



## **AIROBOT TECHNOLOGIES AS**

### **INTERIM REPORT FOR SIX MONTH PERIOD ENDED 30 JUNE 2022 (UNAUDITED)**

**reporting period:** 01.01.2022 – 30.06.2022  
**financial year:** 01.01.2022 - 31.12.2022

**business name:** OÜ Airobot

**register code:** 12405854

**street, building, apartment:** Pardi tn 32-1

**city:** Pärnu linn

**municipality:** Pärnu

**county:** Pärnu maakond

**postal code:** 80016

**telephone:** +372 5283181

**e-mail address:** info@airobot.ee

## Management board's activity report

The volume of confirmed orders for Airobot Technologies in the first half of 2022 was 499,956 euros which was a 3.25-fold increase compared to the first half of 2021. The company's turnover in the I half-year was 452,282 euros of which 363,188 is recorded as turnover and 89,094 is recorded on the balance sheet in the loans and advances row. According to the management, owing to the specific nature of Airobot's business, it is the number of confirmed orders that is the most adequate performance indicator because it characterises the company's growth the best. The above is due to the fact that turnover is generated from growth with a time delay - although the transaction for the sale of a device has taken place already in the first half-year, it is often delivered in the second half of the year. This is why it is the number of confirmed orders that enables to best monitor the company's business growth.

Airobot Technologies AS had a loss of 233,974 euros in the first half of the year. In order to evaluate actual loss, the 89,094 euros recorded on the balance sheet as advances should be deducted from this amount, making the loss in the first half of the year 144,879 euros. If the one-off IPO cost of 83,817 euros is also deducted, the actual operating loss is 61,062 euros which corresponds to the plans.

In order to mitigate risks of uncertain supply chains and prepare for fulfilling the sales orders of 2023, intentional stocks have been purchased (in the amount of 285,773 euros) for critical components which mitigate the risk of fulfilling orders.

Comment by member of the management board of Airobot Technologies AS Heiki Aulik: "We are moving according to the planned schedule. Sales volumes are increasing also thanks to people's increased awareness of a healthy indoor climate and the ventilation requirements prescribed by law. In relation to increased energy prices, buildings are being insulated and people are making an informed choice in favour of an energy-efficient heat recovery ventilation unit."

### Activity plans for the second half of 2022

By using our market position, the company has contributed and will continue to actively contribute to the development of new products and new product segments, which provides a strong potential for future sales growth. In the second half of the 2022, Airobot is introducing a new ventilation unit model for larger private residences and business premises for which the market supply is low but for which the company sees a strong export potential. With the new product, Airibot enters a new client segment.

Expanding the product portfolio and entering a new client segment gives Airibot the potential to achieve the established turnover goals and mitigate market risks. Airobot is constantly analysing and developing the market and its product portfolio with the aim to ensure innovation and increased business volumes.

Airobot Technologies AS sees sales growth not only with private customers but also more strongly on the business customers' side. The company has expanded its sales team and is focusing on a more active cooperation with real estate developers, house manufacturers and ventilation system installers. One of the most important ventilation system deliveries in the first half of 2022 was for Liven's new development project Iseära.

## Table of contents

<b>Financial Statements</b>	<b>3</b>
Consolidated statement of financial position	3
Consolidated income statement	4
Consolidated statement of cash flows	5
Consolidated statement of changes in equity	6
<b>Notes</b>	<b>7</b>
Note 1 Accounting policies	7
Note 2 Receivables and prepayments	8
Note 3 Property, plant and equipment	9
Note 4 Intangible assets	10
Note 5 Payables and prepayments	11
Note 6 Labor expense	11
Note 7 Related parties	11

## The annual accounts

### Consolidated statement of financial position

(In Euros)

	30.06.2022	31.12.2021
Assets		
Current assets		
Cash and cash equivalents	480 142	8 297
Receivables and prepayments	88 460	84 523
Inventories	285 773	91 668
<b>Total current assets</b>	<b>854 375</b>	<b>184 488</b>
Non-current assets		
Property, plant and equipment	15 907	14 994
Intangible assets	83 902	92 478
<b>Total non-current assets</b>	<b>99 809</b>	<b>107 472</b>
<b>Total assets</b>	<b>954 184</b>	<b>291 960</b>
Liabilities and equity		
Liabilities		
Current liabilities		
Payables and prepayments	265 046	148 851
<b>Total current liabilities</b>	<b>265 046</b>	<b>148 851</b>
Non-current liabilities		
Loan liabilities	137 028	137 028
<b>Total non-current liabilities</b>	<b>137 028</b>	<b>137 028</b>
<b>Total liabilities</b>	<b>402 074</b>	<b>285 879</b>
Equity		
Equity held by shareholders and partners in parent company		
Issued capital	251 107	235 412
Share premium	764 308	
Retained earnings (loss)	-229 331	-229 331
Annual period profit (loss)	-233 974	
<b>Total equity held by shareholders and partners in parent company</b>	<b>552 110</b>	<b>6 081</b>
<b>Total equity</b>	<b>552 110</b>	<b>6 081</b>
<b>Total liabilities and equity</b>	<b>954 184</b>	<b>291 960</b>

## Consolidated income statement

(In Euros)

	01.01.2022 - 30.06.2022	30.12.2021 - 31.12.2021
Revenue	363 188	478 708
Other income	0	124 469
Raw materials and consumables used	-180 916	-216 778
Other operating expense	-208 350	-249 082
Employee expense	-190 811	-201 171
Depreciation and impairment loss (reversal)	-10 636	-20 057
Other expense	-1 608	-1 014
<b>Operating profit (loss)</b>	<b>-229 133</b>	<b>-84 925</b>
Interest income	13	8
Interest expenses	-4 862	-2 007
<b>Profit (loss) before tax</b>	<b>-233 982</b>	<b>-86 924</b>
<b>Annual period profit (loss)</b>	<b>-233 982</b>	<b>-86 924</b>
Profit (loss) from shareholders and partners in parent company	-38 647	0

## Consolidated statement of cash flows

(In Euros)

	01.01.2022 - 30.06.2022	30.12.2021 - 31.12.2021
Cash flows from operating activities		
Operating profit (loss)	-229 133	-84 925
Adjustments		
Depreciation and impairment loss (reversal)	10 636	20 057
<b>Total adjustments</b>	<b>10 636</b>	<b>20 057</b>
Changes in receivables and prepayments related to operating activities	-3 937	-9 866
Changes in inventories	-194 105	-52 522
Changes in payables and prepayments related to operating activities	116 195	84 524
Other cash flows from operating activities		-1 010
<b>Total cash flows from operating activities</b>	<b>-300 344</b>	<b>-43 742</b>
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-2 973	-13 194
<b>Total cash flows from investing activities</b>	<b>-2 973</b>	<b>-13 194</b>
Cash flows from financing activities		
Interest paid	-4 840	-11 385
Proceeds from issuing shares	780 002	
<b>Total cash flows from financing activities</b>	<b>775 162</b>	<b>-11 385</b>
<b>Total cash flows</b>	<b>471 845</b>	<b>-68 321</b>
Cash and cash equivalents at beginning of period	8 297	76 618
<b>Change in cash and cash equivalents</b>	<b>471 845</b>	<b>-68 321</b>
Cash and cash equivalents at end of period	480 142	8 297

## Consolidated statement of changes in equity

(In Euros)

				Total
	Equity held by shareholders and partners in parent company			
	Issued capital	Share premium	Retained earnings (loss)	
30.12.2021	235 412		-229 331	6 081
31.12.2021	235 412		-229 331	6 081
Annual period profit (loss)			-233 974	-233 974
Issue of equity	15 694	764 308		780 002
30.06.2022	251 106	764 308	-463 305	552 109

## Notes

### Note 1 Accounting policies

#### General information

The 2022 6 months unaudited Interim Report of Financial Statements of Airobot Technologies AS have been prepared in accordance with Estonian financial reporting standard. The main requirements of the Estonian financial reporting standards have been stipulated in the Accounting Act of the Republic of Estonia and supplemented by the guidelines issued by the Accounting Board of the Republic of Estonia. The company belongs to the small business category. The 2022 6 months unaudited Interim Report of Financial Statements is compiled completely according to the regulations introduced for mid-sized companies. The financial statements have been prepared in euros.

#### Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents are cash in hand, demand deposits in banks.

#### Receivables and prepayments

Accounts receivable are short-term receivables generated in the course of ordinary business, except for receivables from other group companies and associated companies. Accounts receivable are recorded at amortised cost (i.e. nominal value less possible write-downs). Accounts receivable are evaluated on an individual basis, if possible. If the evaluation of the receivables on an individual basis proves impossible, only the material receivables will be evaluated. Other receivables are evaluated as a set of receivables, considering the information available regarding the customer's previous debts. Collection of receivables, which have been previously expensed as doubtful receivables, are reported as an adjustment to doubtful receivables.

All other receivables (accrued income, loans granted, other short-term and long-term receivables), except for receivables held for trading, are recorded at amortised cost. Receivables held for trading are recorded at their fair value.

#### Inventories

Raw materials are recorded at cost, consisting of the purchase price, non-refundable taxes and direct transportation costs and other expenses directly related to the acquisition, incurred upon bringing the inventories to their present condition and location, less discounts and subsidies. Finished products and work-in-progress are recorded at production cost, consisting of the direct production costs (cost of raw materials), staff remuneration and a proportional part of the production overheads (depreciation of production buildings and equipment). The acquisition cost of inventories is calculated based on the FIFO (Raw materials) and individual cost (Work in progress and finished goods) method.

#### Plant, property and equipment and intangible assets

Assets with an acquisition cost of over 600 euros and a useful life of over 1 year are recorded as property, plant and equipment (PPE) in the balance sheet. Assets with a useful life of over 1 year, but an acquisition cost of less than 600 euros, are recorded as low-value items (in inventories) and are fully expensed when the asset is taken into use. Low-value items that have been expensed are accounted for off-balance sheet.

PPE are initially recorded at acquisition cost, consisting of the purchase price and expenses incurred with the aim of taking the asset item into use. Subsequent to initial recognition, PPE are recorded at net book value. PPE constructed for own use is recorded at acquisition cost, consisting of the actual manufacturing expenses.

#### Financial liabilities

Financial liabilities are recognized at acquisition cost, that includes all transaction costs directly related to those financial liabilities. Financial liability is classified as current if it is due to be settled within twelve months after the balance sheet date, or if the entity has nonconditional right to defer settlement of the liability for more than 12 months after the balance sheet date. Promises, guarantees and other commitments that in certain circumstances may become liabilities are disclosed as contingent liabilities in the notes to the financial statements.

#### Revenue recognition

Revenue and expenses are recognised on an accrual basis, based on the matching principle. Income statement format No 1 is used. Revenue is recognised on an accrual basis under the revenue recognition principle. Revenues from the sales of goods are recorded at the moment the right of ownership is transferred to the buyer.



**Related parties**

For the purposes of the financial statements of AS Airobot Technologies, the following are considered related parties:

- owners (parent company and owners of the parent company);
- management board and higher management;
- close relatives of the above persons, and the companies related to them.

**Note 2 Receivables and prepayments**

(In Euros)

	30.06.2022	Within 12 months
Accounts receivable	78 621	78 621
Accounts receivables	78 844	78 844
Allowance for doubtful receivables	-223	-223
Tax prepayments and receivables	4 409	4 409
Prepayments	5 430	5 430
Deferred expenses	2 438	2 438
Other paid prepayments	2 992	2 992
<b>Total receivables and prepayments</b>	<b>88 460</b>	<b>88 460</b>
	31.12.2021	Within 12 months
Accounts receivable	21 539	21 539
Accounts receivables	21 762	21 762
Allowance for doubtful receivables	-223	-223
Tax prepayments and receivables	4 097	4 097
Other receivables	56 449	56 449
Accrued income	56 449	56 449
Prepayments	2 438	2 438
Deferred expenses	2 438	2 438
<b>Total receivables and prepayments</b>	<b>84 523</b>	<b>84 523</b>

## Note 3 Property, plant and equipment

(In Euros)

					Total
	Computers and computer systems	Other machinery and equipment	Machinery and equipment	Other property, plant and equipment	
<b>30.12.2021</b>					
Carried at cost	6 467	3 895	10 362	12 418	22 780
Accumulated depreciation	-2 993	-130	-3 123	-4 663	-7 786
<b>Residual cost</b>	3 474	3 765	7 239	7 755	14 994
<b>31.12.2021</b>					
Carried at cost	6 467	3 895	10 362	12 418	22 780
Accumulated depreciation	-2 993	-130	-3 123	-4 663	-7 786
<b>Residual cost</b>	3 474	3 765	7 239	7 755	14 994
Acquisitions and additions	2 974		2 974		2 974
Other acquisitions and additions	2 974		2 974		2 974
Depreciation	-1 249	-195	-1 444	-617	-2 061
<b>30.06.2022</b>					
Carried at cost	9 441	3 895	13 336	12 418	25 754
Accumulated depreciation	-4 242	-325	-4 567	-5 280	-9 847
<b>Residual cost</b>	5 199	3 570	8 769	7 138	15 907

## Note 4 Intangible assets

(In Euros)

		Total
	Other intangible assets	
<b>30.12.2021</b>		
Carried at cost	171 533	171 533
Accumulated depreciation	-79 055	-79 055
<b>Residual cost</b>	92 478	92 478
<b>31.12.2021</b>		
Carried at cost	171 533	171 533
Accumulated depreciation	-79 055	-79 055
<b>Residual cost</b>	92 478	92 478
Depreciation	-8 576	-8 576
<b>30.06.2022</b>		
Carried at cost	171 533	171 533
Accumulated depreciation	-87 631	-87 631
<b>Residual cost</b>	83 902	83 902

**Note 5 Payables and prepayments**

(In Euros)

	30.06.2022	Within 12 months
Trade payables	103 379	103 379
Employee payables	30 840	30 840
Tax payables	36 464	36 464
Other payables	5 269	5 269
Other accrued expenses	5 269	5 269
Prepayments received	89 094	89 094
Deferred income	89 094	89 094
<b>Total payables and prepayments</b>	<b>265 046</b>	<b>265 046</b>
	31.12.2021	Within 12 months
Trade payables	90 880	90 880
Employee payables	18 963	18 963
Tax payables	13 278	13 278
Other payables	11 385	11 385
Other accrued expenses	11 385	11 385
Prepayments received	14 345	14 345
Deferred income	14 345	14 345
<b>Total payables and prepayments</b>	<b>148 851</b>	<b>148 851</b>

**Note 6 Labor expense**

(In Euros)

	01.01.2022 - 30.06.2022	30.12.2021 - 31.12.2021
Wage and salary expense	143 002	150 352
Social security taxes	47 810	50 819
<b>Total labor expense</b>	<b>190 812</b>	<b>201 171</b>
Average number of employees in full time equivalent units	7	5
Average number of employees by types of employment:		
Person employed under employment contract	6	5
Member of management or controlling body of legal person	1	

**Note 7 Related parties**

(In Euros)

Remuneration and other significant benefits calculated for members of management and highest supervisory body		
	01.01.2022 - 30.06.2022	30.12.2021 - 31.12.2021

Remuneration	31 500	0
--------------	--------	---