

**RichReach Corporation Public Ltd**

**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**

For the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

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BOARD OF DIRECTORS AND OTHER CORPORATE INFORMATION

Board of Directors	George Koufaris Antonis Karitzis Christakis Ierides George Rousou Epaminondas Metaxas (resigned on 03/04/2023)
Company Secretary	Karanto Secretarial Limited
Independent Auditors	Ernst & Young Cyprus Limited Certified Public Accountants and Registered Auditors Jean Nouvel Tower 6 Stasinou Avenue PO Box 21656 1511 Nicosia, Cyprus
Registered Office	228 Archiepiskopou Makariou III Agios Pavlos Court, Block B' 4th floor, flat/office 411-412 3030, Limassol, Cyprus
Business Office	61A Larnakos Avenue, Office 402 2101 Aglandjia, Nicosia, Cyprus
Bankers	Eurobank Cyprus Ltd Bank of Cyprus Public Company Ltd
Registration number	HE 359049

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
for the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

	Note	01/01/2023 – 30/06/2023		01/01/2022 – 30/06/2022	
		Unaudited		Unaudited	
		€	Margin	€	Margin
Revenue	6	228,009		218,372	
Cost of Sales	7	(47,920)	(21.0%)	(84,809)	(38.8%)
<b>Gross Profit</b>		<b>180,089</b>	<b>79.0%</b>	<b>133,563</b>	<b>61.2%</b>
Other Operating Income		158		1,505	
Selling and Distribution Expenses	8	(39,616)	(17.4%)	(26,646)	(12.2%)
Administrative Expenses	9	(83,769)	(36.7%)	(55,967)	(25.6%)
<b>Earnings / (Losses) Before Interest, Tax, Depreciation &amp; Amortisation (EBITDA)</b>		<b>56,863</b>	<b>24.9%</b>	<b>52,455</b>	<b>24.0%</b>
<b>Finance Income</b>					
Finance Costs	11	(728)	(0.3%)	(642)	(0.3%)
Expenses related to the listing of the Company's Shares at the Stock Exchange and Share Capital and Corporate Events	12	(7,319)	(3.2%)	(9,042)	(4.1%)
Depreciation	15	(2,896)	(1.3%)	(2,495)	(1.1%)
Amortisation	14	(66,095)	(29.0%)	(59,118)	(27.1%)
<b>Profit / (Loss) before Tax</b>		<b>(20,175)</b>	<b>(8.8%)</b>	<b>(18,843)</b>	<b>(8.6%)</b>
Tax		-	0.0%	(993)	(0.5%)
<b>Net Profit / (Loss) for the Year</b>		<b>(20,175)</b>	<b>(8.8%)</b>	<b>(19,836)</b>	<b>(9.1%)</b>
Profit / (Loss) per share attributable to the Shareholders of the Company (cents)	13	(0.18)		(0.17)	

The notes on pages 8 to 18 are an integral part of these unaudited consolidated financial statements.

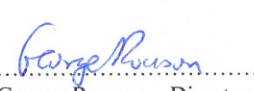
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
as at 30<sup>th</sup> of June 2023

	as at	30/06/2023	31/12/2022
	Note	Unaudited	Audited
<b>ASSETS</b>		€	€
<b>Non-Current Assets</b>			
RichReach Application ecosystem	14	298,355	296,809
Furniture & Office Equipment	15	2,056	2,316
Computer Hardware	15	10,294	9,175
Software & Infrastructure	14	119	238
		<u>310,824</u>	<u>308,539</u>
<b>Current Assets</b>			
Trade and other Receivables	16	27,488	35,653
Cash and Cash Equivalents	17	26,756	17,304
		<u>54,243</u>	<u>52,957</u>
<b>Total Assets</b>		<u><b>365,067</b></u>	<u><b>361,496</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Ordinary Share Capital	18	569,759	569,759
Share Premium		679,935	679,935
Accumulated Losses		(1,050,216)	(1,030,041)
		<u>199,478</u>	<u>219,653</u>
Advancements from Shareholders	19	281	-
		<u>199,759</u>	<u>219,653</u>
<b>Current Liabilities</b>			
Trade and Other Payables	20	34,086	42,414
Payables to Related Parties in the next 12 months	22	7,500	-
Current Tax Liabilities	21	5,143	5,143
		<u>46,729</u>	<u>47,557</u>
<b>Long Term Liabilities</b>			
Payables to Related Parties	22	118,579	94,286
		<u>118,579</u>	<u>94,286</u>
<b>Total Equity and Liabilities</b>		<u><b>365,067</b></u>	<u><b>361,496</b></u>

On the 28<sup>th</sup> of September 2023, the Board of Directors of RichReach Corporation Public Ltd authorised these unaudited consolidated financial statements for issue.

Signed on behalf of the Board of Directors:

  
Christakis Ierides – Director

  
George Rousou – Director

The notes on pages 8 to 18 are an integral part of these unaudited consolidated financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
for the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

	Note	Share Capital €	Share Premium €	Advancemen ts from Shareholders €	Accumulat ed Losses €	Total €
<b>Balance at 1<sup>st</sup> of January 2022</b>		<b>566,487</b>	<b>557,894</b>	<b>124,500</b>	<b>(993,554)</b>	<b>255,327</b>
Issue of Share Capital	18	2,459	122,041	(124,500)		-
Proceeds during the period	19					-
Net Loss for the period					(19,836)	(19,836)
<b>Balance at 30<sup>th</sup> of June 2022 / 1<sup>st</sup> of July 2022</b>		<b>568,946</b>	<b>679,935</b>	<b>-</b>	<b>(1,013,390)</b>	<b>235,492</b>
Issue of Share Capital	18	813				813
Proceeds during the period	19					-
Net Loss for the period					(16,652)	(16,652)
<b>Balance at 31<sup>st</sup> December 2022 / 1<sup>st</sup> of January 2023</b>		<b>569,759</b>	<b>679,935</b>	<b>-</b>	<b>(1,030,041)</b>	<b>219,653</b>
Issue of Share Capital	18					-
Proceeds during the period	19			281		281
Net Loss for the period					(20,175)	(20,175)
<b>Balance at 30<sup>th</sup> of June 2023</b>		<b>569,759</b>	<b>679,935</b>	<b>281</b>	<b>(1,050,216)</b>	<b>199,759</b>

Share premium is not available for distribution. In accordance with the Articles of Association, the Company can move to the concession of free and/or bonus shares to the existing shareholders of the Company against reduced or zero consideration. The aforementioned shares will be provided and covered from the share premium account, statement of comprehensive income, retained earnings and quasi-capital funds and/or in any other way the Law and Articles of Association allow, and these shares will be considered fully paid.

The advances from shareholders are made available to the Board of Directors for future increases of the share capital of the Company. Note that the increases of the share capital of the Company are completed when the additional shares start trading at the Emerging Companies Market of the Cyprus Stock Exchange.

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% will be payable on such deemed dividends to the extent that the ultimate shareholders are both Cyprus tax resident and Cyprus domiciled. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

	Note	01/01/2023 – 30/06/2023 Unaudited €	01/01/2022 – 30/06/2022 Unaudited €
<b>Cash Flow from Operating Activities</b>			
Net Profit / (Loss) before tax		(20,175)	(18,843)
<u>Adjustments for:</u>			
Depreciation		2,896	2,495
Amortisation		66,095	59,118
Interest Income		-	-
Interest Expense		-	-
		<b>48,816</b>	<b>42,770</b>
<b>Changes in Working Capital</b>			
Decrease / (Increase) in Trade and other Receivables	16	8,166	8,223
(Decrease) / Increase in Trade and other Payables	20	(8,328)	(12,569)
(Decrease) / Increase in Payables to Related Parties	22	31,793	19,801
<b>Cash generated from Operations</b>		<b>80,447</b>	<b>58,225</b>
<b>Cash Flow from Investing Activities</b>			
Investment in Internally Generated Intangible Fixed Assets (the RichReach Application ecosystem)	14	(67,522)	(66,103)
Investment in Intangible Fixed Assets	14	-	-
Investment in Tangible Fixed Assets	15	(3,754)	(2,815)
Interest Received		-	-
<b>Net Cash used in Investing Activities</b>		<b>(71,276)</b>	<b>(68,919)</b>
<b>Cash Flow from Financing Activities</b>			
Proceeds from Issue of Share Capital		-	-
Advancements from Shareholders	19	281	-
Taxes paid		-	-
Interest paid	11	-	-
<b>Net Cash from Financing Activities</b>		<b>281</b>	<b>-</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>		<b>9,452</b>	<b>(11,686)</b>
Cash and Cash Equivalents at the beginning of the period		17,304	24,694
<b>Cash and Cash Equivalents at the end of the period</b>	<b>17</b>	<b>26,756</b>	<b>13,008</b>

The notes on pages 8 to 18 are an integral part of these unaudited consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

### 1. Corporate Information

#### Country of incorporation

RichReach Corporation Public Ltd (the "Company") was incorporated in Cyprus on 11 August 2016 as a public limited liability company under the provisions of the Cyprus Companies Law, Cap. 113.

On 10 January 2019, the Cyprus Stock Exchange (CSE) announced the listing of the Company on the CSE Emerging Companies Market. The trading of the shares of the Company, has commenced on 16 January 2019.

The Company's registered office is at Archiepiskopou Makariou III, 228, Agios Pavlos Court, Block B', 4th floor, Flat 411-412, 3030, Limassol, Cyprus.

#### Principal Activities

The principal activity of the Group is the development, support, licencing, operation and promotion of the multifunction RichReach Application ecosystem available for smart devices.

### 2. Basis of preparation and measurement

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap.113. These consolidated financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis which assumes that the group will continue to operate for the foreseeable future.

### 3. Summary of Significant Accounting Policies

Please refer to Note 4: "Adoption of new or revised standards and interpretations", to Note 5: "Summary of significant accounting policies" and to Note 6. "New accounting pronouncements" of the Audited Consolidated Financial Statements for the Year ended 31 December 2022.

### 4. Financial Risk Management Objectives and Policies

Please refer to Note 7: "Financial Risk management objectives and policies" of the Audited Consolidated Financial Statements for the Year ended 31 December 2022.

### 5. Critical Accounting Estimates, Judgments and Assumptions

Please refer to Note 8: "Critical Accounting Estimates, Judgments and Assumptions" of the Audited Consolidated Financial Statements for the Year ended 31 December 2022.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

6. Revenue

	01/01/2023 – 30/06/2023 Unaudited €	01/01/2022 – 30/06/2022 Unaudited €
<u>RichReach Application ecosystem Corporate Modules</u>		
eLearning	3,000	3,000
Human Resources	23,870	11,238
Point of Sale	7,960	7,460
Salesman Ordering	11,160	10,560
Warehouse Management	9,860	-
	<u>55,850</u>	<u>32,258</u>
<u>RichReach Application ecosystem Consumer Functions</u>		
vShop	7,800	7,700
eShop	20,263	3,000
Reservations	600	-
Marketing & Loyalty	19,850	20,100
	<u>48,513</u>	<u>30,800</u>
<u>Other RichReach Application ecosystem Revenue</u>		
Consumer & Corporate Applications	1,433	2,100
Dedicated Cloud Servers	6,000	2,196
	<u>7,433</u>	<u>4,296</u>
<u>Communication Functions</u>		
Business Communications	8,431	11,204
Trades, Professionals & Entertainment	1,582	5,097
	<u>10,013</u>	<u>16,301</u>
<u>Other Revenue</u>		
Business Digitalisation	103,100	70,270
Medical Functions	3,100	64,447
	<u>106,200</u>	<u>134,717</u>
<b>Total Revenue</b>	<u><b>228,009</b></u>	<u><b>218,372</b></u>

*Segmental Analysis*

The Group is organised into a single operating segment based on the services provided in Cyprus. The segment has similar characteristics in the nature of the process, type of end customers and distribution methods.

The Group's services include mainly the development, support, licencing, operation and promotion of the multifunction RichReach Application ecosystem available for smart devices. Currently the Group only operates in Cyprus and the main clients of the Group are medium to large corporate clients. Management monitors the operating results of the business segment separately for the purposes of performance, assessment and resource allocation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

**7. Cost of Sales**

	<b>01/01/2023 – 30/06/2023</b>	<b>01/01/2022 – 30/06/2022</b>
	Unaudited	Unaudited
	€	€
<u>RichReach Application ecosystem</u>		
Research & Development	31,215	33,327
Infrastructure	11,172	11,007
	<b>42,387</b>	<b>44,335</b>
<u>Communication Functions</u>		
Trades, Professionals & Entertainment	723	2,536
Other Communication Services	4,753	6,672
	<b>5,476</b>	<b>9,208</b>
<u>Other</u>		
Medical Functions	-	29,879
Revenue Collection Fees	57	182
Other Costs	-	1,205
	<b>57</b>	<b>31,266</b>
<b>Total Cost of Sales</b>	<b>47,920</b>	<b>84,809</b>

**8. Selling and Distribution Expenses**

	<b>01/01/2023 – 30/06/2023</b>	<b>01/01/2022 – 30/06/2022</b>
	Unaudited	Unaudited
	€	€
Advertising Costs	2,000	363
Promotion Costs	37,616	26,283
	<b>39,616</b>	<b>26,646</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

9. Administrative Expenses

	Note	01/01/2023 – 30/06/2023 Unaudited €	01/01/2022 – 30/06/2022 Unaudited €
Staff costs	10	23,847	15,595
Rent		6,600	6,600
Common expenses		360	360
Licenses and taxes		-	-
Municipality taxes		-	-
Annual companies levy		700	700
Electricity		1,239	1,534
Water supply and cleaning		1,726	960
Insurance		225	219
Sundry expenses		1,291	4,001
Telephone, internet and postage		1,080	1,336
Stationery and printing		109	46
Subscriptions and contributions		-	90
Equipment maintenance		355	16
Computer supplies and maintenance		385	296
Computer Hardware		813	314
Computer Software		1,546	1,055
Auditors' remuneration - current year		-	-
Auditors' remuneration - prior year		-	-
Other professional fees		3,938	1,520
Secretarial fees and registered office fees		220	825
Inland travelling and accommodation		384	20
Motor vehicle running costs		3,180	3,235
External Operations & Accounting Services		13,086	13,745
India Team Expenses		24,445	3,500
Investor Expenditure		-	-
Specific Bad Debts		(1,761)	-
		<b>83,769</b>	<b>55,967</b>

10. Staff Costs

	Note	01/01/2023 – 30/06/2023 Unaudited €	01/01/2022 – 30/06/2022 Unaudited €
Directors' and management fees	22.1	20,754	12,047
RichReach Application ecosystem R&D personnel costs		23,762	18,937
Social Insurance Costs		4,383	3,238
Employee Benefits		-	1,753
		<b>48,899</b>	<b>35,974</b>

The number of employees employed by the Company during the first six months of 2023 and the first six months of 2022 were 3 and 3 respectively. These figures do not include external contractors on a full or part-time basis.

Staff costs directly associated with identifiable and unique application products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year are recognised as internally generated intangible assets (the RichReach

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

Application ecosystem). Staff costs relating to the research and development of the RichReach Application ecosystem that cannot be recognised as internally generated intangible assets are written off in the Cost of Sales expense: Research and Development.

**11. Finance Costs**

	<b>01/01/2023 – 30/06/2023</b>	<b>01/01/2022 – 30/06/2022</b>
	Unaudited	Unaudited
	€	€
Sundry finance expenses	728	642
	<b>728</b>	<b>642</b>

**12. Expenses relating to the listing of the Company’s Shares at the Stock Exchange and Share Capital and Corporate Events**

	<b>01/01/2023 – 30/06/2023</b>	<b>01/01/2022 – 30/06/2022</b>
	Unaudited	Unaudited
	€	€
Cyprus Stock Exchange Recurring Fees	4,050	4,050
Nominated Advisor Fees	2,700	2,700
Other expenses related to the Cyprus Stock Exchange and Investors	569	1,192
Cyprus Stock Exchange New Shares Listing Fees		1,100
	<b>7,319</b>	<b>9,042</b>

**13. Profit / (Loss) per share attributable to the Shareholders of the Company**

	<b>01/01/2023 – 30/06/2023</b>	<b>01/01/2022 – 30/06/2022</b>
	Unaudited	Unaudited
Loss attributable to the Shareholders	(20,175)	(19,836)
Weighted average number of ordinary shares during the period	11,395,171	11,378,921
Loss per ordinary share attributable to the Shareholders (€ cents)	(0.1770)	(0.1743)

**14. Intangible Fixed Assets & Amortisation**

	<b>RichReach Application ecosystem *</b>	<b>Software &amp; Infrastructure</b>
	Unaudited	Unaudited
	€	€
<b>Cost</b>		
Balance at 01 January 2022	741,514	1,303
Additions during 01/01/2022 – 30/06/2022	66,103	
Balance at 30 June 2022	807,617	1,303
Additions during 01/07/2022 – 31/12/2022	80,306	
Balance at 31 December 2022	887,923	1,303
Additions during 01/01/2023 – 30/06/2023	67,522	
<b>Balance at 30 June 2023</b>	<b>955,445</b>	<b>1,303</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

**14. Intangible Fixed Assets & Amortisation (continued)**

	<b>RichReach Application ecosystem *</b>	<b>Software &amp; Infrastructure</b>
	Unaudited	Unaudited
	€	€
<b>Amortisation</b>		
Balance at 01 January 2022	457,054	827
Amortisation during 01/01/2022 – 30/06/2022	58,999	119
Balance at 30 June 2022	516,053	946
Amortisation during 01/07/2022 – 31/12/2022	75,061	119
Balance at 31 December 2022	591,114	1065
Amortisation during 01/01/2023 – 30/06/2023	65,976	119
<b>Balance at 30 June 2023</b>	<b>657,090</b>	<b>1,184</b>
<b>Net Book Value</b>		
at 30 June 2022	291,564	357
at 31 December 2022	296,809	238
<b>at 30 June 2023</b>	<b>298,355</b>	<b>119</b>

\* Internally generated intangible assets

**15. Tangible Fixed Assets & Depreciation**

	<b>Furniture &amp; Office Equipment</b>	<b>Computer Hardware</b>
	Unaudited	Unaudited
	€	€
<b>Cost</b>		
Balance at 01 January 2022	16,409	22,348
Additions during 01/01/2022 – 30/06/2022	—	2,815
Balance at 30 June 2022	16,409	25,163
Additions during 01/07/2022 – 31/12/2022	—	1,554
Balance at 31 December 2022	16,409	26,717
Additions during 01/01/2023 – 30/06/2023	748	3,006
<b>Balance at 30 June 2023</b>	<b>17,157</b>	<b>29,724</b>
<b>Depreciation</b>		
Balance at 01 January 2022	12,226	14,104
Depreciation during 01/01/2022 – 30/06/2022	932	1,563
Balance at 30 June 2022	13,158	15,667
Depreciation during 01/07/2022 – 31/12/2022	935	1,875
Balance at 31 December 2022	14,093	17,542
Depreciation during 01/01/2023 – 30/06/2023	1,008	1,888
<b>Balance at 30 June 2023</b>	<b>15,101</b>	<b>19,430</b>
<b>Net Book Value</b>		
at 30 June 2022	3,251	9,496
at 31 December 2022	2,316	9,175
<b>at 30 June 2023</b>	<b>2,056</b>	<b>10,294</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the period from 1<sup>st</sup> of January 2023 to 30<sup>th</sup> of June 2023

**16. Trade and other Receivables**

	<b>30/06/2023</b> Unaudited	<b>31/12/2022</b> Audited
	€	€
Deposits & Prepayments	2,652	4,400
Other Receivables	24,835	31,254
	<b>27,488</b>	<b>35,653</b>

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above. No impairment of trade receivables has been incurred during the year.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. The Company has implemented IFRS 9, no provision has been made for expected credit losses as there were no material past due trade and other receivables as at the year-end.

**17. Cash and Cash Equivalents**

Cash balances are analysed as follows:

	<b>30/06/2023</b> Unaudited	<b>31/12/2022</b> Audited
	€	€
Cash in hand	314	458
Cash at bank	26,441	16,846
	<b>26,756</b>	<b>17,304</b>

**18. Ordinary Share Capital**

	<b>30/06/2023</b> Unaudited		<b>31/12/2022</b> Audited	
	Number of shares	€	Number of shares	€
<b>Authorised shares</b>				
Ordinary Shares of €0.05 each	15,000,000	750,000	15,000,000	750,000
<b>Issued and fully paid shares</b>				
Ordinary Shares of €0.05 each	11,395,171	569,759	11,395,171	569,759

Authorised Capital

- Upon incorporation on 11 August 2016 and as per its Memorandum of Association, the Company's Authorised Share Capital was 554,600 ordinary shares of nominal value of €0.05 each (€27,730).
- On 21 November 2017 the Company increased its Authorised Share Capital to 12,000,000 ordinary shares of €0.05 each (€600,000).
- On 09 September 2019 the Company completed the increase of its Authorised Share Capital to 15,000,000 ordinary shares of €0.05 each (€750,000).

Issued Capital

- Upon incorporation on 11 August 2016, the Company issued to the subscribers of its Memorandum of Association 554,600 ordinary shares of nominal value of €0,05 each and at a total Share Premium of €620.826.
- On 22 November 2017 the Company proceeded to a bonus share issue (10,595,400 bonus shares) out of share premium that increased its Issued Share Capital to 11,150,000 ordinary shares of €0.05 each (€557,500).
- On 16 January 2019 the (11,150,000) issued shares of the Company started trading at the Emerging Companies Market of the Cyprus Stock Exchange.
- On 14 October 2019, 96,778 additional fully paid shares started trading at the Emerging Companies Market of the Cyprus Stock Exchange. The shares were issued at the total nominal value of €4,838.90 (€0.05 each) and at a total Share Premium of €245,486.10.
- On 22 January 2020, 15,278 additional fully paid shares started trading at the Emerging Companies Market of the Cyprus Stock Exchange. The shares were issued at the total nominal value of €763.90 (€0.05 each) and at a total Share Premium of €49,236.10.

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- On 14 August 2020, 36,111 additional fully paid shares started trading at the Emerging Companies Market of the Cyprus Stock Exchange The shares were issued at the total nominal value of €1,805.55 (€0.05 each) and at a total Share Premium of €88,194.45.
- On 07 January 2021, 14,305 additional fully paid shares started trading at the Emerging Companies Market of the Cyprus Stock Exchange The shares were issued at the total nominal value of €715.25 (€0.05 each) and at a total Share Premium of €50,784.75.
- On 20 May 2021, 17,274 additional fully paid shares started trading at the Emerging Companies Market of the Cyprus Stock Exchange The shares were issued at the total nominal value of €863.70 (€0.05 each) and at a total Share Premium of €33,136.30.
- On 11 January 2022, 28,046 additional fully paid shares started trading at the Emerging Companies Market of the Cyprus Stock Exchange The shares were issued at the total nominal value of €1,402.30 (€0.05 each) and at a total Share Premium of €98,347.70.
- On 8 March 2022, 21,129 additional fully paid shares started trading at the Emerging Companies Market of the Cyprus Stock Exchange The shares were issued at the total nominal value of €1,056.45 (€0.05 each) and at a total Share Premium of €23,693.55.
- On 16 December 2022, 16,250 additional fully paid shares started trading at the Emerging Companies Market of the Cyprus Stock Exchange The shares were issued as part of the Stock Option Scheme of the Company at the total nominal value of €812.50 (€0.05 each).

Share Premium is not available for distribution. In accordance with the Articles of Association, the Company can move to the concession of free and/or bonus shares to the existing shareholders of the Company against reduced or zero consideration. The aforementioned shares will be provided and covered from the share premium account, statement of comprehensive income, retained earnings and quasi-capital funds and/or in any other way the Law and Articles of Association allow, and these shares will be considered fully paid.

**19. Advancements from Shareholders**

	<b>30/06/2023</b>	<b>31/12/2022</b>
	Unaudited	Audited
	€	€
Directors (Stock Options exercised)	281	-
	<u><b>281</b></u>	<u><b>-</b></u>

The advances from shareholders are made available to the Board of Directors for future increases of the share capital of the Company. Note that the increases of the share capital of the Company are completed when the additional shares start trading at the Emerging Companies Market of the Cyprus Stock Exchange.

**20. Trade and other Payables**

	<b>30/06/2023</b>	<b>31/12/2022</b>
	Unaudited	Audited
	€	€
Trade Payables & Other Creditors	15,984	8,734
Social Insurance and other Taxes	2,391	2,704
Value Added Tax	15,706	18,971
Accruals	5	12,005
	<u><b>34,086</b></u>	<u><b>42,414</b></u>

Trade payables are non-interest bearing and are normally settled on 60 day terms. The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

**21. Current Tax Liabilities**

	<b>30/06/2023</b>	<b>31/12/2022</b>
	Unaudited	Audited
	€	€
Corporation Tax	5,143	5,143
	<u><b>5,143</b></u>	<u><b>5,143</b></u>

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## 22. Related Party Transactions

The major shareholders of the Company are:

- 3L Transcendent Investments Limited, incorporated in Cyprus, which on 30/06/2023 and on 31/12/2022 held 72.337% of the Company's shares.
- Coeur DeLion Software Engineering Ltd, incorporated in Cyprus, which on 30/06/2023 and on 31/12/2022 held 18.768% of the Company's shares. Coeur DeLion Software Engineering Ltd is controlled by the member of the Board of Directors: George Rousou.

The Members of the Board of Directors hold shares of the Company as follows:

- George Koufaris on 30/06/2023 and on 31/12/2022 held 0.071% of the Company's shares.
- Antonis Karitzis on 30/06/2023 and on 31/12/2022 held 0.461% of the Company's shares.
- Christakis Ierides on 30/06/2023 and on 31/12/2022 held 0.201% of the Company's shares.
- George Rousou, directly and indirectly (through undertakings controlled by George Rousou), on 30/06/2023 and on 31/12/2022 held 19.996% of the Company's shares.

The following transactions were carried out with related parties:

### 22.1 Directors' & Key Management Remuneration

The gross remuneration of Directors and other members of key management was as follows:

	01/01/2023 – 30/06/2023 Unaudited €	01/01/2022 – 30/06/2022 Unaudited €
Directors' Remuneration	-	-
Key Management	20,754	12,047
	<b>20,754</b>	<b>12,047</b>

Remuneration costs of directors and key management that are directly associated with identifiable and unique computer software products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year are recognised as internally generated intangible assets.

### 22.2 Purchases of Services

		01/01/2023 – 30/06/2023 Unaudited €	01/01/2022 – 30/06/2022 Unaudited €
<u>Nature of transactions</u>			
Coeur DeLion Software Engineering Limited	Software research, development and support	94,301	69,080
3L Baccarat Investments (Int'l) Ltd	Software research, development and support, Marketing & Promotion	22,849	28,204
		<b>117,150</b>	<b>97,284</b>

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. The above amounts include VAT (where applicable).



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**22.3 Payables to Related Parties**

	<u>Nature of transactions</u>	30/06/2023 Unaudited	31/12/2022 Audited
		€	€
Coeur DeLion Software Engineering Limited	Software research, development and support	95,519	64,881
3L Baccarat Investments (Int'l) Ltd	Software research, development and support, Marketing & Promotion	18,217	17,062
		<u>113,737</u>	<u>81,943</u>

The payables to related parties are interest free.

The Company and Coeur DeLion Software Engineering Limited have agreed that the payable amount will be repaid through monthly payments starting in January 2024 (Note 22.5)

The amount payable to 3L Baccarat Investments (Int'l) Ltd has no specific repayment date.

**22.4 Director's Current Account – Credit Balance**

	30/06/2023 Unaudited	31/12/2022 Audited
	€	€
Director's Current Account	12,343	12,343
	<u>12,343</u>	<u>12,343</u>

The director's current account is interest free.

The Company and the Director, George Rousou, have agreed that the payable amount will be repaid through monthly payments starting in January 2024 (Note 22.5).

**22.5 Payables to Related Parties in the next 12 months**

	30/06/2023 Unaudited	31/12/2022 Audited
	€	€
Coeur DeLion Software Engineering Limited	6,000	-
Director's Current Account – George Rousou	1,500	-
	<u>7,500</u>	<u>-</u>

**23. Contingent liabilities**

The Group had no contingent liabilities as at 30 of June 2023.

**24. Commitments**

The Group had no capital or other commitments as at 30 of June 2023.

**25. Events after the reporting period**

Depending on the duration of the conflict between Russia and Ukraine, and continued negative impact on economic activity, the Group might experience further negative results, and liquidity restraints and incur additional impairments on its assets in 2023 which relate to new developments that occurred after the reporting period.

The impact of events after the reporting date on the going concern is described in note 5 of the Audited Consolidated Financial Statements for the Year ended 31 December 2022.

The Company has offered 8,125 Stock Option Shares to the Directors Mr Georgios Koufaris, Mr Epaminondas Metaxas and Mr Christakis Ierides who have declared interest in participating in the Stock Option Scheme of the Company. Following the resignation of Mr Epaminondas Metaxas on 03/04/2023, the Stock Options that could be exercised have

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been reduced to 7,709. The period for exercising these Stock Options started on 01/06/2023 and ended on 31/08/2023. All three Directors have exercised in full the Stock Options they could exercise and the Company has approved the exercise of these Stock Options.

There were no other material events after the reporting period, which have a bearing on the understanding of the consolidated financial statements.