



CONSOLIDATED SIX-MONTH UNAUDITED REPORT

Beginning of the financial period: 01.07.2022

End of the financial period: 31.12.2022

Business name: Punktid Technologies AS

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Operating activity: Activities of holding companies (64201)



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Management report

Punktid Technologies AS is a new generation computer game and gift card intermediary service provider, containing valuable content throughout the gaming sector.

The company provides all services under the Punktid brand and maintains a leading position in Estonia in the video game and gift card intermediary service market.

History

Punktid Technologies OÜ was established in February 2021, making it the parent company for HVK Business OÜ and Gamekeys OÜ (Punktid Group). In September 2021, Punktid Technologies OÜ was transformed into public limited company (Punktid Technologies AS).

Purpose

The purpose of Punktid Technologies AS is to consolidate all the activities of the Punktid Group under one parent company and also involve investments.

Gamekeys OÜ, a subsidiary of Punktid Technologies AS, is engaged in the digital mediation of computer games and various gift cards through the Punktid platform. The product range includes various brands such as Sony, Xbox, Steam, Origin, Blizzard, Rockstar, Nintendo, etc.

The activities of HVK Business OÜ, a subsidiary of Punktid Technologies AS, are wholesale trade related to the sale of games and game codes, development of the Punktid platform, and to a minimal extent retail trade in the form of selling sugar-free drinks on the GGSUPSS.ee page.

In the second half of 2022, we implemented the involved investments to fulfil development and growth plans.

Punktid platform development (IT service investments in the second half of 2022 totaling €174,808, of which €125,069 was the development of the Punktid platform and €49,739 other IT costs; labor costs totaling €143,206) and increasing retail sales in local and foreign markets (advertising costs in the total amount in the second half of 2022 €102,165).

In addition, as part of being on the stock exchange, legal and consultation costs in the amount of €18,919 had to be paid.

In the second half of 2022, intangible fixed assets increased from €125,241 to €239,676, equity changed from €803,196 to €559,188.

Economic indicators

In the period of 01.07-31.12 of the 2022 interim report, the sales revenue was €761,879, which consists of HVK Business OÜ sales and Gamekeys OÜ commission, and compared to the same period of 2021, the increase is 53.5%.

Punktid Group's main focus is to grow Gamekeys OÜ's brokerage service turnover. In the second half of 2022, services were sold to retail consumers through the Punktid platform for €974,351, from which the company received a commission of €180,308, which is an 83% increase in the commission compared to the same period of the previous year.

The volume of retail and wholesale sales totaled €1,561,051 in the second half of 2022. The increase compared to the same period in 2021 is 18%.

Punktid Group's loss of €244,132 for the second half of 2022 is largely due to costs related to advertising and IT services, inventory and team expansion. In the second half of 2022, Punktid Group did not have profit making as its main goal.



Investments

Punktid Group made significant investments in marketing costs, team and platform development in the second half of 2022.

In 2022, Punktid Technologies AS had the main goal of using the investment to implement a new platform and to hire additional labor for expansion.

No additional investments were included in the second half of 2022.

Macroeconomic overview

In Estonia as a whole, in 2022 there was continued pressure on wage growth due to the shortage of skilled labor in the information and communication technology sector, which is why we were forced to find several team members from outside Estonia. In addition, in the second half of 2022, there was a very large increase in inflation, which in turn negatively affected the consumption of the local market, but we were able to compensate for it with the growth of foreign markets.

Grounding financial risks

During the second half of 2022, no significant financial risks have appeared.

Seasonality of business

Punktid Group's activity is slightly dependent on the season, when as a rule the fourth quarter has significantly better sales figures compared to the summer months (June, July and August).

Environmental and social impacts

Punktid Grupp's activities do not have a significant impact on the natural environment, but based on the company's responsible behaviour, Punktid Grupp operates in an energy-efficient manner. Since computers, office spaces and servers are one of the biggest sources of energy consumption, Punktid Group uses only LED lighting in its office, employees have significantly more environmentally friendly laptops instead of large desktop computers, and the servers are located in the Netherlands, where nearly 14% of the country's energy comes from renewable energy sources.¹ All the products we sell are digital, and the digital delivery method reduces the ecological footprint by over 95% compared to the amount of waste and pollution associated with the production, packaging and delivery of game disks.

Key financial ratios

	01.07- 31.12.2022	01.07- 31.12.2021
Operating profit margin (operating profit / sales revenue)	-0,32	-0,19
Short-term debt coverage ratio (current assets / short-term liabilities)	2,81	1,44
Assets to equity ratio (assets / equity)	1,27	1,66

1. https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Renewable_energy_statistics.

2. <https://www.euronews.com/green/2020/02/17/is-playing-video-games-making-climate-change-worse>.



The annual accounts

Consolidated statement of financial position

(in Euros)

	01.07- 31.12.2022	01.07- 31.12.2021	Note nr
Assets			
Current assets			
Cash and cash equivalents	129 039	26 154	
Financial investments	0	199	
Receivables and prepayments	83 483	19 233	2
Inventories	198 732	114 316	3
Total current assets	411 254	159 902	
Non-current assets			
Property, plant and equipment	57 637	24 921	6
Intangible assets	239 676	98 603	7
Total non-current assets	297 313	123 524	
Total assets	708 567	283 426	
Liabilities and equity			
Liabilities			
Current liabilities			
Loan liabilities	3 087	45 506	8
Payables and prepayments	143 013	65 344	9
Total current liabilities	146 100	110 850	
Non-current liabilities			
Loan liabilities	3 279	1 528	8
Total non-current liabilities	3 279	1 528	
Total liabilities	149 379	112 378	
Equity			
Equity held by shareholders and partners in parent company			
Share capital	214 982	195 390	10
Share premium	983 260	134 151	
Own shares	-1	-1	
Retained earnings (loss)	-394 921	-61 617	
Annual period profit (loss)	-244 132	-96 875	
Total equity held by shareholders and partners in parent company	559 188	171 048	
Total equity	559 188	171 048	
Total liabilities and equity	708 567	283 426	



Consolidated income statement

(in Euros)

	01.07.2022 31.12.2022	01.07.2021 31.12.2021	Note nr
Revenue	761 879	496 121	11
Other income	1 801	512	
Work performed by entity and capitalised	0	7 045	
Raw materials and consumables used	-628 913	-377 042	12
Other operating expenses	-217 636	-116 184	13
Labor expense	-143 206	-97 624	14
Depreciation and impairment loss	-14 982	-7312	6,7
Other expenses	-2 551	-1 229	
Operating profit (loss)	-243 608	-95 713	
Interest income	42	0	
Interest expenses	-524	-1 296	
Other financial income and expenses	-42	134	
Profit (loss) before tax	-244 132	-96 875	
Annual period profit (loss)	-244 132	-96 875	



Consolidated statement of cash flows

(in Euros)

	01.07.2022 31.12.2022	01.07.2021 31.12.2021
Cash flows from operating activities		
Operating profit (loss)	-243 608	-95 713
Adjustments		
Depreciation and impairment loss (reversal)	14 982	7 312
Other adjustments	85	-4 863
Total adjustments	15 067	2 449
Changes in receivables and prepayments related to operating activities	-61 550	-5 616
Changes in inventories	-23 131	1 950
Changes in payables and prepayments related to operating activities	37 252	7 399
Total cash flows from operating activities	-275 970	-89 531
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-179 693	-14596
Received from sales of other financial investments	241	0
Received from loans given	0	2 556
Interest received	18	24
Total cash flows from investing activities	-179 434	-12 016
Cash flows from financing activities		
Repayments of loans received	-1 565	-17 937
Change in overdraft balance	-3 500	-2 406
Repayments of finance lease liabilities	-1 221	-4 545
Interest paid	-524	-1 250
Received from the issue of shares	0	70 002
Paid for own shares	0	-1
Total cash flows from financing activities	-6 810	43 863
Total cash flows	-462 214	-57 684
Cash and cash equivalents at beginning of period	591 313	83 774
Change in cash and cash equivalents	-462 274	-57 620
The effect of changes in foreign exchange rates	-60	-64
Cash and cash equivalents at end of period	129 039	26 154



Consolidated statement of changes in equity

(in Euros)

	Equity held by shareholders and partners in parent company				Total
	Share capital	Share premium	Own shares	Retained earnings (loss)	
	31.12.2021	195 390	134 151	-1	
Annual period profit (loss)	0	0	0	-236 429	-236 429
Issued share capital	0	776 063	0	0	776 063
Changes in ohter contributions from owners	19 592	73 046	0	0	92 638
30.06.2022	214 982	983 260	-1	-394 921	803 320
Annual period profit (loss)	0	0	0	-244 132	-244 132
31.12.2022	214 982	983 260	-1	-639 053	559 188



Notes

Note 1 Accounting policies

General information

The unaudited interim report of financial statements of Punktid Technologies AS (hereinafter also referred to as “the Company”) for the financial period 01.07.2022-31.12.2022 are prepared in accordance with the Accounting Act and Estonian Financial Reporting Standard. The Estonian Financial Reporting Standard comply with the internationally acknowledged accounting and reporting principles, and which is supplemented by the guidelines issued by the Estonian Accounting Standards Board.

The consolidated annual accounts have been prepared in euros.

The income statement has been prepared pursuant to format 2.

The financial statements have been prepared on the basis of cost model.

Preparation of consolidated statements

In consolidated accounts, all subsidiaries of the Group have been consolidated on a line-by-line basis. If necessary, the financial statements of subsidiaries have been adjusted in order to comply with the accounting policies of the Group.

All intra-group receivables and payables, transactions between the Group companies and the unrealised profits and losses, which have arisen as a result thereof, have been eliminated.

Financial assets

Financial assets are cash, a contractual right to receive cash or other financial assets (e.g. trade receivables) from another party and to exchange financial assets with another party on potentially favourable terms and conditions.

Financial assets are initially recognised at their acquisition cost, which is the fair value of the consideration payable or receivable for particular financial assets. The initial acquisition cost includes all transaction costs directly attributable to the financial assets. Sales of financial assets under ordinary market terms and conditions are recognised on the date of the transaction.

Cash and cash equivalents

Cash in hand, balances of current accounts, cash in transit and term deposits with a term of up to three months are recognised as cash and cash equivalents in the balance sheet and the cash flow statement.

Foreign currency transactions and assets and liabilities denominated in foreign currency

Foreign currency transactions are recorded at the Euro foreign exchange reference rates that are fixed by the European Central Bank. Foreign currency monetary items and those non-monetary items that are carried at fair value, are retranslated according to the Euro foreign exchange reference rates that are fixed by the European Central Bank. Non-monetary items, which are not carried at fair value (i.e. prepayments, inventories, tangible and intangible assets) are not retranslated; instead, in euros according to the Euro foreign exchange reference rates that are fixed by the European Central Bank. Gains and losses from foreign currency transactions are recorded in the income statement on net basis.



Financial investments

Equity investments (except shareholding in a subsidiary or associate), whose fair value can be reliably measured, are recorded on the balance sheet at their fair value.

Equity investments, that's fair value cannot be reliably measured and the related derivatives, are recorded on the balance sheet at cost less any write-down.

Shares of subsidiaries and associates

All entities controlled by the parent company are considered to be subsidiaries. Control is considered to be effective when the parent company has, directly or indirectly through subsidiaries, 50% of voting power in the subsidiary or the parent company is controlling the operating and financial policies of the subsidiary in some other way.

Receivables and prepayments

Trade receivables

Current and non-current trade receivables are recorded at amortized cost, i.e. at their net present value, from which doubtful accounts are deducted.

Trade receivables, which partly or fully are not expected to be collected, are expensed and reported in the income statement as "Miscellaneous expenses". Receivables, collection of which is not feasible nor economically justified, are considered to be non-collectible and written-off from the balance sheet.

Inventories

Goods for resale, equipment held for resale and service providing for which it is not possible to record revenues yet based on the completion method, are recorded at cost, which comprises purchase price, non-refundable taxes as well as other direct acquisition expenditures, less discounts and subsidies received.

Inventories are stated at the lower of cost or net realizable value. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing and making the sale.

Plant, property and equipment and intangible assets

Assets held for use in the production or supply of goods and services, or for administrative purposes in the company's own economic activity, with useful life of over one year and a value of 300 EUR or more are considered to be tangible assets. Assets below the minimum cost level or useful life less than one year shall be expensed at the time they are taken into use and may be accounted for off-balance sheet.

Tangible fixed assets are initially taken into account at their acquisition cost, which consists of the purchase price and other expenses directly related to acquisition, which are necessary to bring the asset to its working condition and location. Tangible fixed assets are recorded in the balance sheet at their acquisition cost, from which accumulated depreciation and possible discounts resulting from a decrease in value have been deducted. Accounting for capital leased tangible fixed assets is done similarly to purchased fixed assets

Tangible assets are recorded at cost, which comprises purchase price and other directly attributable expenditures that are necessary for bringing the asset to its operating condition and location.

In the balance sheet property, plant and equipment are recorded at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the straight-line method.



Intangible assets

An asset is an intangible asset when it has useful life of more than one year and is controlled by the Company, the cost of the asset can be measured reliably and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company. Intangible assets are recorded at cost, which comprises purchase price and other directly attributable expenditures that are necessary for bringing the asset to its operating condition and location. Intangible assets shall be carried in the balance sheet at their cost, less accumulated amortisation and any accumulated impairment losses. Amortisation of intangible assets is calculated on the straight-line method

Useful life by assets group (years)

Assets group name	Useful life
Means of transport	10
Computers and systems	5
Other machinery and equipment	5-10
Other fixed assets	5

Leases

Finance lease means a lease where all significant risks and rewards of ownership of the asset item in question are transferred to the lessee. Other lease contracts are recognised as operating leases.

Company as a lessee

An asset held under finance lease is recognized as an asset and a liability of the Company at its fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in income statement on accrual basis of accounting.

Assets held under operating lease are not reported on the balance sheet. Rentals payable under operating leases are charged to income statement on a straight-line basis over the term of the relevant lease, irrespectively from disbursements.

Financial liabilities

Financial liabilities comprise trade and other payables, accrued expenses and other short-term and long-term loans and borrowings.

Financial liabilities are initially recognised at cost, which is equal to the fair value of the consideration received for them.

The initial cost of a financial liability comprises all expenses directly related to its acquisition.

Financial liabilities are measured hereinafter at amortised cost. The amortised cost of short-term financial liabilities generally equals their nominal value; therefore short-term financial liabilities are carried in the balance sheet in their redemption amount. For calculating the amortised cost of long-term financial liabilities they are initially recognised at the fair value of the consideration payable, by calculating interest expense on the liabilities in the following periods using the effective interest rate method.

A financial liability is removed from the balance sheet when it is discharged or cancelled or expired.



Revenue recognition

Income is measured at the fair value of the consideration received or receivable, taking into account the amount of any discounts as specified in the contract. Sales of goods are recognised when all significant risks and rewards related to ownership of goods have been transferred to the buyer, collection of related receivables is probable, and income and expenses incurred in respect of the transaction can be measured reliably. Sales of services are recognised in the period when the service was provided, if collection of related receivables is probable, and income and expenses incurred in respect of the transaction can be measured reliably.

Interest income is accrued on a time basis and dividend income from investments is recognised when the right to receive payment has been established.

Costs

Costs associated with income earned during an accounting period are deducted from such income. Expenses, the corresponding income of which is generated in a different period, are recognised as expenses in the period with income generated in relation to the same. If income associated with certain expenses cannot be directly identified, then indirect methods shall be used for the recognition of expenses.

Expenditure not expected to generate income is recognised as an expense at the time when it is incurred.

Taxation

In accordance with the effective Estonian Income Tax Act, dividends are taxed at the rate of 20/80 of the amount distributed as the net dividend.

From 2019, a lower tax rate on dividends of 14/86 were entered into force in Estonia for regular dividend payments. This means that a resident company will be able to both apply a lower tax rate of 14/86 and a standard tax rate of 20/80.

The income tax calculated on dividends is recognized as the income tax expense of the period in which the dividends are declared irrespective of the period for which the dividends are declared or the period in which the dividends are ultimately distributed.

Related parties

Related person is a legal and/or individual person that complies with at least one of the following conditions:

- a) directly or indirectly makes significant impact to the Group;
- b) can make significant impact to the Group;
- c) controls joint operation agreement object;
- d) is a company which can be significantly affected by the same parent company or the same individual person(s);
- e) is a subsidiary or associate;
- f) is a company which is under control by the joint operation agreement;
- g) is one of the top managers of the Group;
- h) is a close family member of one of those listed in clauses a), b), c) or g);
- i) is a company which is under control or can be affected significantly by one of those listed in the clauses g) or h);
- j) is a Company which accrues and pays pensions and other payments after the end of labour relations to Group companies or to employees of other company which is related to the Group.



Note 2 Receivables and prepayments

(in Euros)

	31.12.2022	Within 12 months	Note nr
Accounts receivable	53 634	53 634	
Accounts receivables	53 634	53 634	
Receivables from related parties	1 907	1 907	15
Tax prepayments and receivables	27 258	27 258	4
Prepayments	684	684	
Deferred expenses	684	684	
Total receivables and prepayments	83 483	83 483	
	31.12.2022	Within 12 months	
Accounts receivable	10 545	10 545	
Accounts receivables	10 545	10 545	
Receivables from related parties	2 227	2 227	15
Tax prepayments and receivables	4 805	4 805	4
Prepayments	1 656	1 656	
Deferred expenses	1 656	1 656	
Total receivables and prepayments	19 233	19 233	

Note 3 Inventories

(in Euros)

	31.12.2022	31.12.2021
Goods for sale	193 192	105 564
Prepayments for merchandise	5 540	8 752
Total Inventories	198 732	114 316



Note 4 Tax prepayments and liabilities

(in Euros)

	31.12.2022		31.12.2021	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Personal income tax	0	6 914	0	4 951
Social security tax	0	11 875	0	9 397
Pension Insurance tax	0	637	0	518
Unemployment Insurance tax	0	819	0	684
Other taxes	0	69	0	0
Prepayment balance	27 258	0	4 805	0
Total tax prepayments and liabilities	27 258	20 314	4 805	15 550

Note 5 Shares of subsidiaries

(in Euros)

Shares of subsidiaries, general information					
Subsidiary's registry code	Name of subsidiary	Country of incorporation	Principal activity	Ownership interest (%)	
				31.12.2021	31.12.2022
12526262	Gamekeys OÜ	Eesti	Digital mediation of computer games and various gift cards through the Punktid platform	100	100
11638088	HVK Business OÜ	Eesti	Wholesale of games and game codes	100	100

Shares of subsidiaries, detailed information			
Name of subsidiary	31.12.2021	Other changes	31.12.2022
Gamekeys OÜ	64 000	111 289	154 000
HVK Business OÜ	194 500	236 048	784 500
Total shares of subsidiaries et end of previous period	488 500	347 337	938 500



Note 6 Property, plant and equipment
(in Euros)

						Total
	Transportation	Computers and systems	Other machinery and equipment	Machinery and equipment	Other property, plant and equipment	
01.07.2021						
Carried at cost	24 167	10 310	1 890	36 367	1 252	37 619
Accumulated depreciation	-6 656	-6 197	-147	-13 000	-555	-13 555
Residual cost	17 511	4 113	1 743	23 367	697	24 064
Acquisitions and additions	0	3 198	0	3 198	0	3 198
Depreciation	-1 209	-949	-111	-2 269	-72	-2 341
31.12.2021						
Carried at cost	24 167	12 595	1 890	38 652	729	39 381
Accumulated depreciation	-7 865	-6 233	-258	-14 356	-104	-14 460
Residual cost	16 302	6 362	1 632	24 296	625	24 921
01.07.2022						
Carried at cost	24 167	13 765	1 890	39 821	729	40 550
Accumulated depreciation	-9 073	-7 378	-369	-16 828	-177	-17 005
Residual cost	15 094	6 387	1 521	22 993	552	23 545
Acquisitions and additions	35 416	1 300	1 207	37 923	478	38 401
Depreciation	-2 684	-1 350	-171	-4 205	--113	-4 318
31.12.2022						
Carried at cost	59 583	13 584	3 097	76 264	1207	77 471
Accumulated depreciation	-11 757	-7 247	-540	-19 545	-290	-19 834
Residual cost	47 826	6 337	2 557	56 720	917	57 637



Note 7 Intangible assets
(in Euros)

			Total
	Computer software	Concessions, patents, licences, trademarks	
01.07.2021			
Carried at cost	399	90 047	90 446
Accumulated depreciation	-72	-4 090	-4 162
Residual cost	327	85 957	86 284
Acquisitions and additions	0	17 289	17 289
Depreciation	-50	-4 920	-4 970
31.12.2021			
Carried at cost	399	107 336	107 735
Accumulated depreciation	-122	-9 010	-9 132
Residual cost	277	98 326	98 603
01.07.2022			
Carried at cost	399	139 856	140 255
Accumulated depreciation	-142	-14 842	-14 984
Residual cost	257	125 014	125 271
Acquisitions and additions	0	125 069	125 069
Depreciation	-20	-10 644	-10 664
31.12.2022			
Carried at cost	399	264 925	265 324
Accumulated depreciation	-162	-25 486	-25 648
Residual cost	237	239 439	239 676



Note 8 Loan commitments

(in Euros)

	31.12.2022	Allocation by remaining maturity			Interest rate	Base currency	Due date	Note nr
		Within 12 months	1 - 5 years	Over 5 years				
Current loans								
Overdraft	0	0			14%	EUR	2022-2023	
Current loans	0	0			10%	EUR	2022	15
Finance lease obligations	3 087	3 087			5,8%-11%	EUR	2022-2025	
Current loans total	3 087	3 087						
Non-current loans								
Finance lease obligations	3 279	0	3 279		11%	EUR	2022-2025	
Non-current loans total	3 279	0	3 279					
Loan commitments total	6 366	3 087	3 279					
	31.12.2021	Allocation by remaining maturity			Interest rate	Base currency	Due date	Note nr
		Within 12 months	1 - 5 years	Over 5 years				
Current loans								
Overdraft	14 093	14 093			14%	EUR	2022-2023	
Current loans	25 749	25 749			10%	EUR	2022	15
Finance lease obligations	5 664	5 664			5,8%-11%	EUR	2022-2025	
Current loans total	45 506	45 506						
Non-current loans								
Finance lease obligations	1 528	0	1 528		11%	EUR	2022-2025	
Non-current loans total	1 528	0	1 528					
Loan commitments total	47 034	45 506	1 528					



Note 9 Payables and prepayments (in Euros)

	31.12.2022	Within 12 months	Note nr
Trade payables	91 121	91 121	
Employee payables	26 689	26 689	
Payables to related parties	4 886	4 886	15
Tax payables	20 314	20 314	
Other payables	3	3	
Other accrued expenses	3	3	
Kokku võlad ja ettemaksud	143 013	143 013	

	31.12.2021	Within 12 months	Note nr
Trade payables	30 962	30 962	
Employee payables	12 400	12 400	
Payables to related parties	4 432	4 432	15
Tax payables	15 550	15 550	
Other payables	2 000	2 000	
Other accrued expenses	2 000	2 000	
Kokku võlad ja ettemaksud	65 344	65 344	

Note 10 Share capital (in Euros)

	31.12.2022	31.12.2021
Share capital	214 982	195 390
Number of shares (pcs)	2 149 820	1 953 900
Nominal value	0.10	0.10

The company was founded on 10.02.2021 through a non-monetary contribution. The share capital of the company at the time of founding was 2,500 euros, which consisted of the share belonging to the founder with a nominal value of 2,500 euros.

On 22.09.2021, the Company's shareholders adopted a decision to transform the Company into a joint-stock company. The share capital was increased through a fund issue.



Note 11 Net sales

(in Euros)

	01.07.2022 31.12.2022	01.07.2021 31.12.2021
Net sales by geographical location		
Net sales in European Union	231 802	235 402
Total net sales in European Union	231 802	235 402
Net sales outside European Union	530 077	260 719
Total net sales outside European Union	530 077	260 719
Total net sales	761 879	496 121
Net sales by operating activities		
Internet sales	581 571	397 619
Commission fee	180 308	98 502
Total net sales	761 879	496 121

In the second half of 2022, services were sold to retail consumers through the Punktid platform for €974,351, from which the company received a commission of €180,308.

Note 12 Goods, raw materials and services

(in Euros)

	01.07.2022 31.12.2022	01.07.2021 31.12.2021
Goods for sale	-625 002	-366 590
Other	-3 911	-10 452
Total goods, raw materials and services	-628 913	-377 042

The cost of goods is affected by the annual inventory, during which corrections were made in the amount of 96,862 euros.

Note 13 Other operating expenses

(in Euros)

	01.07.2022 31.12.2022	01.07.2021 31.12.2021
Leased	-7 064	-1 819
Miscellaneous office expenses	-3 592	-1 029
Travel expense	-750	0
IT costs	-49 739	-29 673
Legal expense	-18 074	-23 762
Consulting expenses	-4 961	-3 140
Marketing expenses	-102 165	-42 717
Purchased services	-7 829	-2 877
Car expenses	-7 384	-3 734
Other	-16 078	-7 433
Total other operating expenses	-211 236	-76 147



Note 14 Labor expense

(in Euros)

	01.07.2022 31.12.2022	01.07.2021 31.12.2021
Wage and salary expense	-113 311	-72 963
Social security taxes	-29 895	-24 661
Total labor expense	-143 206	-97 624
Average number of employees in full time equivalent units	8	6
Average number of employees in contract units:		
A person providing services Under the contract	4	4
A person providing services Under the VÕS, Except for self-employed persons	4	2

Note 15 Related parties

(in Euros)

Balances with related parties by categories

CURRENT	31.12.2022	31.12.2021	Lisa nr
Receivables and prepayments			
Executive and senior management and private owners with a significant stake and companies under their dominant or significant influence	1 907	2 227	
Total receivables and prepayments	1 907	2 227	2
Loan liabilities			
Executive and senior management and private owners with a significant stake and companies under their dominant or significant influence	0	18 521	
Close family members of executive and senior management and private owners with a significant stake and companies under their dominant or significant influence	0	2 639	
Total loan liabilities	0	21 160	8
Payables and prepayments			
Executive and senior management and private owners with a significant stake and companies under their dominant or significant influence	4 886	4 432	
Total payables and prepayments	4 886	4 432	2



LOAN LIABILITIES	01.07.2021	Loans received	Repayments of loans received	31.12.2021	Interest	Note nr
Management, higher supervisory body and individuals	18 521	0	0	18 521	0	
Management, higher supervisory body and individuals with material ownership interest and the entities under their control or significant influence	17 934	0	15 295	2 639	620	
Total loan liabilities	36 455	0	15 295	21 160	620	8

Remuneration and other significant benefits calculated for members of management and highest supervisory body	01.07.2022 31.12.2022	01.07.2021 31.12.2021
Remuneration	14 500	15 000

The related parties of the group are:

- Owners (parent company and persons who control it or have significant influence over it);
- Affiliated companies;
- Other companies belonging to the same consolidation group (including other subsidiaries of the parent company);
- Executive and senior management;
- Close family members of the persons listed above and companies controlled by them or under their significant influence.

No severance benefits are provided in case of early termination of the employment relationship of members of the board, except in cases arising from the law.

Punktid Technologies AS is the parent company of the group, which is registered in the Republic of Estonia.



Note 16 Non consolidated statement of financial position (in Euros)

	31.12.2022	31.12.2021
Assets		
Current assets		
Cash and cash equivalents	52 588	6 668
Receivables and prepayments	11 795	4 136
Total current assets	64 383	10 804
Non-current assets		
Investments in subsidiaries and associates	938 500	258 500
Total non-current assets	938 500	258 500
Total assets	1 002 883	269 304
Liabilities and equity		
Liabilities		
Current liabilities		
Payables and prepayments	9 386	4 675
Total current liabilities	9 386	4 675
Total liabilities	9 386	4 675
Equity		
Share capital	214 982	195 390
Share premium	983 260	134 151
Own shares	-1	-1
Retained earnings (loss)	-163 570	-140 330
Annual period profit (loss)	-41 174	75 419
Total equity	993 497	264 629
Total liabilities and equity	1 002 883	269 304

Note 17 Non consolidated income statement (in Euros)

	01.07.2022 31.12.2022	01.07.2021 31.12.2021
Revenue	60	0
Raw materials and consumables used	-60	0
Other operating expenses	-34 010	-26 506
Labor expense	-7182	0
Total operating profit (loss)	-41 192	-26 506
Profit (loss) from subsidiaries	0	100 624
Interest income	0	1 299
Other financial income and expense	18	2
Profit (loss) before tax	-41 174	75 419
Annual period profit (loss)	-41 174	75 419

**Note 18 Non consolidated statement of cash flows**

(in Euros)

	01.07.2022 31.12.2022	01.07.2021 31.12.2021
Cash flows from operating activities		
Operating profit (loss)	-41 174	-26 506
Adjustments		
Total adjustments	0	0
Changes in receivables and prepayments related to operating activities	-4 117	-116
Changes in payables and prepayments related to operating activities	6 290	4 630
Interest received	0	2
Total cash flows from operating activities	-39 001	-21 990
Cash flows from investing activities		
Loans given	0	-44 500
Interest received	0	2 380
Purchase of other financial investments	-450 000	-50 000
Total cash flows from investing activities	-450 000	-92 120
Cash flows from financing activities		
Received from the issue of shares	0	70 002
Paid for own shares	0	-1
Total cash flows from financing activities	0	70 001
Total cash flows	-489 001	-44 109
Cash and cash equivalents at beginning of period	541 589	50 777
Change in cash and cash equivalents	-489 001	-44 109
Cash and cash equivalents at end of period	52 588	6 668

**Note 19 Non consolidated statement of changes in equity**
(in Euros)

					Total
	Share capital	Share premium	Own shares	Retained earnings (loss)	
31.12.2021	195 390	134 151	-1	-64 911	264 629
Annual period profit (loss)	0	0	0	-98 659	-98 659
Issued share capital	19 592	849 109	0	0	868 701
30.06.2022	214 982	983 260	-1	-163 570	1 034 671
Annual period profit (loss)	0	0	0	-41 174	-41 174
31.12.2022	214 982	983 260	-1	-204 744	993 497



Signatures

The board has prepared the consolidated interim report of Punktid Technologies AS 01.07.2022-31.12.2022, which consists of an activity report and an annual accounting report.

By signing the report, the manager confirms the correctness of the data presented in the interim report.