note instruments being reduced to writing in January 2023. The original agreement was cancelled and a new issue of £3,800,000 convertible notes were issued to Danir convertible at £0.15 per share. A further loan was advanced in the sum of £750,000 which will be convertible at £1.25 per share. 2,000,000 warrants at £1.00 exercisable by 31 December 2023 and 3,000,000 warrants at £1.25 exercisable by 31 December 2023.

Other loans

On October 21, 2018, the Company borrowed US$295,600 from a group of arm's length parties. The loans bear interest at 7% interest per annum. The loans are convertible at the option of the lenders at any time between 6 to 30 months after the Company's listing on a Stock Exchange at a conversion price that is at a 25% discount to the 30 day volume weighted average share price. If the loans are not converted, the loans are due three years after the Company's listing.

12. FINANCE INCOME AND COSTS

	2022 £'000	2021 £'000
Interest Income	-	-
Bank charges	-	2
Interest on convertible loan notes	97	173
Interest on other loans	-	29
Net foreign exchange costs	-	-
Premium to settle convertible loan	-	-
Finance costs	97	204

13. TRADE AND OTHER PAYABLES

	2022 £'000	2021 £'000
Trade payables	57	30
Other payables	149	-
Accrued expenses	107	171
Total trade and other payables	313	201

14. EMPLOYEE BENEFIT EXPENSE

	2022 £'000	2021 £'000
Wages and salaries	-	-
Share options granted to directors, employees and key advisers	-	-
	-	-

15. DIRECTORS' EMOLUMENTS

`The Directors were paid emoluments of £126k as directors' fees during the period under review £126k in 2021). The directors billed an additional of £327k (2021: £252k) as consultancy fees, booked under administrative expenses.

All current year directors' fees were paid for by the Group's 100% subsidiary Cindrigo Limited and not recharged to the parent company.

These details and the details for the other Directors can be found within the Director's remuneration report on page 22.

The Directors were the key management personnel of the Group.

16. TAXATION

Cindrigo Holdings Limited is a Guernsey Corporation subject to a corporate tax rate of nil, as of 31 December 2022.

None of the group's subsidiaries incurred any tax liabilities during the year ended 31 December 2022.

There are no unrecognised tax losses.

17. EARNINGS PER SHARE

The calculation for earnings per share (basic and diluted) for the relevant period is based on the profit / loss after income tax attributable to equity holder for the period ending 31 December 2021 and is as follows:

31 December 2022

Loss from continued operations attributable to equity holders (£)	(2,467,000)
Weighted average number of shares of £2.667609 each	142,202,476

Loss per share basic (£)	(0.017)
Weighted average number of shares for dilutive calculation	142,202,476
Loss per share diluted (£)	(0.017)

31 December 2021

Loss from continued operations attributable to equity holders (£)	(2,016,000)
Weighted average number of shares of £0.01 each	142,202,476
Loss per share basic (£)	(0.014)
Weighted average number of shares for dilutive calculation	142,202,476
Loss per share diluted (£)	(0.014)

Basic earnings per share is calculated by dividing the loss after tax attributable to the equity holders of the Group by the weighted average number of shares in issue during the year.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive ordinary shares namely the conversion of the convertible loan note in issue. The effect of these potential dilutive shares would be anti-dilutive and therefore are not included in the above calculation of diluted earnings per share.

18. RELATED PARTY TRANSACTIONS

During the period the consultancy fees of £106k (31 December 2021: £119k) were payable to Fitzrovia Advisory Ltd, a company in which M Patel the director has a material interest. No balances were outstanding at period end (31 December 2021: £nil). Transactions are completed on an arm's length basis on normal commercial terms.

During the period the consultancy and legal fees of £nil (31 December 2021: £191k) were payable to Biogas Prom, a company who was a shareholder in Cindrigo Limited (and is now a shareholder in the parent company Cindrigo Holdings Limited). No balances were outstanding at period end (31 December 2021: £nil). Transactions are completed on an arm's length basis on normal commercial terms.

During the period the consultancy fees of £120k (31 December 2021: £120k) were payable to IMM International. Balances were due to IMM International of £9k at 31 December 2022 (31 December

2021: £nil). IMM International and Cindrigo Holdings Limited are connected by virtue of common key management personnel, L Guldstrand. Transactions are completed on an arm's length basis on normal commercial terms.

During the period the consultancy fees of £14k (31 December 2021: £nil) were payable to Treasury Core UAB. Balances were due to Treasury Core UAB of £9k at 31 December 2022 (31 December 2021: £nil). Treasury Core UAB and Cindrigo Holdings Limited are connected by virtue of common key management personnel, J Oxley. Transactions are completed on an arm's length basis on normal commercial terms.

During the period the consultancy fees of £44k (31 December 2021: £44k) were payable to Osmosis Limited. Balances were due to Osmosis Limited of £4k at 31 December 2022 (31 December 2021: £nil). Osmosis Limited and Cindrigo Holdings Limited are connected by virtue of common key management personnel, S Fawcett. Transactions are completed on an arm's length basis on normal commercial terms.

19. COMMITMENTS

The Group had not entered into any material commitments as of 31 December 2022.

20. SHARE BASED PAYMENTS

On 29 July 2015, options to acquire 615,000 Ordinary Shares (“Options 2015”) were granted to employees and consultants. On 8 September 2015, options to acquire 730,000 Ordinary Shares (“Options 2015”) were granted to the directors of the Group. These Options 2015 have a fixed exercise price of 40 pence, and are exercisable in the following tranches; 25% as from the date of grant and 25% every twelve months thereafter (and are therefore fully vested after three years). They cannot be exercised after the 5th anniversary of the grant. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

On 7 January 2016, options to acquire 160,000 Ordinary Shares (“Options 2016”) were granted to consultants. These options have a fixed exercise price of 45 pence, and are exercisable in the following tranches:

	2022		2021	
	Average exercise price in £ per share option	Options (thousands)	Average exercise price in £ per share option	Options (thousands)
0.41	0.41	-	0.41	-
Granted	0.00	-	0.00	-
Forfeited	0.00	-	0.00	-
Exercised	0.00	-	0.00	-
Expired	0.00	-	0.00	-
End of period	0.00	-	0.00	-

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows: 25% as from the date of grant and 25% every twelve months thereafter (and are therefore fully vested after three years). They cannot be exercised after the 5th anniversary of the grant. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Out of the outstanding £Nil (2021: £nil) share options £Nil (2021: £nil) were exercisable. No options were exercised in 2021 and 2022.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant-vest	Expiry date	Exercise price in £	Share options (thousands)
			2022
2016-01	2021-01	0.45	-
			-

303,000 share options granted in January 2015 expired in July 2020.

630,000 share options granted in February 2015 expired in September 2020.

The weighted average fair value of the Options 2015 determined using the Black-Scholes valuation model was 1.4 pence per option. The significant inputs to the model were share price of 38 pence at the grant date, exercise price of £0.40, volatility of 14%, dividend yield of 0% an expected option life (to expiry) of 5 years with 25% vesting each year and an annual risk free interest rate of 0.5%. The volatility measured at the standard deviation of continuously compounded share returns is based on the statistical analysis of daily share prices from listing of the Group until the grant date.

The weighted average fair value of the Options 2016 determined using the Black-Scholes valuation model was 2.49 pence per option. The significant inputs to the model were share price of 37.5 pence at the grant date, exercise price of £0.45, volatility of 14%, dividend yield of 0% an expected option life (to expiry) of 5 years with 25% vesting each year and an annual risk free interest rate of 0.5%. The volatility measured at the standard deviation of continuously compounded share returns is based on the statistical analysis of daily share prices from listing of the Group until the grant date.

21. SUBSEQUENT EVENTS

The Group has signed Framework agreement with Petroline regarding project funding (contingent on Due Diligence) and Kaishan for full turn key EPC contract, to be finalized in specific contract for Croatia 1 (Slatina 3).

The Group's largest shareholder have also provided additional £1million for the purposes Working Capital management. The funds were received by the Group in April 2023.

None of these events impact the financial statements for the year ended 31 December 2022.

22. ULTIMATE CONTROLLING PARTY

As of 31 December 2022, no one entity owns more than 50% of the issued share capital. Therefore, the Group does not have an ultimate controlling party.

Parent Company (Cindrigo Holdings Limited) Statement of Financial Position

The parent company statement of financial position as at 31 December 2022 is set out below:

	Note	As at 31 December 2022 £'000	As at 31 December 2021 £'000
Assets			
Current assets			
Cash and cash equivalents	7	22	27
Trade and other receivables	8	3,055	1,890
Investments	9	-	14,037
Total current assets		**3,077**	**15,954**
Total assets		**3,077**	**15,954**
Equity and liabilities			
Capital and reserves			
Share capital account	6	22,493	22,493
Equity component of convertible instruments		3,456	3,275
Retained earnings		(25,163)	(10,578)
Total equity attributable to equity holders		**786**	**15,184**
Current liabilities			
Borrowings	10	2,113	620
Trade and other payables	12	178	145
Total current liabilities		**2,291**	**765**
Total equity and liabilities		**3,077**	**15,954**

The notes below form part of these financial statements.

The Company has elected to take the exemption under the Companies (Guernsey) Law 2008 not to present the company's statement of comprehensive income. The Company's loss for the year was £548K (2021: £515k).

The directors acknowledge their responsibilities for complying with the requirements of the Companies (Guernsey) Law 2008 with respect to account records and the preparation of financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 12 July 2022 and are signed on its behalf by:

Lars Gulstrand – CEO Cindrigo Holdings Limited

Parent Company (Cindrigo Holdings Limited) Statement of Changes in Equity

The statement of changes in equity is set out below:

	Share Capital account £'000	Equity component of convertible instruments £'000	Retained earnings £'000	Total £'000
As at 1 January 2021	**8,394**	**106**	**(10,909)**	**(2,409)**
Profit for the year				
Total comprehensive loss for the year	**-**	**-**	**(515)**	**(515)**
Transaction with owners				
Issue of shares	14,099	-	-	**14,099**
Conversion of loan notes to equity instruments	-	3,169	-	**3,169** **-**
Other movements in equity	-	-	848	**848**
As at 31 December 2021	**22,493**	**3,275**	**(10,578)**	**15,190**

	Share Capital account £'000	Equity component of convertible instruments £'000	Retained earnings £'000	Total £'000
As at 1 January 2022	**22,493**	**3,275**	**(10,578)**	**15,190**
Profit for the year				
Total comprehensive loss for the year	**-**	**-**	**(14,585)**	**(14,585)**
	-	**-**	**-**	**-**
Transaction with owners	**-**	**-**	**-**	**-**
Issue of shares	**-**	**-**	**-**	**-**
Conversion of loan notes to equity instruments	**-**	181	**-**	**181**
Other movements in equity	**-**	**-**	**-**	**-**
	-	**-**	**-**	**-**
As at 31 December 2022	**22,493**	**3,456**	**(25,163)**	**786**

Share capital comprises the Ordinary Shares issued by the Company.

Retained earnings represent the aggregate retained losses of the Company since incorporation.

Equity component of convertible instruments represents the equity element of instruments with a convertible element.

Parent Company (Cindrigo Holdings Limited) Statement of Cash Flows

The cash flow statement is set out below:

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Cash flow from operating activities		
Loss for the period before taxation	(548)	(515)
Premium paid on convertible loan note repayment	-	-
Net unrealised FX effect	-	-
Interest	62	173
Operating cash flows before movements in working capital	**(486)**	**(342)**
(Increase)/Decrease in receivables	(1,165)	963
Increase in accounts payable and accrued liabilities	34	(327)
Net cash used in operating activities	**(1,617)**	**294**
Amounts written of investments	-	-
Payback from investments	-	-
Net cash outflow from investing activities	**-**	**-**
New convertible loans/repayments	1,431	-
Issue of convertible instruments net of issue costs	181	
Repayment of convertible instruments issued	-	-
Funding received from Cindrigo Limited	-	70
Net cash inflow from financing activities	**1,612**	**70**
Net decrease in cash and cash equivalents	**(5)**	**22**
Cash and cash equivalent at beginning of period	27	5
Cash and cash equivalent at end of period	**22**	**27**

There were significant non-cash transactions being the issue of share capital to settle convertible debt and interest. These are detailed in Note 10.

Notes to the parent company (Cindrigo Holdings Limited) financial statements

1. **GENERAL INFORMATION**

The Company was incorporated under section II of the Companies (Guernsey) Law 2008 on 24 November 2014, it is limited by shares and has registration number 59383.

The Company had an investment of US$3m in New York Wheel Investor LLC, a company that was set up to fund the equity component for the project to build a New York Wheel which includes an approximate 630 foot high observation wheel with 36 capsules, a 68,000 square foot terminal and retail building, and a 950 space parking garage. This investment was fully impaired as a result of the termination of the project and litigation between New York Wheel Investor LLC and one of the primary contractors. One share with a nominal value of US$1m was given to the former Starneth owners to pay the debt resulting from the second tranche of the purchase contract. The Company entered into an investment into the Dallas Wheel project. The investment was sold in 2019 for consideration of US$300k of which US$275k was received however no further sums have been received since. Given the uncertainty as to whether the project will ultimately proceed the fair value of the Dallas wheel investment was fully impaired as at year end.

On the 30 July 2021, the Company completed its reverse takeover of Cindrigo Limited and Cindrigo Energy Limited, which are part of a group of companies that were pursuing renewable energy projects in the Ukraine and Central Europe.

The Company entered into an agreement with Cindrigo Energy Limited in respect of a achieving the acquisition of Cindrigo Energy Limited and its wholly owned subsidiary Cindrigo Limited. The Acquisition proceeded pursuant to a new Plan of Arrangement under the British Columbia Business Corporations Act. Under the arrangement the Company acquired each share in the issued share capital of Cindrigo Energy Limited in exchange for 0.875 new shares issued by the Company. As a result of the exchange the former shareholders of Cindrigo Energy Limited acquired 96.5% of the enlarged issued share capital of the Company on a fully diluted basis if all consideration loan notes had been converted.

The Acquisition constituted a reverse takeover for the Company.

The Company is proposing to make application for its enlarged ordinary share capital to be readmitted to the standard segment of the Official List of the FCA and to trading on the Main Market of the London Stock Exchange.

The Company's registered office is located at PO Box 186, Royal Chambers, St Julian's Avenue, St. Peter Port, Guernsey GY1 4HP, Channel Islands.

2. **SIGNIFICANT ACCOUNTING POLICIES**

Basis of preparation

The financial statements of Cindrigo Holdings Limited (formerly Challenger Acquisitions Limited) for the year ended 31 December 2022 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS's as adopted by the EU), issued by the International Accounting Standards Board (IASB), including interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) applicable to the companies reporting under IFRS.

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 Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The financial information has been presented in British Pound (£), being the functional currency of the Company.

Going concern

At 31 December 2022 the Company had net assets £786k. The financial statements have been prepared on the assumption that the Company will continue as a going concern. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. In assessing whether the going concern assumption is appropriate, the Directors take into account all available information for the foreseeable future, in particular for the twelve months from the date of approval of the financial information.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future

In April 2023 the company secured a further £1,000k in financing from a major shareholder in the group and the funds have been received at the date of the issue of the financial statements.

Additionally the Group has warrant options with existing convertible loan note holders worth up to £4,000k when the Group completes its listing. The Group also has the option to reduce staff costs which are principally fees and consulting costs payable to the directors to preserve working capital.

The directors have prepared cashflow forecasts until the year ended December 2024 and consider that the company has sufficient working capital.

The Directors' objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. At the date of this financial information, the Company had been financed from equity and convertible notes. In the future, the capital structure of the Company is expected to consist of convertible notes and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

New standards, interpretations and amendments effective from 1 January 2022

There were no new standards or interpretations effective for the first time for periods beginning on or after 1 January 2022 that had a significant effect on the Company's financial statements.

Standards and interpretations issued but not yet applied

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective.

The directors do not expect that any of these standards and interpretations will have a material impact on the financial statements of the Company.

Segment Reporting

For the purpose of IFRS 8, the Chief Operating Decision Maker "CODM" takes the form of the board of directors. The Directors are of the opinion that the business of the Company comprised a single activity, being the identification and acquisition of target companies or businesses in the energy sector.

Foreign Currency Translation

<u>Functional and presentation currency</u>

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in British Pounds (GBP), which is Cindrigo Holdings functional and presentation currency.

<u>Transactions and balances</u>

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange gains and losses are presented in the statement of profit or loss, within finance income or finance costs.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

Fair value of assets

Assets are tested for fair value whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. A reduction in fair value 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 fair value, 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). Non-financial assets other than goodwill that suffered a significant reduction in fair value are reviewed for possible reversal of the significant reduction in fair value at the end of each reporting period.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Investments and other financial assets

<u>Recognition and derecognition</u>

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

<u>Measurement</u>

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

The Company's investments in corporate debt securities which are held within a business model whose objective is achieved both by collecting contractual cash flows and by selling securities are classified as held at fair value through profit or loss (FVTPL).

Investments in equity securities have been classified as measured at FVTPL.

Interest income from financial assets at fair value through profit or loss is included in the net gains/(losses). Interest on financial assets held at amortised cost, calculated using the effective interest method is recognised in the statement of profit or loss as part of revenue from continuing operations.

Impairment of financial assets

Financial assets are assessed for indicators of decline in fair value at the end of the reporting period. The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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 (such as an improvement in the debtor’s credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

Income recognition

Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Employee benefits

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Share based payments

Employee options

The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (eg the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (eg profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (eg the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Social security contributions payable in connection with an option grant are considered an integral part of the grant itself and the charges are treated as cash-settled transactions.

The options are administered by Cindrigo Holdings Limited. When the options are exercised, Cindrigo Holdings Limited transfers the appropriate amount of shares to the employee. The proceeds received net of any directly attributable transaction costs are credited directly to equity.

Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity under share capital as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

3. CRITICAL ESTIMATES, JUDGEMENTS AND ERRORS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

Significant estimates and judgements

The areas involving significant estimates or judgements are:

- Going concern
  See accounting policies (note 2) for details of the assessment made.
- Fair value of the Investments
- The Group issued £14,044k of ordinary shares and convertible loan notes with a principal value of £612k convertible into up to 6,122,594 new ordinary shares at £0.10 per shares to acquire the Cindrigo Energy Limited. Given the operations of Cindrigo Energy Limited in Ukraine have been suspended indefinitely the investment has been impaired in the company only accounts. The investment eliminated on consolidation so there is no impact on the Group's financial statements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

4. FINANCIAL RISK MANAGEMENT

This note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance. Current year profit and loss information has been included where relevant to add further context.

Risk	Exposure arising from	Measurement	Management
Market risk – foreign exchange	Future commercial cash flows not denominated in GBP	Cash flow forecasting Sensitivity analysis	No hedging
	Recognised financial assets and liabilities not denominated in GBP		No hedging
Credit risk	Cash and cash equivalents, trade receivables, other receivables	Aging analysis Credit ratings	Diversification of bank deposits. Follow-ups to loan investment
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Foreign exchange risk

The Company is especially focused on the currency pairs USD/GBP. The Company's only active investment is denominated in GBP.

The Company's exposure to foreign currency risk at the end of the reporting period, expressed in £'000 was as follows:

Currency	Assets in CCY	Assets in GBP	10% change	Liabilities in CCY	Liabilities in GBP	10% change
USD	-	-	-	-	-	-
EUR	1k	1k	(0.1k)	-	-	-
CHF	-	-	-	-	-	-
SEK	-	-	-	18,000k	1,429k	143k

The Company's exposure to foreign currency risk at the end of the prior period, expressed in £'000 was as follows:

Currency	Assets in CCY	Assets in GBP	10% change	Liabilities in CCY	Liabilities in GBP	10% change
USD	1	-	-	-	-	-
EUR	1	-	-	-	-	-
CHF	-	-	-	-	-	-

During the year, £1k foreign-exchange related losses were recognised in profit or loss.

As described above the Company is primarily exposed to changes in the USD/GBP exchange rate. The sensitivity of profit or loss to changes in the exchange rates as summarized in the above table arises mainly from the Company's USD denominated asset.

Interest rate risk

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. To limit the risk the Company's main cash resources are held with banks with a minimum external rating of A.

Liquidity Risk

The Company currently holds cash balances to provide funding for normal trading activity. Trade and other payables are monitored as part of normal management routine.

As at 31 December 2022 all financial assets were classified at fair value. A maturity analysis of the Company's financial assets (excluding intercompany balances) is as follows:

	As at	**As at**

	31 December 2022 £'000	31 December 2021 £'000
0 to 3 months	340	652
3 to 6 months	-	-
6 months +	-	-
Total	340	652

As at 31 December 2022 all financial liabilities were classified at amortised cost. A maturity analysis of the Company's financial liabilities based on contractual undiscounted payments is as follows:

	As at 31 December 2022 £'000	As at 31 December 2021 £'000
0 to 3 months	178	765
3 to 6 months	-	-
6 months +	2,113	-
Total	2,291	765

5. BUSINESS SEGMENTS

For the purpose of IFRS 8, the Chief Operating Decision Maker "CODM" takes the form of the board of Directors. The Directors are of the opinion that the business of the Company comprised a single activity, being the identification and acquisition of target companies or businesses in the energy sector.

6. SHARE CAPITAL

Issued and fully paid	Number of shares	Share capital account £'000
At 31 December 2021	142,202,476	22,458
Issue of shares	-	-
At 31 December 2022	142,202,479	22,485

7. CASH AND CASH EQUIVALENTS

	2022 £'000	2021 £'000
Cash at bank and in hand	22	27
Total cash and cash equivalents	22	27

8. TRADE AND OTHER RECEIVABLES

	2022 £'000	2021 £'000
Prepayments	1	6
Other receivables	339	7
Amounts due from related companies	2,715	1,265
Loan note consideration due	-	612
Total trade and other receivables	-	7

The balance due from related companies represents receivable loan payments paid into the bank account of Cindrigo Limited less expenses paid by Cindrigo Limited on behalf of Cindrigo Holdings Limited.

9. INVESTMENTS

	Short-term Investments £'000
Fair value	
At 31 December 2020	-
Issue of shares to acquire the Cindrigo Group	14,044
At 31 December 2021	14,044
Impairment	(14,044)
At 31 December 2022	-

The Company holds one equity unit investment in the New York Wheel Investor LLC, which is fully written off and the Company has transferred one of the equity units to a loan note holder as part of the settlement of certain loan notes, and also an investment in the Dallas Wheel Project, which is shown under short-term investments.

In the 2018 the Company invested USD 300k into the Dallas Wheel project. This financing was in the form of a convertible loan. On 31 December 2018 the Company signed a contract to change the repayment terms for its investment in the Dallas wheel. The Company received in 2019 USD 275k however has received no further sums since. Given the uncertainty as to whether the project will ultimately proceed the fair value of the Dallas wheel investment was fully impaired as at year end.

The equity units in New York Wheel Investor LLC are not quoted, in the prior year the Directors had regard to recent transactions in equity units of the New York Wheel and therefore assessed the value as a level 3 valuation. As the project has been stopped and the probability of the project restarting is very low, the investment in the New York Wheel was written off in full.

In July 2021 the Company issued 140,449,800 new ordinary shares to acquire the Cindrigo Group and complete the reverse takeover. In accordance with IFRS this is recognised as an investment within the accounts of Cindrigo Holdings Limited.

10. Borrowings

Current	2022 £'000	2021 £'000
Convertible notes	2,113	612
Deferred cash consideration	-	277
	2,113	889

	Note 1 £'000	Note 2 £'000	Note 3 £'000	Note 4 £'000	Note 5 £'000	Note 6 £'000	
Balance at 31 December 2020 (liability)	1,091	808	50	-	-	-	Balance at 31 December 2020 (liability)
Balance at 31 December 2020 (equity)	106	-	-	-	-	-	Balance at 31 December 2020 (equity)
Finance Charge	97	72	4		-	-	Finance Charge
Conversion of loan to equity instrument	-1,000	-700	-	-	-	-	Conversion of loan to equity instrument
Conversion of loan note 3	-	-	-54	-	-	-	
Issue of Note 4	-	-	-	1,575	-	-	
Other movements	-188	-180	-	-	-	-	Release of accrued interest
Balance at 31 December 2021 (liability)	-	-	-	-	-	-	Balance at 31 December 2021 (liability)
Balance at 31 December 2021(equity)	1,000	700	-	1,575	-	-	Balance at 31 December 2021 (equity)
Issue of Note 5/6	-	-	-	-	1,443	827	
Finance Charge	-	-	-	-	-23	-1	Finance Charge
Conversion of loan to equity instrument	-	-	-	-	-68	-113	Conversion of loan to equity instrument
Conversion of loan note 4	-	-	-	-	-		
Other movements	-	-	-	-	-		Release of accrued interest
Balance at 31 December 2022 (liability)	-	-	-	-	1352	713	Balance at 31 December 2022 (liability)
Balance at 31 December 2022 (equity)	1,000	700	-	1,575	68	113	Balance at 31 December 2022 (equity)

Note 1

On 29 January 2016, the Company issued further £1 million of secured convertible notes. The notes were unlisted, secured, transferable and convertible. Maturity date was 30 June 2019. The Secured Convertible Notes were secured by one common unit of New York Wheel Investor LLC, representing a total value US$1 million. Interest accrued at 8% per annum and was payable quarterly. One eighth of the interest can be settled in cash or shares at the Company's discretion. Seven eighths of the interest is settled in new convertible notes with the same terms. The notes are convertible in cash or shares at the option of the holder and can be converted into Ordinary Shares at a fixed conversion price of £0.80 per Ordinary Share. The Company can redeem the notes at a 10% premium anytime. As per the nature of this convertible instrument, £106k has been recognised as an equity component in of convertible instruments in statement of changes of equity, using a discount rate of 12%.

In August 2022 the loan notes, including all accumulated but unpaid interest, were settled by new 10-year zero coupon loan notes with a principal value of £1m which have been reclassified as an equity instrument under IFRS.

Note 2

The last tranche of £400,000 of the £1 million funding facility announced by the Company on 13 June 2017, was drawn on 18 January 2018 and subsequently the Company issued convertible note for £400,000. The notes were unlisted, unsecured, transferable and convertible. Maturity date was 8 June 2019. No conversions could happen in the first 120 days. The maximum amount that could be converted in any 30day period was 20% of the principal amount. The conversion price was the lowest volume weighted average price over 10 days prior to the conversion. Interest rate was 8% per annum and payable upon conversion at the Company's option in cash or ordinary shares at the conversion price. The Company could redeem in cash all or any part of the outstanding convertible note with a 25% premium to the principal amount. Despite reaching maturity this note was still outstanding and continued to accrue interest in accordance with the interest terms stated.

On the 6 January 2020 the Company allotted 19,535,676 new ordinary shares of £0.01 each to holders of the Unsecured Convertible Note, comprising 16,479,895 for the conversion of £25,000 of notes and a further 3,055,781 New Ordinary Shares for accumulated interest.

In August 2021 the loan notes, including all accumulated but unpaid interest, were settled by new 10- year zero coupon loan notes with a principal value of £700,000 which have been reclassified as an equity instrument under IFRS.

Note 3

The Company issued £52,000 in unsecured convertible notes on 21 September 2020. The noteholder could convert all or part of the principal amount of its notes into ordinary shares of the Company ('Ordinary Shares') at any time at a fixed conversion price of 0.1p per Ordinary

Share of £0.01 (pre-consolidation). The notes were unlisted, unsecured, transferable and could be redeemed by the Company on 19 May 2021, at the Company's option in cash or in Ordinary Shares at 0.1p per Ordinary Share. Interest accrued at 5% per annum and payable quarterly, or upon conversion, at the Company's option in cash or by issuing Ordinary Shares.

In August 2021 the loan notes converted automatically on the completion of the acquisition of Cindrigo Energy Limited and 194,931 new ordinary shares were issued in respect of such conversion.

Note 4

On 11 October 2021 the company created up to £1,575,000 Series 4 unlisted, unsecured, zero-coupon, convertible and transferable loan notes 2031.

Note 5

On 6th September 2022 Company received funding of SEK 18,000k from Danir AB. The loan is interest free and payable on 05 September 2025 but has an option to convert.

Note 6

On 5th August 2022 Danir agreed to lend CINH £750,000 at an interest rate of 5% per annum. The Loan was to be convertible at a 25% discount to VWAP or £1.25 per share which ever was the higher.

On 9th December 2022 CINH agreed with Danir to restructure the facility. A loan of £750,000 was advanced to CINH on that date with agreements and loan note instruments being reduced to writing in January 2023. The original agreement was cancelled and a new issue of £3,800,000 convertible notes were issued to Danir convertible at £0.15 per share. A further loan was advanced in the sum of £750,000 which will be convertible at £1.25 per share. 2,000,000 warrants at £1.00 exercisable by 31 December 2023 and 3,000,000 warrants at £1.25 exercisable by 31 December 2023.

11. FINANCE INCOME AND COSTS

	2022 £'000	2021 £'000
Interest Income		-
Bank charges	-	1
Interest on convertible loan notes	62	173
Interest on deferred consideration and other interest payables		
Net foreign exchange costs	-	-
Premium to settle convertible loan	-	-
Finance costs	62	174

12. TRADE AND OTHER PAYABLES

	2022 £'000	2021 £'000
Trade payables	37	25
Other payables	99	-
Accrued expenses	42	120
Total trade and other payables	178	245

13. EMPLOYEE BENEFIT EXPENSE

	2022 £'000	2021 £'000
Wages and salaries	-	-
Share options granted to directors, employees and key advisers	-	-
	-	-

14. DIRECTORS' EMOLUMENTS

All current year directors' fees were paid for by the Company's 100% subsidiary Cindrigo Limited and not recharged to the Company.

These details and the details for the other Directors can be found within the Director's remuneration report on page 22.

The Directors were the key management personnel of the Company.

15. TAXATION

Cindrigo Holdings Limited (formerly Challenger Acquisitions Limited) is a Guernsey Corporation subject to a corporate tax rate of nil, as of 31 December 2022. There are no unrecognised tax losses.

16. EARNINGS PER SHARE

The calculation for earnings per share (basic and diluted) for the relevant period is based on the profit / loss after income tax attributable to equity holder for the period ending 31 December 2021 and is as follows:

31 December 2022

Loss from continued operations attributable to equity holders (£)	(548,000)
Weighted average number of shares of £2.667609 each	142,202,476

Loss per share basic (£)	(0.0038)
Weighted average number of shares for dilutive calculation	142,202,476
Loss per share diluted (£)	(0.0038)

31 December 2021

Loss from continued operations attributable to equity holders (£)	(515,000)
Weighted average number of shares of £2.667609 each	142,202,476
Loss per share basic (£)	(0.003)
Weighted average number of shares for dilutive calculation	142,202,476
Loss per share diluted (£)	(0.003)

Basic earnings per share is calculated by dividing the loss after tax attributable to the equity holders of the Company by the weighted average number of shares in issue during the year.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive ordinary shares namely the conversion of the convertible loan note in issue. The effect of these potential dilutive shares would be anti-dilutive and therefore are not included in the above calculation of diluted earnings per share.

17. RELATED PARTY TRANSACTIONS

There were no related party transactions except for the transactions disclosed in Note 14 to the accounts.

18. COMMITMENTS

The Company had not entered into any material commitments as of 31 December 2022.

19. SHARE BASED PAYMENTS

On 29 July 2015, options to acquire 615,000 Ordinary Shares ("Options 2015") were granted to employees and consultants. On 8 September 2015, options to acquire 730,000 Ordinary Shares ("Options 2015") were granted to the directors of the Company. These Options 2015 have a fixed exercise price of 40 pence, and are exercisable in the following tranches; 25% as from the date of grant and 25% every twelve months thereafter (and are therefore fully vested after three years). They cannot be exercised after the 5th anniversary of the grant. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

On 7 January 2016, options to acquire 160,000 Ordinary Shares ("Options 2016") were granted to consultants. These options have a fixed exercise price of 45 pence, and are exercisable in the following tranches:

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows: 25% as from the date of grant and 25% every twelve months thereafter (and are therefore fully vested after three years). They cannot be exercised after the 5th anniversary of the grant. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

	2022		2021	
	Average exercise price in £ per share option	Options (thousands)	Average exercise price in £ per share option	Options (thousands)
0.41	0.41	-	0.41	-
Granted	0.00	-	0.00	-
Forfeited	0.00	-	0.00	-
Exercised	0.00	-	0.00	-
Expired	0.00	-	0.00	-
End of period	0.00	-	0.00	-

Out of the outstanding £ (2021: £nil) share options £ (2021: £nil) were exercisable. No options were exercised in 2021 and 2022.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant-vest	**Expiry date**	**Exercise price in £**	**Share options (thousands)**
			2022
2016-01	2021-01	0.45	-
			-

303,000 share options granted in January 2015 expired in July 2020.

630,000 share options granted in February 2015 expired in September 2020.

The weighted average fair value of the Options 2015 determined using the Black-Scholes valuation model was 1.4 pence per option. The significant inputs to the model were share price of 38 pence at the grant date, exercise price of £0.40, volatility of 14%, dividend yield of 0% an expected option life (to expiry) of 5 years with 25% vesting each year and an annual risk free interest rate of 0.5%. The volatility measured at the standard deviation of continuously compounded share returns is based on the statistical analysis of daily share prices from listing of the Company until the grant date.

The weighted average fair value of the Options 2016 determined using the Black-Scholes valuation model was 2.49 pence per option. The significant inputs to the model were share price of 37.5 pence at the grant date, exercise price of £0.45, volatility of 14%, dividend yield of 0% an expected option life (to expiry) of 5 years with 25% vesting each year and an annual risk free interest rate of 0.5%. The volatility measured at the standard deviation of continuously compounded share returns is based on the statistical analysis of daily share prices from listing of the Company until the grant date.

20. SUBSEQUENT EVENTS

The Group has signed Framework agreement with Petroline regarding project funding (contingent on Due Diligence) and Kaishan for full turn key EPC contract, to be finalized in specific contract for Croatia 1 (Slatina 3).

The Group's largest shareholder have also provided additional £1million for the purposes Working Capital management. The funds were received by the Group in April 2023.

None of these events impact the financial statements for the year ended 31 December 2022.

21. ULTIMATE CONTROLLING PARTY

As of 31 December 2022, no one entity owns more than 50% of the issued share capital. Therefore, the Company does not have an ultimate controlling party.