



**Financial Statements 2019
(Swiss GAAP)**

of

WORLD MARKETS AG

Hünenberg

(CHE-110.096.812)

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Directors, Officers, advisers and company information

Directors

Dr. David Haas, Dubai, U.A.E.
Rolf H. K ng, Zurich, Switzerland
Adrian Morger, Maienfeld, Switzerland
Dr. Salvatore Toscano, Rome, Italy

Chairman
Director
Director
Director

Registered office

c/o QINO TRUST AG
Rothusstrasse 21
CH-6331 Hunenberg

Company number

CHE-110.096.812

Investor Relations

Aria Services AG
Voltastrasse 61
CH-8044 Zurich

Bankiers

Banque CIC (Suisse)
CH-8021 Zurich

Paying agent

ISP Securitites AG
Bellerivestrasse 45
CH-8008 Zurich

**Report of the independent Auditors
on the review in accordance with Swiss Auditing Standard 910
to the Board of Directors of
WORLD MARKETS AG, HÜNENBERG**

In accordance with your instructions, we have reviewed the financial statements (balance sheet, income statement and notes) of World Markets AG, Hünenberg, for the year ended 31 December 2019. The prior-year figures have not been reviewed.

These financial statements are the responsibility of the board of directors. Our responsibility is to issue a report on these financial statements based on our review.

Our review was conducted in accordance with the Swiss Auditing Standard 910. This standard requires that we plan and perform a review to obtain moderate assurance about whether the financial statements are free from material misstatement. A review is limited primarily to inquiries of personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the company's articles of incorporation.

We draw attention to the fact, that half of the share capital and legal reserves is no longer covered (art. 725 para. 1 CO).

Zug, 26 June 2020

ACTON REVISIONS AG



Bruno Aeschlimann
Audit Expert
Auditor in Charge



Andrea Simon-Gisler
Audit Expert

Enclosures:

- Financial statements (balance sheet, income statement and notes)

Balance Sheet

(in CHF)

ASSETS	Note	31.12.2019	31.12.2018
Current Assets		24,016,514	1,580,887
Cash and cash equivalents		-2,092	3,260
Trade receivables		-	250,000
Short-term receivables	2.1	23,718,106	41,976
Current financial assets	2.2	150,000	175,000
Prepaid expenses and accrued income	2.3	150,500	1,110,651
Non-current Assets		-	21,739,462
Financial assets	2.4	-	21,699,459
Investments	2.5	-	40,003
TOTAL ASSETS		24,016,514	23,320,349
<hr/>			
LIABILITIES and SHAREHOLDERS' EQUITY		31.12.2019	31.12.2018
Liabilities		23,098,821	24,338,790
<i>current liabilities</i>			
Trade creditors		42,728	706
Short-term interest-bearing liabilities	2.6	10,017,741	10,898,429
Other current liabilities	2.7	93,317	451,255
Short-term provisions, accrued expenses		474,112	326,644
<i>non-current liabilities</i>			
Long-term interest-bearing liabilities	2.6	12,470,924	12,661,756
Shareholders' equity		917,692	-1,018,441
Share capital		6,526,934	6,526,934
Legal reserves from capital contributions	2.8	42,523,305	42,523,305
Other legal capital reserves		2,848,642	2,848,642
General legal retained earnings		414,826	414,826
Loss(-) carried forward		-53,332,148	-51,512,377
Balance sheet profit		1,936,134	-1,819,771
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		24,016,514	23,320,349

Income Statement

(in CHF)

	Note	1.1.2019 - 31.12.2019	1.1.2018 - 31.12.2018
Revenue			
Revenue from services		-	6,348
Operating and Administrative expenses			
Consulting and controlling		-42,455	-752
Travel and transport		-22,834	-
Other operating expenses		-21,780	-19,480
Translation differences		135,689	106,120
EBIT		48,621	92,236
Interest expenses		-2,326,385	-2,202,006
Interest income		577,437	-
Extraordinary income	2.9	3,684,310	372,353
Extraordinary expense	2.9	-42,624	-82,354
Earnings before taxes		1,941,359	-1,819,771
Taxes		-5,226	-
NET PROFIT / (-) LOSS		1,936,134	-1,819,771

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. The Company is focused on the development, management and financing of projects based on undervalued natural resources. The Company targets renewable energy and sustainable forest management opportunities around the world.

(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:

i. Current & non-current assets

Current & non-current assets are stated at cost.

ii. Current & non-current liabilities

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

iii. 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.

	31.12.2019	31.12.2018
CHF-EUR	1.0852	1.1253
CHF-GBP	1.2829	1.2531
CHF-USD	0.9672	0.9810

iv. Overdrafts on banks

Due to materiality, overdrafts on bank accounts are presented within cash on the balance sheet. If material, the overdrafts are presented separately in the explanatory notes of the financial statements.

(c) Functional and presentation currency

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

(d) **Changes in presentation**

Prior year positions on the balance sheet and the income statement were regrouped to match the presentation as per 31 December 2019. Details are outlined in the details to the financial statements where considered necessary.

(e) **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.

(f) **Assessment of going concern**

While presenting a negative shareholders' equity at the year ended 31.12.2018, Management assessed the ability of the Company to continue as a going concern at the year ended 31.12.2019 and came to the conclusion that the going concern premise is applicable for the next financial year (1.1.2020 – 31.12.2020) as mainly (i) net shareholders' equity is positive as per year end 2019, and (ii) the Company is in discussion with ESGTI AG, a Swiss project management and development company, mainly to manage the trading of agricultural goods to generate sustainable revenue in the next year(s). Additional details regarding this outlook are disclosed in the management report for financial year 2019.

2. Details to the financial statements

2.1 Short-term receivables

	31.12.2019	31.12.2018
Short-term receivable	23,718,106	41,976
Loan granted	23,675,282	-
Receivable from VAT paid	42,824	41,976
Other receivables	-	82,354
Value adjustment on other receivables	-	-82,354

2.2 Current financial assets

Current financial assets comprise of shares held in SynDermix AG, a company domiciled in Stans, Switzerland. In accordance to information received as per 31.12.2018, SynDermix AG planned an IPO, the purchase price of the shares was increased from CHF 150,000 to CHF 175,000 as this was the communicated market value of the shares.

As the IPO did not take place in 2019, this value adjustment was reversed in 2019, the shares are stated at cost as per 31.12.2019.

2.3 Prepaid expenses & accrued income

	31.12.2019	31.12.2018
Prepaid expenses and accrued income	150,500	1,110,651
Capitalised Project development costs	-	1,000,000
Prepaid expenses	-	74,505
Prepayment to Member of the BoD	-	25,646
Other prepaid expenses and accrued income	10,500	10,500
Accrued income from shareholder	140,000	-

The majority of prepaid expenses from prior year was sold in 2019.

2.4 Financial assets

	31.12.2019	31.12.2018
Financial assets	-	21,699,459
Loan to F.I.T. Timber Limited	-	20,265,466
value adjustment on Loan F.I.T. Timber Ltd.	-	-10,170,579
Loan to F.I.T. Timber Participações S.A.	-	82,496
value adjustment on Loan F.I.T. Timber Participações S.	-	-7,670
Long term receivable from Sustainable Investments Ltd.	-	3,659,702
value adjustment on long-term receivable from Sustainable Investments Ltd.	-	-84,000
Investment in Eidon Ltd., Dubai, UAE a company duly organised under the laws of the UAE Participation and voting rights less than 20%	-	7,954,044

The financial assets from prior year were sold in 2019.

2.5 Investments

	31.12.2019	31.12.2018
Investments	-	40,003
Investment in Sustainable Investments Ltd. a company duly organised under the laws of St. Vincent and the Grenadines	-	1
Participation rights		100%
Voting rights		100%
Investment in F.I.T. Timber Limited a company duly organised under the laws of St. Vincent and the Grenadines	-	187,718 -187,717
Participation rights		100%
Voting rights		100%
Investment in F.I.T. Timber Growth Fund Value adjustment in F.I.T. Timber Growth Fund a Fund duly organised under the laws of St. Vincent & the Grenadines	-	6,181,129 -6,181,128
Participation rights		100%
Voting rights		100%
Investment in 4WM Engineering & Consulting AG, Zurich, Switzerland a company duly organised under the laws of Switzerland	-	40,000
Participation rights		40%
Voting rights		40%

The investments from prior year were sold in 2019.

2.6 Short-and long-term interest-bearing liabilities

It is disclosed that legally all loans are short-term liabilities according to contractual agreements.

Management presents the loans according to their economic significance. Liabilities are presented as short-term when those liabilities have either

- (i) a planned repayment date within 12 months after the end of the business year, or
- (ii) are based on a financing agreement that is considered to cover short-term financial needs only, or
- (iii) no mutual understanding between the Company and the creditor that the liability is not repaid within 12 month after the end of the business year.

Liabilities where above stated criteria are not applicable, and Management and creditor have a mutual understanding that the liability is not repaid within 12 months after the end of the business year are presented as long-term liabilities.

Loans denominated in other currencies than CHF were translated to CHF as per balance sheet date with the foreign-currency rates outlined above.

As per 31 December 2019, CHF 9,615,077 of the loans (2018: CHF 10,963,592) were loans from shareholders of the Company.

2.7 Other current liabilities

Other current liabilities in 2019 comprise of a liability to a Director of the Company.

2.8 Legal reserves from capital contributions

Legal reserves from capital contributions are capital contributions in accordance to Art 5 (1 bis) VStG ("Verrechnungssteuergesetz" - Swiss withholding tax law). As per 31 December 2019, the tax authorities did neither confirm nor deny this amount.

2.9 Extraordinary income and expense

Extraordinary income comprises of

- mCHF 3.4, related to the sale of assets
- mCHF 0.2, related to the release of accruals considered not to be necessary

Extraordinary expenses comprise of

- kCHF 25, related to the reversal of the valuation of current financial assets, see note 2.2
- kCHF 18, related to expenses of a prior period not sufficiently accrued.

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

3.1 Pledged assets

As at 31 December 2018, the Company had an outstanding loan of CHF 10 512 826 to a shareholder in relation to the purchase of Sustainable Investments Ltd. Two thirds of the shares of Sustainable Investments Ltd. have been pledged to the seller in relation to this loan.

As at 31 December 2019, the Company does not have any pledged assets.

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 2018

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.

As the consolidated accounts in financial year 2018 were expected not to exceed two of the three thresholds in two consecutive years as stated in Art. 963a Swiss CO, no consolidated financial statements were prepared.

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 Subsequent events

In 2020, the short-term receivable amounting to mCHF 23.7 as per 31 December 2019 was settled with the delivery of bonds.

There were no other subsequent events that are to be disclosed additionally.