

Bright Ilios RAIF V.C.I.C. Plc

Unaudited interim management accounts for the half-year
ended 30 June 2024

Bright Ilios RAIF V.C.I.C. Plc

Unaudited interim management accounts

30 June 2024

Contents

Page

Board of Directors, key service providers and other advisors	1
Unaudited interim statement of comprehensive income	2
Unaudited interim balance sheet	3
Unaudited interim statement of changes in net assets attributable to the holders of redeemable investment shares	4
Unaudited interim statement of cash flows	5
Notes to the unaudited interim management accounts	6 - 22

Bright Ilios RAIF V.C.I.C. Plc

Board of Directors, key service providers and other advisors

Board of Directors

Maroun El-Charabati (Non-Executive Director)
Georgios Hadjiyiannis (Non-Executive Director)

Company Secretary

Asmik Melian
7 Spetson, Flat 103
IZI Court, Latsia
CY-2220, Nicosia
Cyprus

Independent Auditors

Deloitte Ltd
24 Spyrou Kyprianou Avenue
CY-1075, Nicosia
Cyprus

Fund Administrator

PricewaterhouseCoopers Fund Services Limited
43 Demostheni Severi Avenue
PwC Central, 1st floor
CY-1080, Nicosia
Cyprus

External Manager

Wealth Fund Services Limited
Flat 305, 12-14 Kennedy
CY-1087, Nicosia
Cyprus

Depository

Eurobank Cyprus Limited
28 Spyrou Kyprianou Avenue
CY-1075, Nicosia
Cyprus

Legal Advisors

EY Law
Prountzos & Prountzos LLC
Galaxias Building
Block B, 6th floor, Office 602
CY-1061, Nicosia
Cyprus

Registered office

20C Giannou Kranidioti Avenue
CY-2220 Latsia, Nicosia
Cyprus

Bright Ilios RAIF V.C.I.C. Plc

Unaudited interim statement of comprehensive income for the half-year ended 30 June 2024

		Half-year ended 30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2024 (unaudited) Ilios I €	Half-year ended 30 June 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2023 (unaudited) Ilios I €
	Note				
Income					
Net changes in fair value of financial assets at fair value through profit or loss	9	47.909	47.909	-	-
Total net income		<u>47.909</u>	<u>47.909</u>	<u>-</u>	<u>-</u>
Expenses					
Administrative expenses	10	(37.902)	(37.902)	(13.717)	(13.717)
Total operating expenses		<u>(37.902)</u>	<u>(37.902)</u>	<u>(13.717)</u>	<u>(13.717)</u>
Profit/(loss) before tax		10.007	10.007	(13.717)	(13.717)
Income tax expense	11	-	-	-	-
Profit/(loss) and total comprehensive profit/(loss) for the period		<u>10.007</u>	<u>10.007</u>	<u>(13.717)</u>	<u>(13.717)</u>
Increase/(Decrease) in net assets attributable to holders of redeemable investment shares from operations		<u>10.007</u>	<u>10.007</u>	<u>(13.717)</u>	<u>(13.717)</u>

The notes on pages 6 to 22 form an integral part of these unaudited interim management accounts.


Bright Ilios RAIF V.C.I.C. Plc

Unaudited interim balance sheet at 30 June 2024

		30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	30 June 2024 (unaudited) Ilios I €	31 December 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	31 December 2023 (unaudited) Ilios I €
	Note				
Assets					
Current assets					
Financial assets at fair value through profit or loss	12	1.097.909	1.097.909	1.050.000	1.050.000
Cash and cash equivalents	14	-	-	708	708
Total current assets		1.097.909	1.097.909	1.050.708	1.050.708
Total assets		1.097.909	1.097.909	1.050.708	1.050.708
Liabilities					
Current liabilities					
Trade and other payables	15	114.222	114.222	77.028	77.028
Total current liabilities		114.222	114.222	77.028	77.028
Total liabilities		114.222	114.222	77.028	77.028
Net assets		983.687	983.687	973.680	973.680
Net assets attributable to holders of redeemable investment shares (at trading value)		983.687	983.687	973.680	973.680

As at 30 June 2024, Bright Ilios RAIF V.C.I.C. Plc (the "Fund") has issued 1.000 Management Shares of no nominal value at initial price of €1,00 each.

On 2024 the Board of Directors (the "BoD") of the Fund authorised these unaudited interim management accounts for issue.


.....
Maroun El-Charabati
Director


.....
Georgios Hadjiyiannis
Director

The notes on pages 6 to 22 form an integral part of these unaudited interim management accounts.

Bright Ilios RAIF V.C.I.C. Plc

Unaudited interim statement of changes in net assets attributable to the holders of redeemable investment shares for the half-year ended 30 June 2024

	Half-year ended 30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2024 (unaudited) Ilios I €	Half-year ended 30 June 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2023 (unaudited) Ilios I €
Net assets attributable to the holders of redeemable investment shares 1 January	973.680	973.680	1.020.178	1.020.178
Profit/(loss) and total comprehensive profit for the period	10.007	10.007	(13.717)	(13.717)
Net assets attributable to holders of redeemable investment shares as at 30 June (at trading value)	983.687	983.687	1.006.461	1.006.461

The notes on pages 6 to 22 form an integral part of these unaudited interim management accounts.

Bright Ilios RAIF V.C.I.C. Plc

Unaudited interim statement of cash flows for the half-year ended 30 June 2024

		Half-year ended 30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc	Half-year ended 30 June 2024 (unaudited) Ilios I €	Half-year ended 30 June 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc	Half-year ended 30 June 2023 (unaudited) Ilios I €
Cash flows from operating activities	Note				
Profit/(Loss) for the period		10.007	10.007	(13.717)	(13.717)
		10.007	10.007	(13.717)	(13.717)
Changes in working capital:					
Increase in financial assets at fair value through profit or loss		(47.909)	(47.909)	-	-
Increase in trade and other payables		37.194	37.194	13.417	13.417
Net cash used in operating activities		<u>(708)</u>	<u>(708)</u>	<u>(300)</u>	<u>(300)</u>
Net decrease in cash and cash equivalents		<u>(708)</u>	<u>(708)</u>	<u>(300)</u>	<u>(300)</u>
Cash and cash equivalents at beginning of the period		708	708	30.272	30.272
Cash and cash equivalents at end of the period		<u>-</u>	<u>-</u>	<u>29.972</u>	<u>29.972</u>

The notes on pages 6 to 22 form an integral part of these unaudited interim management accounts.

Bright Ilios RAIF V.C.I.C. Plc

Notes to the unaudited interim management accounts

1. General information

Country of incorporation

The Fund was incorporated and is domiciled in Cyprus as a public limited liability Company in accordance with the provisions of the Cyprus Companies Law, Cap. 113 with registration number HE 410169. Its registered office is at 20C Giannou Kranidioti Avenue, CY-2220 Latsia, Nicosia, Cyprus.

The Fund is a Registered Alternative Investment Fund (RAIF) and is registered with the Cyprus Securities and Exchange Commission (the "CySEC") in accordance with the provisions of the applicable legislation regulating Alternative Investment Funds in Cyprus (Law 124(I)/2018) with registration number RAIF42. The Fund is exclusively addressed to professional and/or well-informed investors.

Principal activities

The investment objective of the Investment Compartment is to manage funds raised from investors with the intention to generate capital growth over the medium to long term investment horizon, with the aim of surpassing short-term fluctuations in value by providing investors collectively access to investment opportunities that might otherwise not be accessible to them due to high entry barriers and complexity of structuring and economies of scale required.

The Fund is a variable capital investment company with segregated liability between its investment compartments and operates as an umbrella scheme with several investment compartments. Each investment compartment corresponds to a separate portfolio of the assets and liabilities of the Fund and may be distinguished by their specific investment policy or any other specific feature as set forth in the Fund's Prospectus and Articles of Association.

As at 30 June 2024, the External Manager established and operates one investment compartment under its umbrella as follows:

- Ilios I (hereafter, referred to as "Compartment"): The objective of the Investment Compartment is to provide its investors with consistent and above average risk-adjusted returns by acquiring high-quality cash flow generating businesses within the alternative energy sectors of the Eastern Mediterranean with a focus on the Republic of Cyprus and neighbouring countries with the potential for adding value through active management, thereby creating a stable income stream of high yielding current income combined with capital gains.

Operating environment of the Fund

The future effects of the COVID-19 pandemic and of the above measures on the global economy, and consequently on the future financial performance, cash flows and financial position of the Fund, are difficult to predict and management's current expectations and estimates could differ from actual results.

Despite the challenging operating environment and market conditions caused by the COVID-19 pandemic, 2024 has been a year of significant returns for the Fund and continued its growth trajectory during the reporting period.

Bright Ilios RAIF V.C.I.C. Plc

1. General information (continued)

Conflict between Russia and Ukraine

During 2021, the Russian economy continued to be negatively impacted by the ongoing political tension in the region and international sanctions against certain Russian companies and individuals, with the tension intensifying towards the end of 2021 as a result of further developments of the situation with Ukraine. From late February 2022 the conflict between Russia and Ukraine escalated further and the situation remains highly unstable.

In response to the conflict, a number of sanctions have been imposed on Russian entities to restrict them from having access to foreign financial markets, including removing access of several Russian banks to the international SWIFT system.

The EU, UK and US (amongst others) have also imposed sanctions against the Russian central bank, restricting the access of the Russian state to foreign currency reserves, and introduced further asset freezes against designated individuals/entities and sectoral sanctions.

The situation is still evolving and further sanctions and limitations on business activity of companies operating in the region, as well as consequences on the Russian economy in general, may arise but the full nature and possible effects of these are unknown.

Management has considered the unique circumstances and the risk exposures of the Fund and has concluded that there is no significant impact in the Fund's profitability position. The event does not have an immediate material impact on the business operations. Management will continue to monitor the situation closely.

Israel - Gaza conflict

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 07 October 2023. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Fund is not directly exposed. Management will continue to monitor the situation closely and take appropriate actions when and if needed.

2. External Manager, Depository and Fund Administrator

The Fund is externally managed by Wealth Fund Services Ltd (the "External Manager"), pursuant to the provisions of section 135(1)(a) of the AIF Law. The External Manager is responsible for managing the Fund's portfolio for the benefit of the latter's shareholders. The External Manager is authorised by CySEC as a management company under the provisions of the undertakings for Collective Investments Law 78(I)/2012 and the Alternative Investment Fund Managers Law 56(I)/2013 as amended from time to time, and it is regulated to this end by the CySEC under license number MC UCITS 6/78/2012. The External Manager is granted full power and authority and all rights necessary to enable it to manage the investments of the Fund's compartments and provide other management services to assist the Fund to achieve its investment objectives and policies.

Bright Ilios RAIF V.C.I.C. Plc

2. External Manager, Depository and Fund Administrator (continued)

The Fund's depository is Eurobank Cyprus Limited which is licensed by the Central Bank of Cyprus and is operating under the latter's regulation and supervision.

The Depository serves three broad functions, (1) safe-keeping of the Fund's assets, (2) oversee compliance with the Fund's Prospectus, Memorandum and Articles and with applicable laws and regulation governing the Fund and (3) monitor the cash flows of the Fund. The duty to safe-keep consists of either custody or record-keeping depending on the type of asset owned by the Fund. The custody function includes proper asset segregation on the Depository's books, due care of assets held in custody and assessment and monitoring of custody risk throughout the custody chain. All assets which cannot be held in custody are subject to the record-keeping obligation. The Depository's obligations as regards such other assets are to maintain up-to-date records and verify ownership. Apart from segregation of assets between the Fund's assets and its own, the Depository must also ensure that the asset of an investment compartment of the Fund are safe-kept separately from the assets of the Fund's other investment compartments. The duty to oversight consists of assessment of the risks associated with the nature, scale and complexity of the Fund's strategy and organization in order to devise oversight procedures which are appropriate to the Fund and the assets in which it invests and which are then implemented and applied.

The Fund's Administrator is PricewaterhouseCoopers Fund Services Limited. The Administrator performs certain administrative and accounting services for the Fund.

3. Basis of preparation

The unaudited interim management accounts for the half-year ended 30 June 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), and the requirements of the Cyprus Companies Law, Cap. 113.

The principal accounting policies applied in the preparation of unaudited interim management accounts are set out below in Note 5. These policies have been consistently applied during the reporting period, unless otherwise stated.

The unaudited interim management accounts have been prepared under the historical cost convention, except for the financial assets at fair value through profit or loss which are presented at fair value.

The preparation of these unaudited interim management accounts in conformity with IFRS requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the unaudited interim management accounts are disclosed in Note 8.

Bright Ilios RAIF V.C.I.C. Plc

4. Adoption of new or revised standards and interpretations

As at 30 June 2024, the Fund adopted all the new and revised IFRS that are relevant to its operations and are effective for accounting periods beginning on 1 January 2024. This adoption did not have a material effect on the accounting policies of the Fund.

5. Summary of material accounting policies

The principal accounting policies applied in the preparation of these unaudited interim management accounts are set out below.

Revenue

Revenue recognition and measurement

Revenue represents the amount of consideration to which the Fund expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, value-added taxes); the transaction price. The Fund includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Fund's experience with similar contracts and forecasted sales to the customer.

The Fund recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the Fund can identify each party's rights and the payment terms for the goods or services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Fund's future cash flows is expected to change as a result of the contract), it is probable that the Fund will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific criteria have been met for each of the Fund's contracts with customers.

The Fund bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. In evaluating whether collectability of an amount of consideration is probable, the Fund considers only the customer's ability and intention to pay that amount of consideration when it is due.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates are reflected in the statement of profit or loss and other comprehensive income in the period in which the circumstances that give rise to the revision become known by management.

Bright Ilios RAIF V.C.I.C. Plc

5. Summary of material accounting policies (continued)

Revenue (continued)

Identification of performance obligations

The Fund assesses whether contracts that involve the provision of a range of goods and/or services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified on the basis of its stand-alone selling price. A good or service that is promised to a customer is distinct if the customer can benefit from the good or service, either on its own or together with other resources that are readily available to the customer (that is the good or service is capable of being distinct) and the Fund's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (that is, the good or service is distinct within the context of the contract).

(i) Interest income

Interest from financing activities is recognised on an accrual basis.

(ii) Dividend income

Dividends are received from financial assets measured at fair value through profit or loss (FVTPL). Dividend income from investment in securities is recognised when the right to receive payment is established.

(iii) Income from investments in securities

The difference between the fair value of investments at fair value through profit or loss as at the reporting date and the purchase price represents unrealised gains and losses and is included in profit or loss in the period in which it arises.

Foreign currency translation

(i) Functional and presentation currency

Items included in the Fund's unaudited interim management accounts are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The unaudited interim management accounts are presented in EUR (€), which is the Fund's functional and presentation currency.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country in which the Fund operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. If applicable tax regulation is subject to interpretation, it establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Bright Ilios RAIF V.C.I.C. Plc

5. Summary of material accounting policies (continued)

Current and deferred income tax (continued)

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the unaudited interim management accounts. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the Fund where there is an intention to settle the balances on a net basis.

Financial assets

Financial assets - Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss; and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Fund's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset.

Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Fund commits to deliver a financial instrument. All other purchases and sales are recognized when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all the risks and rewards of ownership.

Bright Illos RAIF V.C.I.C. Plc

5. Summary of material accounting policies (continued)

Financial assets (continued)

Financial assets - Measurement

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statement of comprehensive income. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Debt instruments

The subsequent measurement of debt instruments depends on the Fund's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Fund classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income from these financial assets is included in "other income". Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in "other gains/(losses)" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income. The Fund's financial assets measured at amortised cost (AC) comprise: cash and cash equivalents.

Equity instruments

The Fund subsequently measures all equity investments at fair value. Where the Fund's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment, any related balance within the FVOCI reserve is reclassified to retained earnings. Dividends from such investments continue to be recognised in profit or loss as "other income" when the Fund's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in "other gains/(losses)" in the income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

Financial assets - Reclassification

Financial assets are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

Bright Illos RAIF V.C.I.C. Plc

5. Summary of material accounting policies (continued)

Financial assets (continued)

Financial assets - modification

The Fund sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Fund assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Fund derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Fund also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents include deposits held at call with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Share capital

The share structure of the Fund is divided in two types of shares, the Management Shares owned by the Management Shareholder and the Investment Shares owned by the Investment Shareholders.

The Fund is authorized to issue 100.000.000 shares of no par value divided into:

- (1) 1.000 Management Shares of no nominal value, offered at an initial price of EUR1.00 each; and
- (2) 25.000.000 Investment Shares of no nominal value and attributable to Illos I;
- (3) 74.999.000 Unclassified Shares of no nominal value.

Bright Illos RAIF V.C.I.C. Plc

5. Summary of material accounting policies (continued)

Management shares

The Management Shares are solely held by Maroun El-Charabati. As far as the issue relates to Management Shares, the CySEC's permission is required if such shares are to be issued, allotted or transferred to additional or alternative persons.

The Management Shares have the following rights:

- as to voting: the holder of a Management Share shall have the right to receive notice of, attend and vote at any general meeting of the Fund, in particular but not limited to the following matters:
 - (i) the appointment or removal of any Director;
 - (ii) the winding up of the Fund;
 - (iii) any amendment to the Memorandum and Articles of Association of the Fund.
- as to capital: the holder of a Management Share:
 - (i) shall have the right on a winding up to repayment of capital after the return of capital on the Investor Shares; and
 - (ii) after the return of capital, a Management Share will not be entitled to the surplus assets of the Fund.
- as to distributions: the holder of a Management shares will not be entitled to participate in distributions paid out of the profits of the Fund and/or other distributions paid out of the proceeds of the Fund.

Redeemable Investment shares

The investment share capital of the Fund is variable, and it is divided into redeemable investment shares of variable value allocated to the investment compartment of the Fund. Redeemable investment shares may be issued from time to time and be designated to the Fund's investment compartments following decision from the External Manager.

The investment share capital issued for the investment compartment represents the Net Asset Value of the investment compartment and shall be invested in accordance with the objectives of the investment compartment. The value of the issued investment shares in the share capital of the Fund shall at all times be equal with the NAV of the investment compartment.

The Investment shares have the following characteristics:

- as to voting: the holder of an Investor Share shall not have the right to receive notice of, attend or vote at any general meeting of the Fund;
- as to capital: the holder of an Investor Share:
 - (i) On a winding up, will be entitled in priority to the Management Shares to the return of the capital paid up thereon and thereafter,
 - (ii) Have exclusive rights in the distribution of surplus assets of the Fund in its liquidation.

Bright Illos RAIF V.C.I.C. Plc

5. Summary of material accounting policies (continued)

Redeemable Investment shares (continued)

- as to distributions: the holder of an Investor Share shall be entitled to distributions paid out of profits and distributions paid out of proceeds of the Fund excluding the payments which relate to the Redemption of Investor Shares.

Winding-Up Rights

In the event of a winding up the liquidator shall firstly apply the assets of each Investment Compartment in such manner and order as he thinks fit in satisfaction of creditors' claims.

The liquidator shall apply the assets of each Investment Compartment in satisfaction of liabilities incurred on behalf of or attributable to such Fund and shall not apply the assets of any Investment Compartment in satisfaction of any liability incurred on behalf of or attributable to any other Investment Compartment.

The assets available for distribution among the Members shall then be applied in the following priority:

- firstly, in the payment to the holders of the Shares of each Share Class of the Investment Compartment a sum in the Denominated Currency in which that Investment Compartment is designated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares held by such holders of the relevant Share Class respectively as at the date of commencement to wind up.
- secondly, in the payment to the holders of the Management Shares of sums up to the nominal amount paid thereon out of the assets of the Fund not comprised within any Investment Compartments provided that if there are insufficient assets aforesaid to enable such payment to be made, no recourse shall be had to the assets comprised within any of the Investment Compartments; and
- thirdly, in the payment to the holders of each Classes of an Investment Compartment of any balance there remaining in the relevant Investment Compartment in proportion to the number of Shares held in the relevant Share Class; and
- fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Investment Compartments or Share Classes such payment being made in proportion to the value of each Investment Compartment and within each Investment Compartment to the value of each Share Class and in proportion to the number of Shares held in each Share Class.

Bright Ilios RAIF V.C.I.C. Plc

6. New accounting pronouncements

At the date of approval of these unaudited interim management accounts a number of new standards, interpretations and amendments to existing standards are effective for annual periods beginning after 1 January 2024 and have not been applied in preparing these unaudited interim management accounts. None of these is expected to have a significant effect on the unaudited interim management accounts of the Fund.

7. Financial risk management

(i) Financial risk factors

The Fund's activities expose it to a variety of financial risks: market risk (including price risk), credit risk and liquidity risk.

The Fund maintains and applies appropriate risk management systems, in order to identify, measure, manage and duly monitor the risks related to the investment positions that it undertakes and the contribution of these positions to the overall risk profile of the Fund's investment compartment.

The Fund's External Manager identifies potential risks to the profitability or existence of the Fund or the investment compartment, identifies and assesses threats, put plans in place for if things go wrong and advise on how to avoid, reduce or transfer risks.

- **Market risk**

Price risk

Exposure

The Fund is exposed to unlisted equity securities price risk because of investments held by the Fund and classified on the balance sheet at fair value through profit or loss. The Fund is not exposed to commodity price risk.

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market price. The Fund's financial assets at fair value through profit or loss comprise unquoted equity investments whose fair value is determined on the basis of the net asset valuation method at each reporting date, and not susceptible to market price risk. Additional information is presented in Note 8.

- **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations leading to a financial loss. The Fund is not exposed to credit risk from its operating activities as it has no outstanding receivables or cash and cash equivalents as at 30 June 2024.

- **Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its obligations associated with financial liabilities.

Bright Ilios RAIF V.C.I.C. Plc

7. Financial risk management (continued)

(i) Financial risk factors (continued)

• Liquidity risk (continued)

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the unaudited interim balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	3 months or less €	Between 3-12 months €	Between 1 and 2 years €	Between 2 to 5 years €	Over 5 years €
At 30 June 2024					
Trade and other payables	-	114.222	-	-	-
	-	<u>114.222</u>	-	-	-
At 31 December 2023					
Trade and other payables	-	77.028	-	-	-
	-	<u>77.028</u>	-	-	-

(ii) Fair value estimation

The Fund measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer.

The table below analyses financial instruments carried at fair value by valuation method.

The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1).
- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Fund's financial assets that are measured at fair value at 30 June 2024.

	Level 1 €	Level 2 €	Level 3 €	Total €
At 30 June 2024				
Financial assets at fair value through profit or loss:				
- Unlisted Equity securities	-	-	1.097.909	1.097.909
Total financial assets measured at fair value	<u>-</u>	<u>-</u>	<u>1.097.909</u>	<u>1.097.909</u>
At 31 December 2023				
Financial assets at fair value through profit or loss:				
- Unlisted Equity securities	-	-	1.050.000	1.050.000
Total financial assets measured at fair value	<u>-</u>	<u>-</u>	<u>1.050.000</u>	<u>1.050.000</u>

Bright Illos RAIF V.C.I.C. Plc

7. Financial risk management (continued)

(ii) Fair value estimation (continued)

There were no transfers between Levels during the period.

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Fund is the current bid price. These instruments are included in Level 1.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, unlisted equity securities) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

8. Critical accounting estimates and judgements

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

(i) Critical accounting estimates and assumptions

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

• Fair value of financial assets at fair value through profit or loss

The fair value of financial assets that are not traded in an active market is determined by consideration of the assets and liabilities of the investee entity together with its own subsidiary entity at each balance sheet date. For ultimate investee entities holding underlying real-estate asset, the key input of the valuation at each instance is the fair value of the underlying property held, which is established based on an external valuation report by appropriately qualified industry experts. The property valuations were determined on the basis of a combination of methods, including the comparable, income and residual approaches.

Bright Ilios RAIF V.C.I.C. Plc

9. Net changes in fair value of financial assets at fair value through profit or loss

	Half-year ended 30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2024 (unaudited) Ilios I €	Half-year ended 30 June 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2023 (unaudited) Ilios I €
Financial assets at fair value through profit or loss:				
Net fair value gain (Note 12)	47.909	47.909	-	-
Total fair value gains	47.909	47.909	-	-

10. Administrative expenses

	Half-year ended 30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2024 (unaudited) Ilios I €	Half-year ended 30 June 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2023 (unaudited) Ilios I €
Annual levy fee	-	-	175	175
Bank charges	186	186	301	301
Depository fees	2.700	2.700	4.020	4.020
Fund administration fees	8.000	8.000	-	-
Management fee	7.500	7.500	-	-
Auditors' remuneration	9.250	9.250	4.125	4.125
VAT expenses	3.515	3.515	3.154	3.154
CySEC Annual fees	-	-	(4.600)	(4.600)
Other expenses	51	51	279	279
Out of pocket expenses	-	-	22	22
Professional services fees	6.500	6.500	5.741	5.741
CySEC fees	200	200	500	500
	37.902	37.902	13.717	13.717

11. Income tax expense

	Half-year ended 30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2024 (unaudited) Ilios I €	Half-year ended 30 June 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2023 (unaudited) Ilios I €
Current tax				
Corporation tax	-	-	-	-
Total current tax	-	-	-	-
Income tax expense	-	-	-	-

Brought forward losses of only five years may be utilized.

Under certain conditions, interest may be exempt from income tax and be subject only to special contribution for defence at the rate of 30%.

Bright Ilios RAIF V.C.I.C. Plc

11. Income tax expense (continued)

In certain cases, dividends received from abroad may be subject to special contribution for defence at the rate of 17%. In addition, in certain cases dividends received from other Cyprus tax resident companies may also be subject to special contribution for defence.

Gains on disposal of qualifying titles (including shares, bonds, debentures, rights thereon etc) are exempt from Cyprus income tax.

12. Financial assets

(a) Financial assets at fair value through profit or loss

	Half-year ended 30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2024 (unaudited) Ilios I €	31 December 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	31 December 2023 (unaudited) Ilios I €
Financial assets at fair value through profit or loss				
Non-listed securities	<u>1,097,909</u>	<u>1,097,909</u>	<u>1,050,000</u>	<u>1,050,000</u>
	<u>1,097,909</u>	<u>1,097,909</u>	<u>1,050,000</u>	<u>1,050,000</u>
Balance as at 1 January	1,050,000	1,050,000	1,050,000	1,050,000
Change in fair value	47,909	47,909	-	-
Balance as at 30 June/31 December	<u>1,097,909</u>	<u>1,097,909</u>	<u>1,050,000</u>	<u>1,050,000</u>

13. Net asset value per share

	30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	30 June 2024 (unaudited) Ilios I €	31 December 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	31 December 2023 (unaudited) Ilios I €
Net assets attributable to the holders of redeemable investment shares	<u>983,687</u>	<u>983,687</u>	<u>973,680</u>	<u>973,680</u>
Number of redeemable investment shares	<u>1,430</u>	<u>1,430</u>	<u>1,430</u>	<u>1,430</u>
Net asset value per redeemable investment share	<u>687.89</u>	<u>687.89</u>	<u>680.90</u>	<u>680.90</u>

In accordance with the provisions of the Fund's Prospectus, the Net Asset Value per shares is calculated on a semi-annual basis.

Bright Ilios RAIF V.C.I.C. Plc

14. Cash and cash equivalents

	30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	30 June 2024 (unaudited) Ilios I €	31 December 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	31 December 2023 (unaudited) Ilios I €
Cash at bank	-	-	708	708
	-	-	708	708

Cash and bank balances are denominated in the following currencies:

	Half-year ended 30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2024 (unaudited) Ilios I €	Half-year ended 30 June 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2023 (unaudited) Ilios I €
Euro - functional and presentation currency	-	-	708	708
	-	-	708	708

15. Trade and other payables

	30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	30 June 2024 (unaudited) Ilios I €	31 December 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	31 December 2023 (unaudited) Ilios I €
Trade and other payables	25.910	25.910	25.235	25.235
Payables to related parties (Note 15 (i))	57.810	57.810	31.230	31.230
Accrued expenses	30.502	30.502	20.563	20.563
Trade and other payables	114.222	114.222	77.028	77.028

The fair value of trade and other payables which are due within one year approximates their carrying amount at the balance sheet date.

16. Related parties transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The management shares of the Fund as at 30 June 2024 are 100% held by Maroun El-Charabati.

Bright Ilios RAIF V.C.I.C. Plc

16. Related parties transactions (continued)

The following transactions were carried out with related parties:

(i) Payables to related parties

	Half-year ended 30 June 2024 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2024 (unaudited) Ilios I €	Half-year ended 30 June 2023 (unaudited) Bright Ilios RAIF V.C.I.C. Plc €	Half-year ended 30 June 2023 (unaudited) Ilios I €
Payable to EFSC Ltd	57.810	57.810	31.230	31.230
	57.810	57.810	31.230	31.230

17. Events after the balance sheet date

There were no material events after the balance sheet date, which have a bearing on the understanding of the unaudited interim management accounts.