



**Financial Statements 2021  
(Swiss GAAP)**

of

**WORLD MARKETS AG**

Hünenberg

(CHE-110.096.812)

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## Directors, Officers, advisers and company information

### Directors

Andreas R Bihrer, Herrliberg, Switzerland.  
Rolf H. K ng, Zurich, Switzerland  
Salvatore Toscano, Zurich, Switzerland

Chairman  
Director  
Director

### Registered office

Rothusstrasse 21  
6331 H nenberg  
Switzerland

### Company number

CHE-110.096.812

### Investor Relations

Aria Services AG  
Spyristrasse 11  
8044 Zurich  
Switzerland

### Bankiers

Banque CIC (Suisse)  
EFG Bank AG

## Balance Sheet

(in CHF)

ASSETS	Note	31.12.2021	31.12.2020
<b>Current Assets</b>			
Cash and cash equivalents		2,004,893	2,146
Short-term receivables	2.1	16,066,060	1,700,248
Current financial assets - bonds	2.2	-	36,306,000
Prepaid expenses and accrued income	2.3	2,182,221	361,039
<b>Non-current Assets</b>			
Financial assets - Investments	2.4	1,186,139	21,635,937
Participations	2.5	43,045	43,045
<b>TOTAL ASSETS</b>		<b>21,482,358</b>	<b>60,048,415</b>
<b>LIABILITIES and SHAREHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
<i>current liabilities</i>			
Trade creditors		14,808	101,704
Short-term interest-bearing liabilities	2.6	11,946,121	10,279,807
Other current liabilities	2.7	3,200,648	45,998,287
Short positions of financial assets - Bonds	2.2	380,000	-
Short-term provisions, accrued expenses	2.8	768,380	523,452
<i>non-current liabilities</i>			
Long-term interest-bearing liabilities	2.9	-	-
<b>Shareholders' equity</b>			
Share capital	2.10	6,526,934	6,526,934
Legal reserves from capital contributions	3.5	45,371,947	42,523,305
Other legal capital reserves		-	2,848,642
General legal retained earnings		414,826	414,826
Loss(-) carried forward	2.10	-49,168,542	-46,092,880
Net profit/(-)loss		2,027,235	-3,075,662
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>21,482,358</b>	<b>60,048,415</b>

## Income Statement

(in CHF)

	Note	01.01.2021- 31.12.2021	01.01.2020- 31.12.2020
<b>Revenue</b>			
Revenue from services		-	-
<b>Operating and Administrative expenses</b>			
Consulting and controlling		-245,487	-172,436
Other operating expenses		-78,173	-85,643
Translation differences		-4,162,172	113,171
<b>EBITDA</b>		<b>-4,485,832</b>	<b>-144,908</b>
Valuation of financial assets	2.11	1,243,255	-2,884,346
<b>EBIT</b>		<b>-3,242,577</b>	<b>-3,029,255</b>
Interest expenses		-1,279,021	-740,450
Interest income		523,750	1,293,577
Extraordinary income	2.12	6,096,605	404,540
Extraordinary expense	2.12	-66,500	-1,000,000
<b>Earnings before taxes</b>		<b>2,032,257</b>	<b>-3,071,588</b>
Taxes		-5,021	-4,074
<b>NET PROFIT / (-) LOSS</b>		<b>2,027,235</b>	<b>-3,075,662</b>

## Notes to the Financial Statements

### 1. Reporting entity and basis of preparation

World Markets AG (the "Company") is a company domiciled in Switzerland. The Company exists pursuant to art. 620 et seq. of the Swiss Code of Obligations ("Swiss CO") and has its registered office in Hünenberg, Switzerland.

#### (a) Statement of compliance

These financial statements have been prepared in accordance with the accounting standards of the Swiss Code of Obligations (Art. 957ff.) and were approved by the Board of Directors and authorised for issue.

#### (b) Basis of measurement

These financial statements have been prepared according to the principles of the Swiss Law on accounting and financial reporting. The significant accounting and valuation principles applied are described below:

**Current asset:** Current assets are stated at cost value less necessary value adjustments.

**Non-current assets:** Investments in equity rights with voting rights up to 20% are presented as "Financial assets – Investments". Investments in equity rights exceeding 20% are presented as "Participations". Non-current assets are stated at cost less necessary value adjustments.

**Current & non-current liabilities:** Current and non-current liabilities are stated at face value.

**Foreign currency translation:** All positions denominated in foreign currencies in the balance sheet were translated to CHF using the rates below. The impact on this translation is presented in position "Translation Differences" in the profit and loss statement.

	31.12.2021	31.12.2020
EUR-CHF	1.0367	1.0809
GBP-CHF	1.2338	1.0935
USD-CHF	0.9122	0.8848

#### (c) Functional and presentation currency

These financial statements are presented in Swiss Francs ("CHF"), which is the Company's functional currency.

#### (d) Use of estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the notes where applicable.

### 2. Details to the financial statements

#### 2.1 Short-term receivables

	31.12.2021	31.12.2020
<b>Short-term receivables</b>	<b>16,066,060</b>	<b>1,700,248</b>
Receivables from input tax paid	203,795	193,248
Loans and advances made	45,805	1,507,000
Current accounts with related companies	15,816,460	-

## 2.2 Current financial assets – bonds

	31.12.2021	31.12.2020
<b>Current financial assets - bonds</b>	-	<b>36,306,000</b>
Bonds held	-	36,306,000

As per 31 December 2020, the Company held bonds, valued at nominal value. Accrued interest until 31 December 2020 is included in prepaid expenses and accrued income.

The position was sold in 2021.

## 2.3 Prepaid expenses and accrued income

	31.12.2021	31.12.2020
<b>Prepaid expenses and accrued income</b>	<b>2,182,221</b>	<b>361,039</b>
Accrued interest	875,812	356,559
Other prepaid expenses and accrued income	1,306,409	4,480

## 2.4 Financial assets – Investments (voting rights <= 20%)

	31.12.2021	31.12.2020
<b>Financial assets - Investments</b>	<b>1,186,139</b>	<b>21,635,937</b>
Shares SynDermix AG, Stans, Switzerland	-	922,500
Shares ESGTI AG, Hünenberg, Switzerland	1,186,139	11,520,022
Fund investment ESG Real Assets Fund, George Town, Cayman Islands	-	9,193,415

SynDermix AG, Stans, Switzerland. Registered share capital as per 31 December 2020: CHF 199,264. The Company held about 1.3% in SynDermix AG. The shares are valued at cost less necessary value adjustments

ESGTI AG, Hünenberg, Switzerland. Registered share capital as per 31 December 2021: CHF 40,537,175. At 31 December 2021, the Company holds about 0.86% in ESGTI AG. The shares are valued at cost less necessary value adjustments.

ESG Real Asset Fund, George Town, Cayman Islands. The Company held non-voting shares in ESG Real asset Fund. The shares are valued at cost less necessary value adjustments.

## 2.5 Participations (voting rights 20% - 100%)

	31.12.2021	31.12.2020
<b>Participations</b>	<b>43,045</b>	<b>43,045</b>
ESG Eko Agro Group Italia srl, Italy	10,676	10,676
World Markets Italia srl, Italy	32,369	32,369

ESG Eko Agro Group srl, Bologna, Italy. Registered share capital as per 31 December 2021: EUR 90,000. The Company holds 33.3% in ESG Eko Agro Group srl. The shares are valued at cost less necessary value adjustments.

World Markets Italia srl, Bologna, Italy. Registered share capital as per 31 December 2021: EUR 10,000. The Company holds 100% in World Markets Italia srl. The shares are valued at cost less necessary value adjustments.

## 2.6 Short-term interest-bearing liabilities

	31.12.2021	31.12.2020
<b>Short-term interest-bearing liabilities</b>	<b>-11,946,121</b>	<b>-10,279,807</b>
Bank overdrafts	-7,572	-13,644
ESG Eko Agro Group Italia srl	-10,367	-10,809
Related companies	-2,000,000	-3,140,108
Other third parties	-9,928,182	-7,115,246

## 2.7 Other current liabilities

	31.12.2021	31.12.2020
<b>Other current liabilities</b>	<b>-3,200,648</b>	<b>-45,998,287</b>
Liabilities, to be settled with bonds	-	-38,526,000
Related parties	-1,968,020	-6,270,391
Other third parties	-1,232,628	-1,201,897

The Company agreed to settle liabilities with bonds it owned as per 31 December 2020.

## 2.8 Short-term provisions, accrued expenses

	31.12.2021	31.12.2020
<b>Short-term provisions, accrued expenses</b>	<b>-768,380</b>	<b>-523,452</b>
Accrued interest on short bonds	-	-376,288
Other short-term provision / accrued expenses	-768,380	-147,164

## 2.9 Share capital and (-)loss carried forward

As per EGM 4 December 2020, the Company reduced the share capital from CHF 6,562,934 in the amount of CHF 5,303,134 to CHF 1,223,800 by reducing the nominal value of the shares from CHF 1.60 to CHF 0.30. The released share capital was not distributed to the shareholders of the Company but only used to reduce the losses carried forward from CHF 53,332,148 in the amount of CHF 5,303,134 to CHF 46,092,880.

As per 4 December 2020, the Board of Directors increased the new share capital amounting from CHF 1,223,800 through the issuance of 17,677,114 shares with a nominal value of CHF 0.30 to CHF 6,562,934 through a conversion of debt to CHF 6,562,934.

## 2.10 Extraordinary income and expense

Extraordinary income in financial year 2021:



- Prior periods related adjustments: CHF 296,604.77;
- Shareholders' a-fonds-perdu contributions.

Extraordinary expenses in financial year 2021:

- Prior periods related expense.

Extraordinary income in financial year 2020:

- The Company was subject to an audit of the tax authorities, related to financial year 2011 to 2013. The tax authorities issued their conclusion on 27 July 2020 with regard to this and the Company was credited an amount of about kCHF 400. The position is presented within extraordinary income and expense as it is related to a prior period.

Extraordinary expenses in financial year 2020:

- The company agreed on a loan agreement with – beside the interest – additional financing expense of kCHF 1,000. These additional financing expenses of kCHF 1,000 is presented as extraordinary expense due to the nature of this expense and its materiality.

### **3. Further disclosures according to Art. 959c Swiss CO**

#### **3.1 Ongoing audit of the tax authorities**

In financial year 2020, the Company received a credit note of about kCHF 400 regarding VAT paid in financial years 2011 to 2013. This is presented within extraordinary income, see note 2.12.

In financial year 2020, the Company was also subject to a subsequent tax audit from the tax authorities related to financial years 2014 to 2018. Related to this period, the Company received an enactment and a related invoice amounting to about kCHF 250. The Company disagrees with the assessment of the tax authorities and raised objection to the related invoice. The tax authorities confirmed receipt of this objection, the case is unresolved as per 31 December 2020 and per issuance date of these financial statements. No provision was accounted for this position as per 31 December 2020.

In 2021, the case was closed in favour of the Company.

#### **3.2 Average full-time employees**

The company did not have any employees in the reporting period (prior year: no employees).

#### **3.3 Disclosure about consolidated financial statements for financial year 2021**

According to regulations outlined in Art. 963 Swiss CO, consolidated financial statements need to be prepared where a legal entity that is required to file financial reports controls one or more entities that are required to file financial reports. Exceptions are outlined in Art. 963a Swiss CO.

World Markets AG is required to file financial reports and controls World Markets Italy srl, a company required to file financial reports. As consolidated accounts in financial year 2021 would not exceed two of the three thresholds as stated in Art. 963a Swiss CO for financial year 2021 and furthermore Management does not expect that these thresholds will be exceeded within the near future, no consolidated financial statements were prepared.

In addition, Management assessed that consolidated financial statements are currently not necessary to evaluate the economic situation and economic performance of World Markets AG and its subsidiary, neither as single entities nor as a group.

### **3.4 Fiduciary asset**

The Company holds 38,660 own shares (prior year: 38,660 own shares) as fiduciary asset for a third party.

### **3.5 Legal reserves from capital contributions**

The Company states legal reserves from capital contributions of CHF 42,523,305 as per 31 December 2020. The full amount are capital contributions according to Art 5 (1 bis) VStG, as understood by management (prior year: CHF 42,523,305, full amount are capital contributions according to Art 5 (1 bis) VStG).

Until 31 December 2021, the federal tax authorities of Switzerland confirmed capital contributions according to Art 5 (1 bis) VStG of CHF 1,578,131. The tax authorities did neither confirm nor deny the difference between the stated amount and the confirmed amount as per 31 December 2021.

### **3.6 Loss of 50% of share capital / Statement regarding going concern**

Management will inform the shareholders at the next AGM about the loss of more than 50% of its capital and fulfil the legal requirements acc. to art. 725.1 Swiss CO.

Management does not expect that this loss of more than 50% of its capital hinders the Company to continue as a going concern for the next 12 months.

As per 31 December 2021, the Company holds only an insignificant amount of cash and cash equivalents. In its short-term planning for the next 12 months, the Company does not expect to receive any material cash and cash equivalents beside the cash to be received by the tax authorities (see note 3.1). However, Management is confident that existing financial agreements with several counterparties are sufficient to be able to receive cash and cash equivalents to settle the ongoing operating expenses of the Company. In addition, Management is confident that cash and cash equivalents needed to purchase the Additional Bonds (see note 2.7) can be received as loans by existing financing parties of the Company.

## **4. Subsequent events**

Since the balance sheet date of 31 December 2021 there have been no material events that could impair the integrity of the information presented in these financial statements.