

Registered number: 11971308

YOMALI HOLDINGS LIMITED

**REPORT AND CONSOLIDATED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020



YOMALI HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Sara Hamou (appointed 24 November 2020) Amir Idan (appointed 30 April 2019) Andrew Thornber (appointed 30 April 2020)
Company secretary	Oakwood Corporate Secretary Limited
Registered number	11971308
Registered office	483 Green Lanes London N13 4BS England
Auditors	Mazars Chartered Accountants & Registered Auditors Harcourt Centre Block 3 Harcourt Road Dublin 2
Bankers	EFG Bank AG Bleicherweg 8 P.O. Box 6012 CH-8022 Zurich

YOMALI HOLDINGS LIMITED

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YOMALI HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Introduction

The directors present their strategic review of Yomali Holdings Limited and its subsidiary undertakings ("the Group") for the year ended 31 December 2020.

During the year the company acquired certain businesses and integrated them into their subsidiary company Yomali Labs Limited, established for this purpose. These businesses are focused on supporting internet merchandisers in the marketing and selling of their products.

The principal activity of the group and company is the provision of online selling and distribution services, service outsourcing and other computer service activities, and the investment in technology businesses and the development of technology businesses particularly, but not exclusively, directed at the internet merchandising sector.

The group continues to look for opportunities to invest in businesses, based on technology, that shift existing trading paradigms.

Business review

The business is dedicated to acquiring new technology opportunities to take advantage of new technologies as a way of shifting the paradigm in the sector in which they operate, bringing its own experience to enhance the offerings.

During the year, the company focused on developing and improving the service and profitability of the trades it had acquired through its subsidiary in Ireland. The Irish subsidiary was established to take advantage of the significant resource pool available of software engineers in Ireland. Although the development of this team has been hampered by the recent Covid-19 pandemic, it remains the Group's intention to leverage this resource in Ireland, and to build out its management team for the subsidiary within the Republic of Ireland. The Company will continue to be the base for strategic control, and, unless acquisitions have been performed to deepen the base of the business streams currently performed by the subsidiary, the businesses will continue to be brought into direct ownership by the Holding company.

The turnover for the Group was derived entirely from the operations of the business in Ireland, which provides services worldwide, and amounted to \$31,443,804. This was ahead of expectations and was the result of a number of new strategic initiatives which broadened the group's service offerings through the trades acquired, and also repositioned some of the services in our customers value chain. The operating profit of \$5,131,489 and the profit before tax of \$5,074,971 were also both in excess of expectations at the start of the year.

The company and the group have a very positive balance sheet, with its primary funding being through a shareholder loan, and has used invested its surplus funds generated from to invest in short term bonds and equities which ensures that returns are made on its capital whilst it continues to review further investment opportunities.

Key Financial Performance Indicators

The directors consider that the performance of the Group is managed by the performance of its underlying investments. As such currently the performance is best managed by reference to the financial performance of its key subsidiary and its liquidity. In looking at the key performance indicators the turnover, and the operating profit and the profit before tax best assist in managing the performance of the Group.

YOMALI HOLDINGS LIMITED

The principal risks are set out below:

Operating risk

The directors of the company are aware of their statutory obligations in relation to providing a fair review of the company's development and performance. The directors are satisfied that the company faces no uncertainties or risks in the foreseeable future other than the normal risk and uncertainties in the day to day operation of the company.

Currency risk

The group's operating currency US\$, however, there are significant number of transactions translated with customers and suppliers who pay/invoice in Euro.

Economic risk

In the first half of 2020, the outbreak of Covid-19 spread throughout Asia, Europe and Worldwide. The initial impact of this has been severe and has resulted in a significant worldwide slowdown in economic activity. In Ireland, the economic impact of this pandemic has been characterised by the temporary closure of many businesses in "non-essential" areas to ensure that people's movements are restricted in order to slow down the spread of the virus. The effect of Covid-19 presents many risks for the company, the effects of which cannot be fully quantified at the time of approving the financial statements. As a result, the directors consider the implications of the Covid-19 pandemic to be a significant uncertainty at the time of approving the financial statements.

This has not had a consequent fall-out of the group's activities in 2020

Financial risk management objectives and policies

Although the Group uses financial instruments comprising cash, other liquid resources, including trade debtors, trade creditors, shareholder loans and short-term investments, they are not a major risk in isolation due to the strength of the Group's balance sheet. The directors review and agree policies for managing these risks and they are summarized below. These policies have remained unchanged since the end of the year under review.

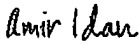
Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and that cash assets are invested safely and profitably.

Credit risk

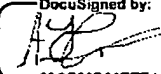
In order to limit risk, the directors set limits for individual customers based on a combination of payment history and the nature of the cash cycle of the products concerned. Debtor balances are reviewed on a regular basis in conjunction with debt ageing and collection history.

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

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Director

Date: 10 September 2021

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Director

YOMALI HOLDINGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report and the consolidated financial statements for the year ended 31 December 2020.

Results and dividends

The profit for the year, after taxation, amounted to \$4,352,682 (2019 -loss \$305).

At the end of the financial period, the group has assets of \$10,187,182 (2019: \$901,283) and liabilities of \$5,834,804 (2019: \$901,587), and the net assets of the company amounted to \$4,352,378 as of 31 December 2020 (2019: net liability of \$304).

No dividend was paid to shareholders during the year. The directors do not propose a final dividend.

Directors

Sara Hamou (appointed 24 November 2020)

Amir Idan (appointed 30 April 2019)

Andrew Thornber (appointed 30 April 2020)

Going concern

The Directors have prepared budgets and cash flows for a period of at least twelve months from the date of approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

Future developments

The Directors are not aware of future developments which would significantly impact this company's business going forward.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

Since 31 December 2020, the spread of COVID-19 has continued to severely impact many local economies around the globe. Measures taken to contain the spread of the virus, including travel restrictions, quarantines, social distancing, and closures of non-essential services have triggered disruptions to businesses world-wide, resulting in an economic slowdown. Management have carried out an assessment of the anticipated impact on the company for 2021 and 2022. Due to the nature of the company's operations, it is not anticipated that there will be any significant impact on the business, which continues to grow and expand post year end. The Board of Directors continues to closely monitor the situation and will take necessary steps to address risks associated with the pandemic as they evolve. The board believes that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board continues to adopt the 'going concern' basis in preparing the financial statements.

There have been no other events affecting the company and group since the financial year end.


YOMALI HOLDINGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

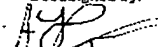
Auditors

The auditors, Mazars, Chartered Accountants & Statutory Firm, who were appointed first auditors, express their willingness to continue in office in accordance with section 485(2) of the Companies Act 2006.

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

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Director

Date: 10 September 2021

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Director

YOMALI HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

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

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law the directors have elected to prepare the group and parent company financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council ("relevant financial reporting framework"). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that year.

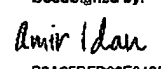
In preparing these financial statements, the directors are required to:

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

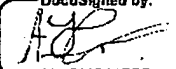
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group, and to enable them to ensure that the consolidated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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Strategic and Directors' Reports may differ from legislation in other jurisdictions.

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

DocuSigned by:

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Director

Date: 10 September 2021

DocuSigned by:

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Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YOMALI HOLDINGS LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Yomali Holdings Limited (the "parent company") and its subsidiary ('the group') for the year ended 31 December 2020, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YOMALI HOLDINGS LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YOMALI HOLDINGS LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the group and the parent company, and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YOMALI HOLDINGS LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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



Emer O'Riordan (Senior Statutory Auditor)

for and on behalf of

Mazars

Chartered Accountants & Statutory Audit Firm

Harcourt Centre

Block 3

Harcourt Road

Dublin 2

14 September 2021

<p align="center">YOMALI HOLDINGS LIMITED</p>
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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$	2019 Unaudited \$
Turnover	4	31,443,804	-
Cost of sales		(24,149,635)	-
Gross profit		7,294,169	-
Administrative expenses		(2,828,126)	(305)
Other Income		665,446	-
Operating profit/(loss)		5,131,489	(305)
Interest receivable and similar income		20,471	-
Interest payable and expenses		(76,989)	-
Profit/(loss) before tax		5,074,971	(305)
Tax on profit/(loss)	8	(722,289)	-
Profit/(loss) for the financial year		4,352,682	(305)
		=====	=====

There was no other comprehensive income for 2020 (2019:\$NIL).

The notes on pages 16 to 27 form part of these financial statements.

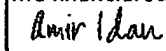
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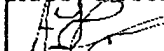
REGISTERED NUMBER: 11971308

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 \$	2019 Unaudited \$
Fixed assets			
Intangible assets	9	-	395,000
Investments	10	3,036,569	-
		<u>3,036,569</u>	<u>395,000</u>
Current assets			
Debtors	11	4,908,707	102,481
Cash at bank and in hand	12	2,241,906	403,802
		<u>7,150,613</u>	<u>506,283</u>
Creditors: amounts falling due within one year	13	(5,834,804)	(506,587)
Net current assets/(liabilities)		<u>1,315,809</u>	<u>(304)</u>
Total assets less current liabilities		<u>4,352,378</u>	<u>394,696</u>
Creditors: amounts falling due after more than one year	14	-	(395,000)
Net assets/(liabilities)		<u>4,352,378</u>	<u>(304)</u>
		=====	=====
Capital and reserves			
Called up share capital	15	1	1
Profit and loss account	16	4,352,377	(305)
		<u>4,352,378</u>	<u>(304)</u>
		=====	=====

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


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 Director


 BOA15BFG99F0426.....
 Director

Date: 10 September 2021

The notes on pages 16 to 27 form part of these financial statements.

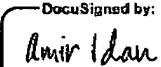
YOMALI HOLDINGS LIMITED

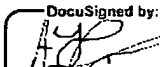
REGISTERED NUMBER: 11971308

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 \$	2019 Unaudited \$
Fixed assets			
Intangible assets	9	-	395,000
Investments	10	3,036,679	-
		<u>3,036,679</u>	<u>395,000</u>
Current assets			
Debtors: amounts falling due within one year	11	24,449	102,481
Cash at bank and in hand	12	1,102,009	403,802
		<u>1,126,458</u>	<u>506,283</u>
Creditors: amounts falling due within one year	13	(2,109,338)	(506,587)
Net current liabilities		<u>(982,880)</u>	<u>(304)</u>
Total assets less current liabilities		<u>2,053,799</u>	<u>394,696</u>
Creditors: amounts falling due after more than one year	14	-	(395,000)
Net assets/(liabilities)		<u><u>2,053,799</u></u>	<u><u>(304)</u></u>
Capital and reserves			
Called up share capital	15	1	1
Profit and loss account	16	2,053,798	(305)
		<u>2,053,799</u>	<u>(304)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

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 Director

DocuSigned by:

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 Director

Date: 10 September 2021

The notes on pages 16 to 27 form part of these financial statements.

YOMALI HOLDINGS LIMITED**REGISTERED NUMBER: 11971308****CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Year ended 31 December 2020 \$	Period 30 April 2019 to 31 December 2019 Unaudited 2019 \$
Cash flows from operating activities		
Profit/(loss) for the financial period	4,352,682	(305)
Adjustments for:		
Amortisation of intangible assets	447,486	-
Taxation charge	722,289	-
(Increase) in debtors	(2,477,764)	(102,480)
(Increase) in amounts owed by related parties	(2,328,462)	-
Increase in creditors	3,005,911	506,587
Increase in amounts owed to related parties	1,829,033	395,000
Interest expense	76,989	-
Corporation tax (paid)/received	(624,016)	-
Net cash generated from operating activities	5,004,148	798,802
Cash flows from investing activities		
Acquisition of investments	(3,036,569)	-
Acquisition of intangible assets	(52,486)	(395,000)
Net cash used in investing activities	(3,089,055)	(395,000)
Cash flows from financing activities		
Interest paid	(76,989)	-
Net cash used in financing activities	(76,989)	-
Net increase in cash and cash equivalents	1,838,104	403,802
Cash and cash equivalents at beginning of period	403,802	-
Cash and cash equivalents at end of period	2,241,906	403,802
	=====	=====

YOMALI HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Profit and loss account	Total equity
	\$	\$	\$
At 30 April 2019 - Unaudited	-	-	-
Loss for the period	-	(305)	(305)
Shares issued during the year	<u>1</u>	<u>-</u>	<u>1</u>
At 31 December 2019 – Unaudited	1	(305)	(304)
Profit for the year	-	4,352,682	4,352,682
At 31 December 2020	<u>1</u>	<u>4,352,377</u>	<u>4,352,378</u>

The notes on pages 16 to 27 form part of these financial statements.

YOMALI HOLDINGS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Profit and loss account	Total equity
	\$	\$	\$
At 30 April 2019 – Unaudited	-	-	-
Loss for the year	-	(305)	(305)
Shares issued during the year	<u>1</u>	<u>-</u>	<u>1</u>
At 31 December 2019 – Unaudited	1	(305)	(304)
Profit for the year	-	2,054,103	2,054,103
At 31 December 2020	<u>1</u>	<u>2,053,798</u>	<u>2,053,799</u>
	=====	=====	=====

The notes on pages 16 to 27 form part of these financial statements.

YOMALI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Yomali Holdings Limited is a limited liability company and its principal activity is investment in technology businesses and the development of technology businesses particularly, but not exclusively, directed at the internet merchandising sector.

The principal activity of the group and company is the provision of online selling and distribution services, service outsourcing and other computer service activities, and the investment in technology businesses and the development of technology businesses particularly, but not exclusively, directed at the interest merchandising sector. The company was incorporated on 30 April 2019 in the UK.

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgments and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Going Concern

The group made a profit of \$4,352,682 for the 2020 year, has current assets of \$7,150,613 and overall net assets of \$4,352,378 at the year end.

During 2020, the impact of the Covid-19 pandemic has seen a worldwide slowdown in economic activity and the loss of jobs across many businesses. In Ireland and the United Kingdom, restrictions placed on non-essential businesses has resulted in many businesses temporarily closing in measures designed to restrict the movement of people and to slow down the spread of the virus.

The Group has continued to trade during this period and has not had a significant fall-out in its trading activities as a result of the virus.

The directors have prepared budgets and cash flows for a period of at least twelve months from the date of approval of the financial statements which demonstrate that there is no material uncertainty regarding the group's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

The financial statements have been prepared on a going concern basis.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

YOMALI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiary.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the Group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity it accounts for that entity as a subsidiary.

Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements. Any subsidiary undertakings sold or acquired during the year are included up to, or from, the dates of change of control or change of significant influence respectively.

Where control of a subsidiary is lost, the gain or loss is recognised in the Consolidated Statement of Comprehensive Income. The cumulative amounts of any exchange differences on translation, recognised in equity, are not included in the gain or loss on disposal and are transferred to retained earnings. The gain or loss also includes amounts included in other comprehensive income that are required to be reclassified to profit or loss but excludes those amounts that are not required to be reclassified.

Where control of a subsidiary is achieved in stages, the initial acquisition that gave the Group control is accounted for as a business combination. Thereafter where the Group increases its controlling interest in the subsidiary the transaction is treated as a transaction between equity holders. Any difference between the fair value of the consideration paid and the carrying amount of the non-controlling interest acquired is recognised directly in equity. No changes are made to the carrying value of assets, liabilities or provisions for contingent liabilities.

Intra-group assets and liabilities, equity, income, expenses and cash flows relating to intragroup transactions are eliminated on consolidation.

2.3 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

YOMALI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Software development	12 months
Brands	12 months

2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.7 Development costs

There were \$Nil development costs capitalised during 2020.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivables are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

YOMALI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset, and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

YOMALI HOLDINGS LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.13 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Pension

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Interest income

Interest income is recognised in profit or loss using the effective interest method

2.16 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.17 Research and development

In the research phase of an internal project, it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years. If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

YOMALI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**2.18 Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions.

The Company has taken advantage of the following exemptions:

- i. from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Consolidated Statement of Cash Flows, included in these financial statements, includes the Company's cash flows;
- ii. from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraph 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures; and
- iii. from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and the notes to the financial statements. These include

Useful economic lives

The estimated useful economic lives reflect management's economic estimate of the period that the group intends to derive future economic benefits from the use of the company's tangible and intangible assets.

Impairment of trade debtors

The group trades with a number of customers on credit terms. While credit limits are set on an individual basis there is an uncertainty over some debts being paid. The company uses estimated based historical experience and current information in determining the level of debts for which an impairment charge is required. The level of impairment required is reviewed on a regular basis.

Taxation

Accruals for corporation tax contingencies require the Directors to make judgments and estimates as to the level of corporation tax that will be payable based upon the interpretation of applicable tax legislation and an assessment of the likely outcome of any open tax computations.

4. Turnover

Geographical split:

	2020	2019
	\$	Unaudited \$
Europe	669,997	-
Rest of the world	30,773,807	-
	<u>31,443,804</u>	<u>-</u>
	=====	=====

By category:

	2020	2019
	\$	Unaudited \$
Rendering of services	31,443,804	-
	<u>31,443,804</u>	<u>-</u>
	=====	=====

YOMALI HOLDINGS LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Profit on ordinary activities before taxation

	2020	2019
	\$	Unaudited \$
The profit on ordinary activities before taxation is stated after:		
Foreign exchange losses	52,605	-
Research and development costs	458,264	-
	=====	=====

6. Auditors' remuneration

	2020	2019
	\$	Unaudited \$
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	39,000	-
	=====	=====

7. Directors and employees

	2020	2019
	\$	Unaudited \$
Staff costs during the year:		
Wages and salaries	302,669	-
Social security costs	34,038	-
Cost of defined contribution scheme	8,670	-
	345,377	s-
	=====	=====

Average employees in the Group during the year:

	2020	2019
	No.	Unaudited No.
Administration	3	-
	=====	=====

Remuneration in respect of directors:

	2020	2019
	\$	Unaudited \$
Emoluments	225,288	-
Cost of defined contribution scheme	4,830	-
	230,118	-
	=====	=====

YOMALI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8. Tax on profit on ordinary activities

	2020	2019
	\$	Unaudited \$
The tax charge is based on the profit for the year and represents:		
UK corporation tax	101,614	-
Overseas taxation	620,675	-
Tax on results on ordinary activities	722,289	-
	=====	=====

The tax assessed for the period is lower than the standard rate of corporation tax in the United Kingdom at 19%.
The differences are explained as follows:

Profit/ (loss) on ordinary activities before tax	5,074,971	(305)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	964,244	(57)
	(252,868)	-
Difference in tax rate for foreign subsidiaries		
Other adjustments	10,913	57
Tax on results on ordinary activities	722,289	-
	=====	=====

YOMALI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9. Intangible assets

	Intangible assets
Cost	
At 1 January 2020	395,000
Additions	52,486
At 31 December 2020	<u>447,486</u>
Amortisation	
At 1 January 2020	-
Charge for the year on owned assets	447,486
At 31 December 2020	<u>447,486</u>
Net book value	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>395,000</u>

Between April 2019 and December 2019, Yomali Holdings Limited contracted with a third party to develop the software used by Yomali Labs Limited in its delivery of services. The cost of this software was \$395,000. As the software is constantly being updated and amended by the engineers in Yomali Labs Limited, the software is constantly being renewed and re-written and thus the original software acquired has a relatively short useful economic life and consequently is fully amortised during the year.

10. Financial asset investments

This account consists of	Group 2020 \$	Company 2020 \$	Group 2019 Unaudited \$	Company 2019 Unaudited \$
Investment in Subsidiary (Note 16)	-	110	-	-
Debt securities	1,694,777	1,694,777	-	-
Equity Securities				
- Quoted	1,141,792	1,141,792	-	-
- Unquoted	200,000	200,000	-	-
	<u>3,036,569</u>	<u>3,036,679</u>	<u>-</u>	<u>-</u>
	=====	=====	=====	=====

YOMALI HOLDINGS LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Debtors

	Group 2020	Company 2020	Group 2019 Unaudited	Company 2019 Unaudited
	\$	\$	\$	\$
Trade debtors	2,211,662	-	-	-
Amounts owed by related parties (Note 17a)	2,430,943	-	102,481	102,481
Other debtors	186,962	-	-	-
Prepayments and accrued income	36,990	-	-	-
VAT recoverable	42,150	24,449	-	-
	<u>4,908,707</u>	<u>24,449</u>	<u>102,481</u>	<u>102,481</u>

12. Cash and cash equivalents

	Group 2020	Company 2020	Group 2019 Unaudited	Company 2019 Unaudited
	\$	\$	\$	\$
Cash at bank and in hand	2,241,906	1,102,009	403,802	403,802

13. Creditors: Amounts falling due within one year

	Group 2020	Company 2020	Group 2019 Unaudited	Company 2019 Unaudited
	\$	\$	\$	\$
Bank loans	500,000	500,000	-	-
Shareholder loan	1,067,849	1,067,849	506,587	506,587
Trade creditors	1,802,053	437,320	-	-
Amounts owed to related parties (Note 17b)	2,224,033	-	-	-
Other creditors	14,905	2,555	-	-
Accruals and deferred income	26,077	-	-	-
Corporation Tax Due	199,887	101,614	-	-
	<u>5,834,804</u>	<u>2,109,338</u>	<u>506,587</u>	<u>506,587</u>

14. Creditors: Amounts falling due after more than one year

	Group 2020	Company 2020	Group 2019 Unaudited	Company 2019 Unaudited
	\$	\$	\$	\$
Due to related parties	-	-	395,000	395,000

YOMALI HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Share capital

	Company 2020 \$	Company 2019 \$
Allotted, called up and fully paid		
1 Ordinary Share of GBP £1	1	1
	=====	=====

16. Reserves

Profit and loss account

The profit and loss account represents cumulative gains and losses recognised in profit and loss account, net of transfers to/from other reserves or dividends paid.

17. Related party transactions

The company also had amounts owing to/(from) the following United States entities which are related by virtue of having a common shareholder.

a) Due from related parties

	Group 2020 \$	Company 2020 \$	Group 2019 Unaudited \$	Company 2019 Unaudited \$
Entity				
MaxWeb Inc	1,962,052	-	-	-
HelpGrid Inc	374,233	-	-	-
GetPayment Inc	6,500	-	-	-
ClickCRM Inc	88,158	-	-	-
Other	-	-	102,481	102,481
	<u>2,430,943</u>	<u>-</u>	<u>102,481</u>	<u>102,481</u>
	=====	=====	=====	=====

b) Due to related parties

	Group 2020	Company 2020	Group 2019 Unaudited \$	Company 2019 Unaudited \$
Entity				
MaxWeb Inc	1,769,377	-	-	-
HelpGrid Inc	24,821	-	-	-
GetPayment Inc	21,080	-	-	-
ClickCRM Inc	13,745	-	-	-
Yomali Malta	395,010	-	-	-
	<u>2,224,033</u>	<u>-</u>	<u>-</u>	<u>-</u>
	=====	=====	=====	=====

18. Ultimate Controlling party

The company's beneficial owner is Amir Idan, an Israeli national.

<p>YOMALI HOLDINGS LIMITED</p>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

19. Principal Subsidiaries

At 31 December 2020, the company held 100% of the allocated share capital of the following undertaking:

	Country of incorporation	Class of share capital held	Proportion held by parent	Nature of business
Yomali Labs Limited	Ireland	Ordinary	100%	Online selling and distribution services

20. Events subsequent to the year end

Since 31 December 2020, the spread of COVID-19 has continued to severely impact many local economies around the globe. Measures taken to contain the spread of the virus, including travel restrictions, quarantines, social distancing, and closures of non-essential services have triggered disruptions to businesses world-wide, resulting in an economic slowdown. Management have carried out an assessment of the anticipated impact on the company for 2021 and 2022. Due to the nature of the company's operations, it is not anticipated that there will be any significant impact on the business, which continues to grow and expand post year end. The Board of Directors continues to closely monitor the situation and will take necessary steps to address risks associated with the pandemic as they evolve. The board believes that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board continues to adopt the 'going concern' basis in preparing the financial statements.

There have been no other events affecting the company and group since the financial year end.

21. Approval of financial statements

The board of directors approved these financial statements for issue on 10 September 2021.