

TIMBERLAND SECURITIES INVESTMENT PLC

ANNUAL REPORT

For the year ended 31 December 2024

TIMBERLAND SECURITIES INVESTMENT PLC

**Company Information**

<b>Directors:</b>	Mr Dirk Koster Mr Thomas Kraemer Mr Anthony J Paris
<b>Secretary:</b>	Riskcap International Ltd (appointed 20 November 2023) Mr David Mallia (resigned on 31 August 2023)
<b>Company number:</b>	C 68856
<b>Registered office:</b>	Level 7, CF Business Centre Gort Street St. Julians STJ 9023 Malta
<b>Auditors:</b>	CLA Malta The Core Valley Road, Msida MSD 9021 Malta (EU)
<b>Bankers:</b>	Bank of Valletta PLC 58, Zachary Street Valletta VLT 1130 Malta  Baader Bank Aktiengesellschaft Weihenstephaner Straße 4 85716 Unterschleißheim Germany  Commerzbank AG Kaiserplatz, 60261 Frankfurt am Main Germany

# TIMBERLAND SECURITIES INVESTMENT PLC

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**Report of the Directors**

For the year ended 31 December 2024.

The directors present their report and the audited financial statements of Timberland Securities Investment plc (the Company) for the year ended 31 December 2024.

***Principal activities***

The company's principal activities comprises acting as arranger in respect of issuance of limited recourse notes by related parties and others including provision of advisory services. The Company is also involved in the issue of Notes and Bonds to the general public to raise funds for general corporate purposes and the Issuer is free to use the proceeds as it wishes. The Company has invested into inter alia related entities that operate in the sphere of residential, industrial and automotive energy storage systems.

***Financial performance***

During the financial year under review, the Company registered a loss after tax amounting to €943,646 (2023: loss €2,065,937). The loss for the year was incurred as revenue for the year was not sufficient to cover for the expenses incurred by the company. The directors expect that the present level of activity will be enhanced for the foreseeable future and that operating results will improve gradually.

***Dividends***

The directors do not recommend the payment of a dividend as the Company did not have any distributable reserves as at 31 December 2024.

***Financial risk management***

The Company's activities potentially expose it to a variety of financial risks: credit risk and liquidity risk. The company's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance. The board provides principles for overall risk management, as well as policies covering risks referred to above and specific areas such as investment of excess liquidity. The company did not make use of derivative financial instruments to hedge certain risk exposures during the current and preceding financial years.

(a) Liquidity risk

The Company is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise interest-bearing borrowings and payables.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from related companies, financial assets and the cash held at bank.

**Report of the Directors (continued)**

For the year ended 31 December 2024

**Post balance sheet events**

There are no events or transactions that affect the company since the end of the accounting year.

**Future developments**

No specific future developments are indicated.

Directors

The following have served as directors of the company during the year under review:

Mr Thomas Kramer  
Mr Anthony J. Paris  
Mr Dirk Koster

In accordance with the company's Articles of Association the present directors remain in office.

**Auditors**

CLA Malta have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the forthcoming annual general meeting.

BY ORDER OF THE BOARD

*gez. Kramer*

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Thomas Kramer  
Director

*gez. Koester*

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Dirk Koster  
Director

01 April 2026

**Directors' Responsibilities**

For the year ended 31 December 2024

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- Adopt the going concern basis unless it is inappropriate to presume that the Company will continue in business;
- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Account for income and charges relating to the accounting period on the accrual basis;
- Value separately the components of assets and liabilities items; and
- Report comparative figures corresponding to those of the preceding accounting period.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act (Cap. 386) enacted in Malta. This responsibility includes designing, implementing and maintain such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT**

To the shareholders of Timberland Securities Investment plc, Malta:

### ***Audit opinion***

We have audited the annual financial statements of Timberland Securities Investment plc, Malta, (the "company"), which comprise the balance sheet as of 31 December, 2024, the income statement, the statement of changes in equity and the statement of cash flows for the financial year from 1 January to 31 December 2024 and notes to the financial statement, including a summary of significant accounting policies.

In our opinion, on basis of the knowledge obtained in the audit, the accompanying financial statements comply, in all material respects, with the accounting policies described in the notes to the financial statements.

We declare that our audit has not led to any reservations relating to the legal compliance of the financial statements.

### ***Basis for the audit opinion***

We conducted our audit of the financial statements in accordance with International Standards on Auditing (ISA). Our responsibilities under those requirements and principles are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our auditor's report. We are independent of the Company in accordance with the requirements of ISA, and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the financial statements.

### ***Responsibilities of the Management for the financial statements***

The Executive Directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with accounting policies described in the notes to the financial statements. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the Executive Directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for

disclosing, as applicable, matters related to the going-concern status. In addition, they are responsible for financial reporting based on the going-concern basis of accounting, provided no actual or legal circumstances conflict therewith.

### ***Auditor's responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, as well as to issue an Independent Auditor's Report that includes our opinion on the annual financial statements.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA requirements will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

We exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control systems relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Company.
- Evaluate the appropriateness of accounting policies applied by the Executive Directors and the reasonableness of estimates and related disclosures made by the Executive Directors and related disclosures.
- Conclude on the appropriateness of the Executive Director's use of the going concern basis of accounting and, based on the audit evidence obtained, determine whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the Independent auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our respective audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our Independent auditor's report. However, future events or conditions may cause the company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements present the underlying transactions and events in a manner that the financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with the accounting policies mentioned in the notes to the financial statements.

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

Hamburg/Germany 1 April 2026

  
ESC Wirtschaftsprüfung GmbH  
Wirtschaftsprüfungsgesellschaft

TIMBERLAND SECURITIES INVESTMENT PLC

**Income Statement**

For the year ended 31 December 2024

	Notes	2024 €	2023 €
<b>Revenue</b>		<b>45,000</b>	12,000
Other income		<b>6,597</b>	23,472
Administration expenses		<b>(395,369)</b>	(584,018)
		<hr/>	<hr/>
<b>Operating profit/(loss)</b>		<b>(343,772)</b>	(548,546)
Other gains and losses		<b>(170,848)</b>	-
Investment income		<b>34</b>	16
Finance costs		<b>(426,892)</b>	(683,689)
		<hr/>	<hr/>
<b>Loss before tax</b>	3	<b>(941,478)</b>	(1,232,219)
Income tax		-	-
		<hr/>	<hr/>
<b>Loss for the year</b>		<b>(941,478)</b>	(1,232,219)
		<hr/>	<hr/>

TIMBERLAND SECURITIES INVESTMENT PLC

**Balance Sheet**

As at 31 December 2024

	Notes	2024 €	2023 €
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	117,728	131,950
Investment in subsidiaries	5	2,686	2,686
Other investment	5	5,000	5,000
Trade and other receivables	6	-	-
Deferred tax assets		755,849	755,849
		<b>881,263</b>	<b>895,485</b>
<b>Current assets</b>			
Trade and other receivables	6	9,849,769	9,940,821
Cash and cash equivalents	7	8,659	(1,541)
		<b>9,858,421</b>	<b>9,939,280</b>
<b>Total assets</b>		<b>10,739,691</b>	<b>10,834,765</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital		50,000	50,000
Accumulated losses		(7,194,940)	(5,962,721)
Loss for the period		(941,478)	(1,232,219)
<b>Deficiency</b>		<b>(8,086,418)</b>	<b>(7,144,940)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	8	8,187,040	8,195,000
Trade and other payables	9	-	-
		<b>8,187,040</b>	<b>8,195,000</b>
<b>Current liabilities</b>			
Trade and other payables	9	10,089,657	9,235,293
Current tax liabilities		549,412	549,412
		<b>10,639,069</b>	<b>9,784,705</b>
<b>Total equity and liabilities</b>		<b>10,739,691</b>	<b>10,834,765</b>

The financial statements on pages 7 to 22 were approved and authorised for issue by the Board of Directors on 01 April 2026 and were signed on its behalf by:

*gez. Kramer*  
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 Thomas Kramer  
 Director

*gez. Koester*  
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 Dirk Koester  
 Director

TIMBERLAND SECURITIES INVESTMENT PLC

**Statement of Cash Flows**

For the year ended 31 December 2024

	Notes	2024 €	2023 €
<b>Cash flows from operating activities</b>			
Loss before tax		(941,478)	(1,232,219)
Adjustments for:			
Depreciation		14,287	311,793
Write-off of fixed assets		-	13,044
Impairment of related party balances		170,848	21,688
Impairment of notes		-	-
Interest expense on bonds and notes		422,130	(23,472)
Interest expense on current tax			384,811
Operating profit before working capital changes:		(334,213)	(524,355)
Movement in trade and other receivables		(43,097)	(88,244)
Movement in trade and other payables		(40,425)	(61,437)
Cash generated from operating expenses		(417,735)	(674,036)
Interest paid		(441,432)	(312,744)
Net cash outflow in operating activities		(859,167)	(986,780)
<b>Cash flows from investing activities</b>			
Acquisition of property, plant, and equipment		(64)	(139,826)
Net cash outflow in investing activities		(64)	(139,826)
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		(7,960)	(22,528)
Advances (to)/from related party		877,391	1,142,796
Net cash inflow from financing activities		869,431	1,120,268
Net movement in cash and cash equivalents		10,200	(6,338)
Cash and cash equivalents at beginning of year		(1,541)	2,398
<b>Cash and cash equivalents at end of year</b>	7	<b>8,659</b>	<b>(3,940)</b>

## **Notes to the Financial Statements**

For the year ended 31 December 2024

### **1 BASIS OF PREPARATION**

#### **1.1 Basis of measurement and statement of compliance**

The financial statements of Timberland Securities Investment plc (the Company) have been prepared in accordance with the Accounting Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ('GAPSME'). The financial statements have been prepared on the historical cost basis except for certain financial instruments which are stated at their fair values, as disclosed in the accounting policies below.

The company is not required to draw up consolidated financial statements since it has taken advantage of the exemption from doing so conferred to it by Article 174 of the Companies Act (Cap. 386) on the grounds that it is included in the accounts of a larger group. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group.

Furthermore, the company does not meet the definition of a Public Interest Entity in terms of Directive 2013/34/EU and is therefore not bound to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS).

#### **1.2 Functional and presentation currency**

The financial statements are presented in Euro, which is the Company's functional currency.

#### **1.3 Reporting entity**

Timberland Securities Investment plc is a limited liability company domiciled and incorporated in Malta.

### **2 SIGNIFICANT ACCOUNTING POLICIES**

#### **2.1 Property, plant and equipment**

##### *Recognition and measurement*

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the entity and the cost can be measured reliably. Property, plant and equipment are initially measured at cost comprising the purchase price, any costs directly attributable to bringing the assets to a working condition for their intended use, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure is capitalised as part of the cost of property, plant and equipment only if it enhances the economic benefits of an asset in excess of the previously assessed standard of performance, or it replaces or restores a component that has been separately depreciated over its useful life.

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.1 Property, plant and equipment (continued)**

*Recognition and measurement (continued)*

After initial recognition, property, plant and equipment may be carried under the cost model, that is at cost less any accumulated depreciation and any accumulated impairment losses, or under the revaluation model, that is at their fair value at the date of the revaluation less any accumulated depreciation and any accumulated impairment losses.

*Depreciation*

Depreciation is calculated to write down the carrying amount of the asset on a systematic basis over its expected useful life. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) or the date that the asset is derecognised. The depreciation charge for each period is recognised in profit or loss.

	%
Office Buildings	10
Furniture & Fittings	10
Computer Equipment	25

*Depreciation method, useful life and residual value*

The depreciation method applied, the residual value and the useful life are reviewed on a regular basis and when necessary, revised with the effect of any changes in estimate being accounted for prospectively.

*Derecognition of property, plant and equipment*

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains and losses arising from derecognition represent the difference between the net proceeds (if any) and the carrying amount and are included in profit or loss in the period of derecognition.

**2.2 Investment in subsidiary**

A subsidiary is an entity which is controlled by the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

An investment in a subsidiary is measured at cost.

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.3 Financial assets, financial liabilities and equity**

A financial asset or a financial liability is recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at their fair value plus in the case of financial assets and financial liabilities not classified as held for trading and subsequently measured at fair value, transaction costs attributable to the acquisition or issue of the financial assets and financial liabilities.

Financial assets and financial liabilities are derecognised if and to the extent that, it is no longer probable that any future economic benefits associated with the item will flow to or from the entity.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

A financial instrument, or its component parts, is classified as a financial liability, financial asset or an equity instrument in accordance with the substance of the contractual arrangement rather than its legal form.

*i. Trade and other receivables (excluding non-financial assets included in this line item)*

Trade and other receivables are stated at their nominal value unless the effect of discounting is material in which case trade and other receivables are measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence of impairment;

*ii. Investments*

The company classifies investments in the following categories:

*Loans and receivables*

Loans and receivables (the L&Rs) are non-derivative financial assets with fixed or determinable payments and a fixed maturity that are not quoted in an active market, other than those that the Company classified as held for trading or designated on initial recognition as available for sale.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the financial asset is derecognised or impaired and through the amortisation process. When applying the effective interest rate method, the annual amortisation of any discount or premium is included with investment income over the term of the instrument, if any, so that the revenue recognised in each period represent a constant yield on the investment.

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.3 Financial assets, financial liabilities and equity (continued)**

*iii. Trade and other payables (excluding non-financial liabilities included in this line item)*

Trade and other payables are stated at their nominal value unless the effect of discounting is material, in which case trade and other payables are measured at amortised cost using the effective interest method.

*iv. Financial liabilities*

The company recognises a financial liability in its statement of financial position when it becomes a party to the contractual provisions of the instrument. The company's financial liabilities are classified as financial liabilities which are not at fair value through profit or loss. Financial liabilities not at fair value through profit or loss are recognised initially at fair value, being the value of consideration received, net of transaction costs that are directly attributable to the acquisition or the issue of the financial liability. These liabilities are subsequently measured at cost. The company derecognizes a financial liability from its statement of financial position when the obligation specified in the contract or arrangement is discharged, is cancelled or expires.

*v. Share capital issued by the Company*

Ordinary shares issued by the Company are classified as equity. Dividends to ordinary shareholders are debited directly to equity and are recognised as liabilities in the period in which they are declared.

**2.4 Impairment**

The Company's property, plant and equipment, financial assets and financial liabilities are tested for impairment.

*i. Property, plant and equipment*

The carrying amounts of the Company's property, plant and equipment, intangible assets and investment in subsidiaries are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that asset.

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.4 Impairment (continued)**

*i. Property, plant and equipment (continued)*

The carrying amounts of Company's assets are also reviewed at each balance sheet date to determine whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation increase unless an impairment loss on the same asset was previously recognised in profit or loss.

*ii. Financial assets and liabilities*

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost or cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost/cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

**2.5 Cash and cash equivalents**

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes.

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.6 Income taxes**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that the tax arises from a transaction or event which is recognised directly in equity, in which case it is recognised in equity. Current tax is based on the taxable profit for the year, as determined in accordance with tax laws, and measured using tax rates, which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The Company recognises a deferred tax liability in respect of all taxable temporary differences and a deferred tax asset in respect of all deductible temporary differences except to the extent that such deferred tax liability arises from the initial recognition of goodwill or the deferred tax asset/liability arises from the initial recognition of an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (loss). Recognition of a deferred tax asset is however limited to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

The Company re-assesses any unrecognised deferred tax asset at each balance sheet date to determine whether future taxable profit has become probable that allows the deferred tax asset to be recovered.

**2.7 Income**

*Rendering of services*

Revenue from rendering of services is recognised when the outcome of a transaction involving the rendering of services can be estimated reliably.

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.8 Government grants**

Government grants are assistance by government, inter-governmental agencies and similar bodies whether local, national or international, in the form of cash or transfers of assets to the Company in return for past or future compliance with certain conditions relating to operating activities of the Company. Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in the income statement so as to match them with the expenditure towards which they are intended to contribute. Any grants relating to future periods are recognised as deferred income.

Government grants related to assets are presented in the statement of financial position as deferred income, which is recognised as income on a systematic basis over the useful life of the asset.

**2.9 Foreign currencies**

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and monetary liabilities denominated in foreign currencies at balance sheet date are translated at year end closing rates of exchange. Any exchange differences arising on the settlement of monetary assets and monetary liabilities, or on translating foreign denominated monetary assets and liabilities at the balance sheet date at rates different from those at which they were previously translated, are recognised in profit or loss.

**2.10 Borrowing costs**

Borrowing costs, are recognised as an expense in profit or loss in the period in which they are incurred.

**3 LOSS BEFORE TAX**

3.1 Total remuneration paid to the Company's auditors during the year amounts to:

	<b>2024</b>	2023
	€	€
Audit fee	<b>11,179</b>	8,817
	<hr/>	<hr/>

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**3 LOSS BEFORE TAX (continued)**

3.2 The average number of persons employed by the Company during the year was as follows:

	<b>2024</b>	2023
	<b>€</b>	€
Average number of employees	<b>2</b>	2

**4 PROPERTY, PLANT AND EQUIPMENT**

	Office Buildings €	Furniture & fittings €	Computer equipment €	Total €
<u>Cost</u>				
At 1 January 2024	54,623	86,838	3,933	145,394
Additions	-	64	-	64
	-----	-----	-----	-----
At 31 December 2024	54,623	86,902	3,933	145,458
	-----	-----	-----	-----
<u>Depreciation</u>				
At 1 January 2024	3,050	6,663	3,722	13,435
Charge for the year	5,462	8,686	139	14,287
	-----	-----	-----	-----
At 31 December 2024	8,512	15,349	3,861	27,722
	-----	-----	-----	-----
<u>Carrying amounts</u>				
At 31 December 2024	46,111	71,553	72	<b>117,736</b>
	-----	-----	-----	-----
At 31 December 2023	51,573	80,175	211	131,959
	-----	-----	-----	-----

**5 INVESTMENTS**

**5.1 Investment in subsidiaries**

	<b>2024</b>	2023
	<b>€</b>	€
Opening net carrying amount	<b>2,686</b>	2,686
Disposals	-	-
	-----	-----
	<b>2,686</b>	2,686
	-----	-----

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**5 INVESTMENTS (continued)**

**5.2 Other investments**

	<b>2024</b>	2023
	€	€
Opening/Closing net carrying amount	<b>5,000</b>	5,000

**6 TRADE AND OTHER RECEIVABLES**

	<b>2024</b>	2023
	€	€
<b>Amounts falling due after one year:</b>		
Amounts owed by related companies (note a)	<b>9,659,053</b>	9,793,095
<b>Amounts falling due within one year:</b>		
Other receivables	<b>24,205</b>	24,205
VAT receivable	<b>99,275</b>	65,937
Prepayments	<b>67,236</b>	57,584
	<b>9,849,769</b>	9,940,821

Note:

a) Amounts owed by related companies are unsecured, interest free and repayable after more than one year.

b) Amounts owed by related companies are unsecured, interest free and repayable on demand.

**7 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the statement of cashflows comprise the following:

	<b>2024</b>	2023
	€	€
Cash at bank	<b>8,406</b>	(1,912)

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**8 BORROWINGS**

	<b>2024</b>	2023
	€	€
Borrowings due after one year:		
Notes and bonds in issue	<b>8,187,040</b>	8,195,000

By virtue of the relevant Final Terms, the Company issued various Bonds and Notes, of which €8,160,040 were subscribed until 31 December 2024 (2023: €8,168,000). The Bonds and Notes are unsecured and bear a fixed interest ranging 3.5% to 5.1% per annum. Certain Notes had been admitted to trading on stock exchanges based in Germany as multilateral trading facilities (“MTF”) operated by Vienna Stock Exchange, which are unregulated markets in terms of MiFID II (MTF).

By virtue of the relevant Final Terms dated 22 August 2016 and dated 23 July 2017, the Company issued two bonds with a duration of 10 years of which €4,376,000 were subscribed. The bonds are unsecured and bear a fixed interest of 5.1% per annum. The bonds are redeemable at par and are redeemable on 30 June 2026.

By virtue of the relevant Final Terms dated 26 May 2022 and dated 29 April 2022, the Company issued two bonds with a duration of 3 years and 5 years of which €918,000 were subscribed. The bonds are unsecured and bear a fixed interest ranging 3.5% to 5% per annum. The bonds are redeemable at par and are redeemable on 15 April 2025 and 15 April 2027.

By virtue of the relevant Final Terms dated 30 November 2018, the Company issued two Bonds with a duration of 5 years and 10 years of which €156,000 were subscribed of the 5-year Bond 2018/2023 and of which €2,764,000 were subscribed until 31 December 2020 of the 10-year 2018/2028 Bond. The Bonds are unsecured and bear a fixed interest ranging 3.75% to 4.6% per annum. The bonds are redeemable at par and are redeemable on 15 November 2023 and 15 November 2028. These bonds were successfully admitted to trading on the Vienna MTF, a multilateral trading facility (“MTF”) operated by Vienna Stock Exchange and on the Open Market of the Frankfurt Stock Exchange.

The bonds constitute obligations of the Company ranking pari passu without any preference among themselves and pari passu with all other, present and future, unsecured and unsubordinated obligations of the Company, unless such obligations are given priority under mandatory provisions of statutory law.

Furthermore, the company issued 5 Notes with interest rates of 6.95% per annum maturing in the years 2022 and 2023. The bonds constitute obligations of the Company ranking pari passu without any preference among themselves and are unsecured and qualified subordinated obligations of the Company including a write-down/write-up. Those bonds are according to their relevant Final Terms loss absorbing in case the Company would be in a loss position in any relevant business year.

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**8 BORROWINGS (continued)**

The nominal value of notes at 31 December amounted to € 939,000. Included with borrowings, an amount of €907,000 represents a write-down of the value of the notes in issue. Movement in write-off during the year is shown with other gains and losses in the income statement.

This write-down was a consequence of the significant losses suffered by the company which resulted in the net liability of the company as noted in the balance sheet. This is in line with the terms of the notes which state that if the Issuer (Timberland Securities Investment plc) incurs an annual balance sheet loss as calculated in accordance with an accepted accounting framework, as applicable, in any year, the noteholders share in such loss in the proportion which their current principal amount bears in relation to the aggregate book value of all company's liable capital. In such a case the current principal amount shall be written down accordingly.

Similarly if in future years, the company will benefit from profits, the value of such notes will be positively revalued in line with the terms as described above.

As stated in the Company's base prospectuses dated 4 July 2016, 10 July 2017 and 23 November 2018, the net proceeds from each Tranche of the Notes and Bonds in issue will be used for general corporate purposes of the Issuer and the Issuer is free to use the proceeds as it wishes. As also stated in the Base prospectuses referred to above, the note holders assume the credit risk of the Issuer and in the case of insolvency of the Issuer, the Bond holders and Note holders may lose part or all of their claims to repayment of their invested capital.

**9 TRADE AND OTHER PAYABLES**

	<b>2024</b>	<b>2023</b>
	€	€
<b>Amounts falling due after one year:</b>		
Amounts due to related companies (note)	<b>9,495,352</b>	8,581,257
	<hr/>	<hr/>
<b>Amounts falling due within one year:</b>		
Trade payables	<b>85,547</b>	104,314
Other payables	<b>11,571</b>	6,817
Accruals	<b>497,187</b>	542,905
	<hr/>	<hr/>
	<b>10,089,657</b>	9,235,293
	<hr/>	<hr/>

Note –

Amount due to related companies is unsecured, interest free and repayable on demand.

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**10 RELATED PARTIES**

10.1 Parent company

The immediate parent of the Company is Timberland Holding II Ltd, a limited liability company incorporated in Malta, with its registered address at Level 7, CF Business Centre, Gort Street, St. Julians STJ 9023, Malta.

10.2 Key management personnel and director transactions

Directors of the company do not control any of the issued share capital of the company. Key management personnel have control over the financial and operating policies of the company.

Transactions with related parties are included in the statement of cash flows.

10.3 Related party transactions and balances

	<b>2024</b>	2023
	€	€
<b>Income from services</b>		
Administrative advisory	<b>45,000</b>	-
	<hr/>	<hr/>
<b>Expenditure for services</b>		
Other fees	-	-
Insurance	<b>1,373</b>	1,318
	<hr/>	<hr/>

Year end balances owed by or to related parties, arising principally from cash advances, are disclosed in notes 6 and 9 to these financial statements.

**11 CONTINGENT LIABILITIES**

Timberland Securities Investments plc entered into an agreement with a company, whereas the Company is acting as a guarantor for a bond issue of up to €8,000,000 by this company.

**Notes to the Financial Statements (continued)**

For the year ended 31 December 2024

**12 OTHER MATTERS**

The company's principal activities comprise acting as arranger in respect of issuance of limited recourse notes by related parties and others including provision of advisory services. The Company is also involved in the issue of Notes and Bonds to the general public to raise funds for general corporate purposes and the Issuer is free to use the proceeds as it wishes. The Company has invested into inter alia related entities that operate in the sphere of residential, industrial, and automotive energy storage systems. In this context, the Company's prospects of collecting amounts invested with counterparties are dependent on the performance of the companies to which amounts have been invested by the Company.

The business activities of the companies to which such amounts have been invested are all outside of the Maltese market. While the business activities of such companies are diversified, they are mostly aimed at technical research and development. The companies are thus exposed to risks of negative economic trends that may from time-to-time impact foreign territories where such companies are incorporated and are also dependent on the successful breakthrough of such technology.

In preparing these financial statements the directors of the Company have made reference to the fact that the revenue generated from the company falls short of interest payable relating to bonds and notes in issue, that the company incurred losses after tax of €947,927 and is at a net liability position of €8,912,846. The directors however assume that the Company will continue to generate the required cash flows from the provision of services, including but not limited to arranger fees from related parties and others, until the relative parties realise their investments at a gain to be in a position to repay the Company. Nevertheless, the risk is contained within the group and moreover, the terms and conditions of the bonds and notes as included in each respective prospectus made available to investors, include all the risks involved that the investors are aware of. Such risks include the relative short history of the company and therefore the fact that it is difficult to analyse performance.

One of the Company's related parties has undertaken to provide the necessary financing to ensure that the Company is able to meet its liabilities as and when these fall due. Unaudited management accounts as at 31 December 2024 indicates that net assets are sufficient and significantly larger than the level of borrowings of the Company. This level of equity is available to support Timberland Securities Investment plc should the need arises.

Based on the foregoing assumptions, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

**The Schedules and Appendices on the pages that follow do not  
form part of the financial statements**

TIMBERLAND SECURITIES INVESTMENT PLC

**Income Statement – Schedule**

For the year ended 31 December 2024

	Page	2024 €	2023 €
<b>Revenue</b>		<b>45,000</b>	12,000
Administrative expenses	24	<b>(395,369)</b>	(584,018)
Other income	25	<b>6,597</b>	23,472
Other gains and losses	25	<b>(170,848)</b>	-
Finance income	25	<b>34</b>	16
Finance costs	25	<b>(426,892)</b>	(683,689)
		<hr/>	<hr/>
<b>Loss before tax</b>		<b>(941,478)</b>	(1,232,219)
		<hr/>	<hr/>

**Income Statement - Schedule**

For the year ended 31 December 2024

	2024	2023
	€	€
<b>Administrative expenses</b>		
Advertising	<b>9,456</b>	32,720
Staff costs	<b>99,250</b>	106,532
Employer NI	<b>5,812</b>	5,687
Staff training	<b>280</b>	-
Insurance	<b>(71)</b>	2,315
Office expenses	<b>3,521</b>	2,568
Office supplies	<b>986</b>	2,323
IT expenses	<b>13,329</b>	14,711
Legal fees	-	-
Management fees	-	-
Professional fees	<b>52,288</b>	31,003
Audit fees	<b>11,179</b>	8,817
Brokerage fees	-	-
Other fees	-	42,924
Consultancy fees	-	-
Subscriptions	<b>245</b>	1,339
Company registration fees	<b>(100)</b>	700
Property rent	<b>133,591</b>	206,013
Telecommunications	<b>11,602</b>	14,396
Printing & stationery	<b>8,932</b>	5,906
Water & electricity	<b>4,343</b>	6,421
Custodian fees	-	-
Realised loss on exchange	-	-
Depreciation	<b>14,287</b>	13,044
Director's fee	<b>7,300</b>	7,300
General expenses	<b>6,026</b>	34,867
Cleaning expenses	<b>4,236</b>	3,636
Travelling	<b>2,005</b>	11,817
Disbursement fees	-	-
Entertainment expenses	<b>5,004</b>	27,413
Uniforms	<b>267</b>	1,496
Donations	-	70
Courier fees	-	-
Fines and penalties	<b>1,552</b>	-
VAT Non-Recoverable	<b>49</b>	-
	<hr/>	<hr/>
to page 23	<b>395,369</b>	584,018
	<hr/>	<hr/>

**Income Statement - Schedule**

For the year ended 31 December 2024

	<b>2024</b>	<b>2023</b>
	€	€
<b>Other income</b>		
Discounts received	32	-
Other income	116	-
Realised Profit on Exchange	-	-
	<hr/>	<hr/>
to page 23	<b>148</b>	<b>7</b>
	<hr/>	<hr/>
<b>Other gains and losses</b>		
Impaired inter-company balances	<b>170,848</b>	-
Other income	-	23,472
	<hr/>	<hr/>
- to page 23	<b>170,848</b>	<b>23,472</b>
	<hr/>	<hr/>
<b>Finance income</b>		
Bank interest	<b>34</b>	<b>16</b>
	<hr/>	<hr/>
- to page 23	<b>34</b>	<b>16</b>
	<hr/>	<hr/>
<b>Finance cost</b>		
Amortisation of Bond-Related expenses	-	289,691
Interest on bond and notes	<b>422,132</b>	384,827
Bank charges	<b>4,760</b>	9,171
	<hr/>	<hr/>
- to page 23	<b>426,892</b>	<b>683,689</b>
	<hr/>	<hr/>