

## **Klikk Finance p.l.c.**

### **Unaudited Interim Condensed Consolidated Financial Statements for the period 1 January 2022 to 30 June 2022**

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# Klikk Finance p.l.c.

## Directors' Report pursuant to Prospects MTF Rule 4.11.12 for the period 1 January 2022 to 30 June 2022

This Half-Yearly Report is being published in terms of the Prospects MTF Rules issued by the Malta Stock Exchange and the Prevention of Financial Markets Abuse Act, 2005. The Half-Yearly Report comprises the reviewed (not audited) condensed consolidated interim financial statements for the six months ended 30 June 2022 prepared in accordance with IAS 34, 'Interim Financial Reporting'. The condensed consolidated interim financial statements have been reviewed in accordance with the requirements of ISRE 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. The comparative Statement of Financial Position has been extracted from the audited financial statements for the year ended 31 December 2021.

### Principal activity

Klikk Finance p.l.c. (the Company) is the holding company and financing arm of the Group. The Company, its subsidiary Klikk Limited and the second-tier subsidiary Klikk Code Limited constitute the Group. The principal activity of the Group is to operate two computer retail outlets servicing both retail and corporate clients, with the outlets situated on the Birkirkara By-Pass and Tal-Barrani Road, Zejtun. Furthermore, the Group develops Bespoke and B2B software solutions to corporate customers.

### Business Review

Following the onset of the pandemic, the Group had registered a higher than average growth in sales, benefitting from pandemic lockdowns and restrictions such as work from home and online learning. During the first half of 2022, the company faced a number of operational and customer behavioural challenges. These included staff shortages due to several staff having to quarantine, disruption brought about by the general election and a surging inflationary environment. All these factors led to a drop in revenue of 20% to €2.9 million (2021: €3.6 million). Despite this, the Group increased its gross profit margin from 14.9% in the first half of 2021, to 15.3% in the first half of 2022.

During the reporting period, administrative expenses were stable at c. €0.5 million. As a result, the Group reported an operating loss of €44k (2021: operating profit €48k).

The directors expect that the activities of the Group will remain consistent for the foreseeable future. Clearly, with the inflation soaring, the outlook for consumer spending remains uncertain for the rest of the year.

### Directors

The Directors of the Company since the beginning of the period up to the date of this report are:

Mr. Martin Vella - Chairman and Director

Mr. Gordon Zammit - CEO

Dr. Michael Borg Costanzi - Independent Non-executive Director

Mr. Mario Galea - Independent Non-executive Director

### Dividend

No interim dividends are being proposed.

Approved by the Board of Directors on 25 August 2022 and signed on its behalf by:



Mr. Martin Vella - Chairman and Director



Mr. Gordon Zammit - CEO

### Registered Office

Hal Mann, The Factory,  
Mosta Road,  
Lija LJA 9016  
Malta

# Klikk Finance p.l.c.

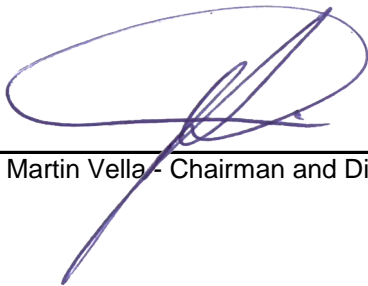
## Directors' statement for the period 1 January 2022 to 30 June 2022

We hereby confirm that to the best of our knowledge:

- The condensed consolidated interim financial statements give a true and fair view of the financial position of the Group as at 30 June 2022, and of its financial performance and cash flows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting IAS 34, "Interim Financial Reporting"; and

- The Interim Directors' Report includes a fair review of the information required in terms of Prospects MTF Rules 4.11.12.

Approved by the Board of Directors on 25 August 2022 and signed on its behalf by:



Mr. Martin Vella - Chairman and Director



Mr. Gordon Zammit - CEO

**To the Board of Directors of Klikk Finance p.l.c.**  
**Independent Auditor's Report on Review of Condensed Consolidated Interim Financial**

**Introduction**

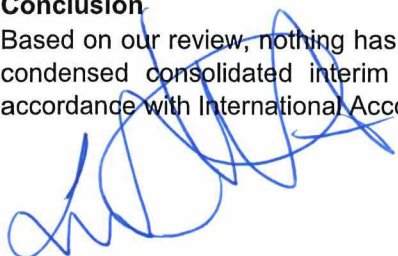
We have reviewed the accompanying condensed consolidated interim statement of financial position of Klikk Finance p.l.c. as at 30 June 2022, the related condensed consolidated interim statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and the explanatory notes ('the interim financial information'). The directors are responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU applicable to interim financial reporting in accordance with International Accounting Standard 34 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these interim financial statements based on our review.

**Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 'Interim Financial Reporting'.



**Jozef Wallace Galea (Partner)**  
**for and on behalf of HLB CA Falzon**

**Registered Auditors**

25 August 2022

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**Together we make it happen**

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**PARTNERS:** Jozef Wallace Galea, Alfred Falzon, Patrizio Prospero, Fiona Buttigieg.

# Klikk Finance p.l.c.

## Interim Condensed Consolidated Statement of Comprehensive Income for the period 1 January 2022 to 30 June 2022

		1 January to 30 June 2022 (unaudited) €	1 January to 30 June 2021 (unaudited) €
	Note		
<b>Revenue</b>	4	2,900,937	3,623,799
Cost of sales		(2,457,939)	(3,082,937)
<b>Gross profit</b>		442,998	540,862
Administrative expenses		(487,440)	(493,058)
Other operating expenses		-	(69)
<b>Operating profit</b>		(44,442)	47,735
Finance costs		(73,167)	(70,819)
<b>Loss before tax</b>		(117,609)	(23,084)
Income tax credit/(charge)	5	77,669	(6,892)
<b>Loss for the period</b>		(39,940)	(29,976)
Attributable to:			
Equity holders of the parent		(39,940)	(29,976)
<b>Earnings per share (cents)</b>			
Basic and diluted, loss for the period attributable to ordinary equity holders of the parent		(0.11)	(0.10)

The notes on pages 8 to 13 form part of these financial statements.

# Klikk Finance p.l.c.

## Interim Condensed Consolidated Statement of Financial Position as at

		30 June 2022 (unaudited)	31 December 2021 (audited)
	Note	€	€
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment	6	128,476	148,383
Right-of-use assets		675,551	733,381
Intangible assets	7	547,250	518,584
Deferred tax assets		406,659	328,990
<b>Total non-current assets</b>		<b>1,757,936</b>	<b>1,729,338</b>
<b>Current assets</b>			
Inventories		1,802,392	1,789,574
Trade and other receivables	8,10	693,312	1,063,989
Cash and cash equivalents	9	211,429	331,350
<b>Total current assets</b>		<b>2,707,133</b>	<b>3,184,913</b>
<b>Total assets</b>		<b>4,465,069</b>	<b>4,914,251</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Issued capital		350,000	350,000
Additional contributed capital		848,735	848,735
Accumulated losses		(837,083)	(797,143)
<b>Total equity</b>		<b>361,652</b>	<b>401,592</b>
<b>Non-current liabilities</b>			
Borrowings		2,040,915	2,031,073
Lease liability	8	639,089	692,891
<b>Total non-current liabilities</b>		<b>2,680,004</b>	<b>2,723,964</b>
<b>Current liabilities</b>			
Borrowings		247,373	256,558
Lease liability	8	102,739	93,138
Trade and other payables	8	1,072,251	1,437,949
Current taxation due		1,050	1,050
<b>Total current liabilities</b>		<b>1,423,413</b>	<b>1,788,695</b>
<b>Total liabilities</b>		<b>4,103,417</b>	<b>4,512,659</b>
<b>Total equity and liabilities</b>		<b>4,465,069</b>	<b>4,914,251</b>

The notes on pages 8 to 13 form part of these financial statements.

The financial statements set out on pages 4 to 13 were approved and authorised for issue by the Board of Directors 25 August 2022 and signed on its behalf by:

  
 \_\_\_\_\_  
 Mr. Martin Vella - Chairman and Director

  
 \_\_\_\_\_  
 Mr. Gordon Zammit - CEO

## Klikk Finance p.l.c.

### Interim Condensed Consolidated Statement of Changes in Equity for the period 1 January 2022 to 30 June 2022 (unaudited)

	Issued share capital	Additional contributed capital	Accumulated losses	Equity attributable to equity holders of the parent	Total Equity
	€	€	€	€	€
<b>Balance as at 1 January 2021</b>					
Opening balance	350,000	848,735	(693,950)	504,785	504,785
Loss for the period	-	-	(29,976)	(29,976)	(29,976)
<b>Balance as at 30 June 2021</b>	<u>350,000</u>	<u>848,735</u>	<u>(723,926)</u>	<u>474,809</u>	<u>474,809</u>
<b>Balance as at 31 December 2021 (audited)</b>	<u>350,000</u>	<u>848,735</u>	<u>(797,143)</u>	<u>401,592</u>	<u>401,592</u>
<b>Balance as at 1 January 2022</b>					
Opening balance	<u>350,000</u>	<u>848,735</u>	<u>(797,143)</u>	<u>401,592</u>	<u>401,592</u>
Loss for the period	-	-	(39,940)	(39,940)	(39,940)
<b>Balance as at 30 June 2022</b>	<u>350,000</u>	<u>848,735</u>	<u>(837,083)</u>	<u>361,652</u>	<u>361,652</u>

The notes on pages 8 to 13 form part of these financial statements.

# Klikk Finance p.l.c.

## Interim Condensed Consolidated Statement of Cash Flows for the period 1 January 2022 to 30 June 2022

	Note	1 January to 30 June 2022 (unaudited)	1 January to 30 June 2021 (unaudited)
		€	€
<b>Cash flows from operating activities</b>			
Loss before tax		(117,609)	(23,084)
Depreciation of property, plant and equipment		20,770	25,346
Depreciation of right of use assets		57,830	57,830
Allowance for impairment of receivables		(5,422)	(2,872)
Amortisation of intangible assets		30,364	19,579
Amortisation of bonds		4,130	3,885
Finance income		(183)	-
Finance costs		73,350	70,819
Other operating expenses			
Working capital changes:			
Changes in inventories		(12,818)	(256,530)
Changes in receivables		318,002	659,900
Changes in payables		(428,798)	(682,956)
Payments from related companies		(31,954)	(268,034)
Interest paid on bank overdraft		(2,338)	(760)
Interest received		211	-
<b>Net used in operating activities</b>		<b>(94,465)</b>	<b>(396,877)</b>
<b>Cash flows from investing activities</b>			
Payments to acquire property, plant and equipment		(863)	(562)
Payments to acquire intangible assets		(57,804)	(7,414)
<b>Net cash used in investing activities</b>		<b>(58,667)</b>	<b>(7,976)</b>
<b>Cash flows from financing activities</b>			
Repayment of bank loans		(93,254)	(90,207)
Interest paid on loans		(4,501)	(7,906)
Advances from related undertakings		42,380	-
Repayment of principal portion of lease liability		(61,758)	(61,448)
<b>Net cash used in financing activities</b>		<b>(117,133)</b>	<b>(159,561)</b>
<b>Net movement in cash and cash equivalents</b>		<b>(270,265)</b>	<b>(564,414)</b>
Cash and cash equivalents at beginning of period		328,320	606,128
<b>Cash and cash equivalents at end of period</b>	9	<b>58,055</b>	<b>41,714</b>

The notes on pages 8 to 13 form part of these financial statements.



# Klikk Finance p.l.c.

## Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2022 to 30 June 2022

### 1. Corporate information

The interim condensed consolidated financial statements of Klikk Finance p.l.c., its subsidiary and sub-subsidiary (collectively 'the Group') for the six months ended 30 June 2022 were authorized for issue in accordance with a resolution of the Board of Directors on 25 August 2022.

The financial information of the Group as at 30 June 2022 and for the six months then ended reflect the financial position and the performance of Klikk Finance p.l.c., its subsidiary Klikk Limited and Klikk Code Limited its sub-subsidiary. The comparative amounts reflect the position of the Group as included in the audited financial statements ended 31 December 2021 and the unaudited results for the period ended 30 June 2021.

Klikk Finance p.l.c. ('the Company') is a public limited liability company incorporated in Malta, under the Companies Act, Cap. 386 of the Laws of Malta.

### 2. Basis of preparation and changes to the Group accounting policies

#### 2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2022 have been prepared in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting". The condensed Group financial statements balances have been extracted from Klikk Finance p.l.c. unaudited Group management accounts for the six months ended 30 June 2022. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

#### 2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022. The Group has not early adopted any other standards, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2022, but do not have any impact on the interim condensed consolidated financial statements of the Group.

## Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2022 to 30 June 2022

### **Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37**

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Group applied the amendments to the contracts for which it had not fulfilled all of its obligations at the beginning of the reporting period.

Prior to the application of the amendments, the Group had not identified any contracts as being onerous as the unavoidable costs under the contracts, which were the costs of fulfilling them, comprised only incremental costs directly related to the contracts. As a result of the amendments, certain other directly related costs have been included by the Group in determining the costs of fulfilling the contracts. The Group has therefore recognised an onerous contract provision, which remained unchanged as of 30 June 2022 as the Group had not yet fulfilled its obligations under the contract.

In accordance with the transitional provisions, the Group applies the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application) and has not restated its comparative information.

### **Reference to the Conceptual Framework – Amendments to IFRS 3**

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arisen during the period.

### **Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16**

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

### **IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter**

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments had no impact on the interim condensed consolidated financial statements of the Group as it is not a first-time adopter.

## Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2022 to 30 June 2022

### **IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.

These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

### **IAS 41 Agriculture – Taxation in fair value measurements**

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

These amendments had no impact on the interim condensed consolidated financial statements of the Group as it did not have assets in scope of IAS 41 as at the reporting date.

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

In preparing condensed consolidated interim financial statements, the Board of Directors have made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at 31 December 2021.

## **4. Segment information**

For management purposes, the Group is organized into business units based on its products and services and has two reportable segments, as follows:

The Lending and Financing and Retail segment includes financing of debtors and the retail of IT products and electronic goods, including but not limited to laptops, desktops, smartphones, tablets, televisions and computer peripheral devices.

In addition, the Group also offers be-spoke software solutions. Klikk Limited supplies its computer products and services mainly to individuals, corporate customers and Government institutions and Departments. Customers may acquire the products and/or software either through cash sale or on credit.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustment and eliminations' column.

# Klikk Finance p.l.c.

## Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2022 to 30 June 2022

### 4. Segment information (continued)

Six-month period ended 30 June 2022	Lending and financing	Retail	Total segments	Adjustments and eliminations	Consolidated
	€	€	€	€	€
<b>Revenue</b>					
External customers	-	2,900,937	2,900,937	-	2,900,937
Inter-segment	74,984	-	74,984	(74,984)	-
<b>Total revenue</b>	<u>74,984</u>	<u>2,900,937</u>	<u>2,975,921</u>	<u>(74,984)</u>	<u>2,900,937</u>
<b>Expenses</b>					
Income tax credit	-	(77,669)	(77,669)	-	(77,669)
Interest expense	56,569	90,769	147,338	(74,171)	73,167
Depreciation and amortisation	-	108,964	108,964	-	108,964
<b>Results</b>					
<b>Segment profit/(loss) before tax</b>	<u>59,953</u>	<u>(158,922)</u>	<u>(98,969)</u>	<u>(18,640)</u>	<u>(117,609)</u>
<b>Total assets</b>	<u>3,782,068</u>	<u>4,251,645</u>	<u>8,033,713</u>	<u>(3,568,644)</u>	<u>4,465,069</u>
<b>Total liabilities</b>	<u>2,430,978</u>	<u>4,330,618</u>	<u>6,761,596</u>	<u>(2,658,179)</u>	<u>4,103,417</u>

Six-month period ended 30 June 2021	Lending and financing	Retail	Total segments	Adjustments and eliminations	Consolidated
	€	€	€	€	€
<b>Revenue</b>					
External customers	-	3,623,799	3,623,799	-	3,623,799
Inter-segment	92,311	-	92,311	(92,311)	-
<b>Total revenue</b>	<u>92,311</u>	<u>3,623,799</u>	<u>3,716,110</u>	<u>(92,311)</u>	<u>3,623,799</u>
<b>Expenses</b>					
Income tax charge	-	6,892	6,892	-	6,892
Interest expense	60,155	102,302	162,456	(91,638)	70,819
Depreciation and amortisation	-	102,755	102,755	-	102,755
<b>Results</b>					
<b>Segment profit/(loss) before tax</b>	<u>24,058</u>	<u>(46,951)</u>	<u>(22,893)</u>	<u>(191)</u>	<u>(23,084)</u>
<b>Total assets</b>	<u>3,619,496</u>	<u>3,922,269</u>	<u>7,541,765</u>	<u>(2,937,745)</u>	<u>4,604,020</u>
<b>Total liabilities</b>	<u>2,536,678</u>	<u>4,477,135</u>	<u>7,013,813</u>	<u>(2,884,602)</u>	<u>4,129,211</u>

# Klikk Finance p.l.c.

## Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2022 to 30 June 2022

### 5. Income tax

The Group calculates the period income tax (expense)/credit using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of profit or loss are:

	For the six months ended 30 June	
	2022	2021
	€	€
<b>Income taxes</b>		
Current income tax charge	-	-
Deferred income tax (charge)/credit	77,669	(6,892)
<b>Income tax (charge)/credit recognised in statement of profit or loss</b>	<b>77,669</b>	<b>(6,892)</b>

### 6. Property, plant and equipment

#### Additions and disposals

During the six months ended 30 June 2022, the Group acquired assets with a cost of €863 (six months ended 30 June 2021: €562).

There were no assets disposed by the Group during the six months ended 30 June 2022 and 30 June 2021.

### 7. Intangible assets

#### Additions and disposals

During the six months ended 30 June 2022, the Group developed intangible assets with a cost of €57,804 (six months ended 30 June 2021: €7,414).

There were no intangible assets disposed by the Group during the six months ended 30 June 2022 and 30 June 2021.

### 8. Financial assets and financial liabilities

The Group's financial assets comprise of trade and other receivables, bank deposits and loans to related parties. The Group's financial liabilities comprise of trade and other payables, lease liabilities, loans from related and other parties. All of the Group's financial instruments are measured at amortised cost, except for the equity instruments which are measured at fair value through other comprehensive income. The lease liabilities are measured in terms of the Group's accounting policy.

### 9. Cash and cash equivalents

For the purpose of the interim condensed statement of cash flows, cash and cash equivalents are comprised of the following:

	30 June 2022	31 December 2021
	€	€
Cash at bank and in hand	211,429	331,350
Bank overdraft	(153,374)	(3,030)
<b>Total cash and cash equivalents</b>	<b>58,055</b>	<b>328,320</b>

# Klikk Finance p.l.c.

## Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2022 to 30 June 2022

### 10. Trade and other receivables

Trade receivables are stated net of a provision for estimated credit losses of €10,422 (30 June 2021: €47,006).

### 11. Related parties

The Group did not enter into any material transactions with related parties.

### 12. Fair values measurements

At 30 June 2022 and 31 December 2021, the carrying amounts of trade and other receivables, cash and cash equivalents and trade and other payables and current borrowings reflected in the financial statements are not carried at fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation. The fair values of loans and receivables and non-current borrowings are not materially different from their carrying amounts in the statement of financial position.

The fair value of non current financial instruments for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

The Group used the following hierarchy for determining and disclosing the fair value:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

### 13. Accounting Standards not yet adopted

Certain new standards, amendments and interpretations to existing standards have been published by the date of authorisation for issue of these financial statements but are mandatory for accounting periods beginning after 1 January 2022. The Group has not early adopted these revisions to the requirements of IFRSs as adopted by the EU and the directors are of the opinion that there are no requirements that will have a possible significant impact on the Group's and the Company's financial statements in the period of initial application.

A subsidiary is an entity that is controlled by the company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investments in subsidiaries are stated at cost less any impairment loss which may have arisen. Income from the investment is recognised only to the extent of distributions received by the Company from post-acquisition profits. Distributions received in excess of such profits are regarded as recovery of investment and are recognised as a reduction of the cost of investment.