

**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

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## Management report

### About company

Bercman Technologies AS (hereinafter "the company") was established in 2016 with the aim of preventing preventable road accidents and significantly contribute to the spread of autonomous vehicles through the development and introduction of road safety products. The company contributes to the global development of the Cooperative Intelligent Transport Systems (C-ITS) sector. The company's vision is to be the most preferred partner in the development and marketing of smart city, smart road and mobility themed solutions. The company's main target market is the European Union Member States, mainly due to the similarities of the Union-wide regulations. The company also owns Krakul OÜ (hereinafter "Krakul"), a company providing hardware and software services. Krakul is an IT company focused on the development of IoT and autonomous platforms solutions. Krakul and Bercman together form the Bercman group.

### Secondary public offering of company shares

During the period from 22 April to 2 May, the company carried out a secondary public offering of shares. Up to 151 261 ordinary shares were publicly offered, of which 42 876 shares were subscribed for by 351 investors for a total of 264 973,68 euros. The secondary public offering of shares came at a difficult time due to the Russian-Ukrainian war, when the geopolitical situation in Europe was and continues to be unstable and the general economic climate in the stock markets is not favourable. Compared to 2021, investors have been more conservative in the first half of the year.

### Company's equity and holdings in other companies

The company's share capital amounted to 134 135 euros during the reporting period. The Company has issued 1 341 347 shares of one class with a nominal value of 10 cents. In addition to the nominal value of the share capital, the company's equity includes share premium, options and other reserves, and retained earnings/losses totalling 1 336 355 euros. Bercman together with his subsidiary Krakul forms a consolidation group. The company has a 100% stake in Krakul, that is, a share with a nominal value of 2 500 EUR.

### Economic results

In the first half of 2022, the company's consolidated unaudited turnover was EUR 793 435. For the comparable period in 2021, turnover was EUR 3115. The reporting period ended with a loss of 440 173 euros (the first half of 2021 a loss of EUR 207 897). Loss is due to expenses made for the growth and development of the company, the further development of its own product, the recruitment of additional employees to increase its internal competence, and non-recurring expenses related to the secondary public offering and admission to trading of shares

As of 30.06.2022, the company's balance sheet total was 2 161 362 euros, which is nearly two times higher than in the same period of 2021 (30.06.2021: EUR 1 086 481). Current assets amounted to 633 827 euros (30.06.2021: EUR 912 743). Fixed assets amounted to 1 527 535 euros (30.06.2021: EUR 173 738). The company's equity as of 30.06.2022 was 1 470 490 euros (30.06.2021: EUR 775 408). As of 30.06.2022, the company had 210 797 euros in loan liabilities (30.06.2021: EUR 42 891).

In macroeconomic terms, the availability of certain product components was further affected in the first half of 2022 by the COVID-19 pandemic, which in particular caused delays in the delivery of components. The company's operations have also been affected by the Russian-Ukrainian war, which has caused delays in customers' decisions and progression of projects. In-progress projects due to the instability caused by the war have not been cancelled by customers. Increased inflation and rising energy market input prices have led to some increases in component buy-in prices.

### Team

During the reporting period, three positions were created in Bercman — Head of Growth and BD, Head of Marketing and Communication and CFO. The Krakul team was joined by a development manager, who is responsible for the development and implementation of the company's product development processes.

The management plans to continue expanding sales teams and technology departments in the next reporting period in order to implement the company's objectives. As of 30.06.2022, the company had 11 employees, 2 members of the management board, 3 members of the supervisory board and 17 employees and 2 members of the management board in Krakul.

### New markets and expansion in existing markets

The company's main field of activity is the development and sale of products that increase road safety and the provision of hardware and software development services.

In the first half of the year, a new generation of smart pedestrian crosswalks were installed in the Tehnopol and Ülemiste campuses in Tallinn, in Haapsalu, Kuressaare, Saue and Viimsi. In addition, the procurement was won for the installation of smart pedestrian crossings in Narva-Jõesuu. Smart pedestrian crosswalks were delivered to foreign markets in Greece, Switzerland and Lithuania.

At the beginning of 2022, the procurement of the Põlva Smart Road was won for the construction of a 2.5 km road section with 14 smart crosswalks and the ability to measure average speed in the city of Põlva. The procurement was cancelled due to an error on the part of the organiser and a re-procurement was carried out, the results of which had not yet been determined by the end of the reporting period.

In the first half of the year, Krakul continued to work with long-term customers and customer projects. In the second quarter, Krakul signed a partnership agreement with u-blox, the world's leading provider of positioning and wireless technologies and services. The partnership means that u-blox can confidently introduce customers who need solutions to fit their specific needs to the Krakul team. IoT and autonomous systems solutions were exported to the Finnish, Latvian, Singaporean, Swiss, German and US markets.

### **Sales model**

When selling its products, Bercman uses a model where hardware sales are a one-time transaction and a multi-year maintenance contract is concluded with the customer to enable software updates. Customers can also order additional functionality for products at an additional cost. Market-specific custom developments are priced on an hourly basis according to the quotes submitted through the subsidiary Krakul.

### **Research and development**

In the period from February to April, company participated in a project coordinated by the autonomous driving lab of the University of Tartu together with Tartu City Transport, Traffest OÜ and Modern Mobility OÜ. The aim of the cooperation project was to test the use of an autonomous driving vehicle in the provision of on-demand transport services and to validate the technological solutions and processes necessary for this purpose. Within the framework of the cooperation project, Bercman installed radars on the trajectory of an autonomous vehicle in the city of Tartu and outside the city on the highway and interfaced them with the control system of an autonomous car. In addition to the radar, Estonia's first smart pedestrian crosswalk with 5G connection was interfaced to the vehicle control system on Kroonuaia Street in Tartu. Participation in the project allowed the testing of technologies needed for the safe movement of self-driving vehicles on urban streets and roads. The results of the test project are expected to have a positive impact on the further development of on-demand transport services via self-driving vehicles and thereby increase the demand for self-driving vehicles interacting with transport infrastructure.

The company participates in a cooperation project with the University of Hamburg and the technology companies NATIX GmbH, HITeC e.V. and Artificial Intelligence Center Hamburg (ARIC). Preparatory work was carried out during the reporting period for the implementation of the development project "SmartWalk" financed by the German Ministry of Transport and Infrastructure. The project received a funding of 100 000 euros under the mFUND Innovation Initiative. In the course of the project, a smart pedestrian crosswalk was installed along with additional technical equipment from the project partner Natix GmbH using innovative AI technologies on the Lammi road in Tartu. Using a real-time anonymised combination of sensors, "SmartWalk" detects critical traffic situations and alerts road users.

In the second quarter, the company was accepted as a partner of the Swedish innovation programme Drive Sweden. Drive Sweden is made up of about 150 organisations in various fields working together on every aspect of the future transport revolution, from road safety and legislation to business models, technology and infrastructure. For Drive Sweden's partners, participation in the partnership projects allows them to test the ideas and technologies they have developed to solve transport problems in real life.

In the second quarter, the company applied for funding from the EAS Applied Research Programme (RUP) with a budget of 340 000 euros. The aim of the project is to create a prototype traffic infrastructure system solution for detecting traffic accidents that have occurred on pedestrian crosswalks.

### **Contribution to the development of the sector's business environment and network of partners**

At the international level, the company participated in the first quarter in the International Congress of the Public Transport Union Dubai UITP MENA and at the meeting of the members of the Intelligent and Autonomous Transport Systems Organisation (CCAM) in Brussels to discuss developments in the field and future activities at European Union level.

ITS Estonia led the meeting with representatives of Transport Canada. In addition, CARIAD, an automotive software and technology company, was met, which brings together the Volkswagen Group's software competencies with the aim of increasing the Volkswagen Group's speed of innovation to make vehicles more sustainable, safer and connected.

In the second quarter, the company participated in the OECD International Transport Forum in Leipzig and ITS Europe Congress in Toulouse. The Prime Minister of the Republic of Estonia was accompanied in a visit to Gothenburg in Sweden. The aim of the business visit was to establish a link between Estonian and Swedish entrepreneurs and to promote cooperation in the field of sustainable development and green transition.

The Krakul team participated in the International IoT Solutions Fair "IOT Solutions World Congress Barcelona", where the IoT solutions developed by Krakul were introduced together with the collaborator Richardson RFPD.

### Management declaration

The company had no pending legal proceedings, tax or other disputes during the financial year or at the time of submitting the report.

According to the management, the results of the secondary public offering of additional shares carried out in the second quarter and the general state of the global economy have had a slightly slowing effect on the company's economic activity. However, taking into account the potential of the sector and the development phase of the market, the management believes that the overall market environment is in a continuing upward trend in the company's field of activity. Consequently, the management believes that the objectives set are realistically achievable and that the creation of preconditions enabling rapid growth in the future is actively being pursued.

### Plans for the second half of 2022

During the reporting period, Bercman participated in a joint tender with Krakul for the construction of the Põlva Smart Road, where it is known at the time of publication that the company's tender was considered the most suitable. The works related to the construction of the Smart Road will be carried out according to plans in the period August 2022 to March 2023.

In the second half of the year, smart pedestrian crosswalks are being installed in export markets in the UK, Greece and Croatia. Pilot projects are planned to start in new markets in Belgium, Finland and Slovakia. Communications are ongoing with a number of potential resale partners in Poland and other countries. According to existing agreements, smart pedestrian crosswalks will be installed in Narva-Jõesuu, Elva and Haapsalu in Estonia.

In the second half of 2022, the main focus of the company will be to increase the sales volumes of the foreign market and to open new markets. The plan is to attract additional investments. Investments will continue to accelerate the company's sales activities and to grow the dealer network, as well as to further develop the new functionalities of its own products.

The Management Board has decided to lower the consolidated turnover forecast presented on 28.03.2022 for the current year from EUR 2,445 million to EUR 1,80 million, and the turnover forecast for 2023 from EUR 4,051 million to EUR 3,1 million. The company adjusts the 2022 and 2023 forecasts published at the beginning of the year based on the overall pessimistic economic situation and the results of the secondary public offering of additional shares in April and May, which resulted in the non-fulfilment of the investment plan. The main objective of the issuance of additional shares was to accelerate the expansion into new markets and the development of hardware and software for the development of new functionalities for the smart pedestrian crosswalk.

The main financial ratios of the consolidating entity during the reporting and reference period are as follows:

Financial ratio	Methodology for calculation	30.06.2022	30.06.2021
<b>Current ratio</b>	current assets/current liabilities	0,93	3,17
<b>Debts to assets ratio</b>	total liabilities/total assets	0,32	0,26

## The annual accounts

### Consolidated statement of financial position

(In Euros)

	30.06.2022	31.12.2021	30.06.2021	31.12.2020	Note
Assets					
Current assets					
Cash and cash equivalents	309 473	378 023	825 715	9 727	
Receivables and prepayments	239 958	158 412	12 088	11 313	2
Inventories	84 396	123 143	74 940	68 884	3
<b>Total current assets</b>	<b>633 827</b>	<b>659 578</b>	<b>912 743</b>	<b>89 924</b>	
Non-current assets					
Property, plant and equipment	39 092	37 110	27 866	32 161	6
Intangible assets	1 488 443	1 448 259	145 872	103 164	7
<b>Total non-current assets</b>	<b>1 527 535</b>	<b>1 485 369</b>	<b>173 738</b>	<b>135 325</b>	
<b>Total assets</b>	<b>2 161 362</b>	<b>2 144 947</b>	<b>1 086 481</b>	<b>225 249</b>	
Liabilities and equity					
Liabilities					
Current liabilities					
Loan liabilities	210 797	28 472	42 891	59 307	8
Payables and prepayments	430 882	462 666	240 704	197 358	9
Provisions	41 809	4 168	4 168	4 168	
<b>Total current liabilities</b>	<b>683 488</b>	<b>495 306</b>	<b>287 763</b>	<b>260 833</b>	
Non-current liabilities					
Loan liabilities	7 384	4 822	0	0	8
Government grants	0	0	23 310	23 310	10
<b>Total non-current liabilities</b>	<b>7 384</b>	<b>4 822</b>	<b>23 310</b>	<b>23 310</b>	
<b>Total liabilities</b>	<b>690 872</b>	<b>500 128</b>	<b>311 073</b>	<b>284 143</b>	
Equity					
Equity held by shareholders and partners in parent company					
Issued capital	134 135	129 847	119 847	75 000	11
Unregistered equity	0	0	0	100 592	11
Share premium	2 129 474	1 868 788	1 097 788	0	11
Other reserves	474 792	473 922	156	0	11, 16
Retained earnings (loss)	-827 738	-234 486	-234 486	-150 358	
Annual period profit (loss)	-440 173	-593 252	-207 897	-84 128	
<b>Total equity held by shareholders and partners in parent company</b>	<b>1 470 490</b>	<b>1 644 819</b>	<b>775 408</b>	<b>-58 894</b>	
<b>Total equity</b>	<b>1 470 490</b>	<b>1 644 819</b>	<b>775 408</b>	<b>-58 894</b>	
<b>Total liabilities and equity</b>	<b>2 161 362</b>	<b>2 144 947</b>	<b>1 086 481</b>	<b>225 249</b>	

**Consolidated income statement**

(In Euros)

	30.06.2022	30.06.2021	Note
Revenue	793 435	3 115	12
Other income	0	19 868	13
Work performed by entity and capitalised	103 126	44 790	7
Raw materials and consumables used	-239 031	-12 308	14
Other operating expense	-288 989	-93 570	15
Employee expense	-714 707	-144 302	16
Depreciation and impairment loss (reversal)	-88 030	-20 658	6,7
Other expense	-1 214	-1 584	
<b>Operating profit (loss)</b>	<b>-435 410</b>	<b>-204 649</b>	
Interest expenses	-4 448	-2 463	
Other financial income and expense	-315	-785	
<b>Profit (loss) before tax</b>	<b>-440 173</b>	<b>-207 897</b>	
<b>Annual period profit (loss)</b>	<b>-440 173</b>	<b>-207 897</b>	
Profit (loss) from shareholders and partners in parent company	-440 173	-207 897	

**Consolidated statement of cash flows**

(In Euros)

	30.06.2022	31.12.2021	30.06.2021	30.12.2020	Note
Cash flows from operating activities					
Operating profit (loss)	-435 410	-583 081	-204 649	-68 433	
Adjustments					
Depreciation and impairment loss (reversal)	88 030	75 938	20 658	41 626	6,7
Profit (loss) from the sale of fixed assets	1 317	0	0	0	
Other adjustments	870	-39 770	-19 654	-89 018	10,11
<b>Total adjustments</b>	<b>90 217</b>	<b>36 168</b>	<b>1 004</b>	<b>-47 392</b>	
Changes in receivables and prepayments related to operating activities	-81 545	-52 517	-11 588	1 217	
Changes in inventories	38 747	-19 994	-6 055	36 749	
Changes in payables and prepayments related to operating activities	2 558	48 715	43 341	45 262	
Interest received	16	24	0	0	
Proceeds from government grants	0	38 596	30 624	78 205	10
<b>Total cash flows from operating activities</b>	<b>-385 417</b>	<b>-532 089</b>	<b>-147 323</b>	<b>45 608</b>	
Cash flows from investing activities					
Purchase of property, plant and equipment and intangible assets	-127 853	-178 807	-59 072	-43 499	6,7
Received from property, plant and equipment and intangible assets	83	0	0	0	
<b>Total cash flows from investing activities</b>	<b>-127 770</b>	<b>-178 807</b>	<b>-59 072</b>	<b>-43 499</b>	
Cash flows from financing activities					
Loans received	200 000	156 100	156 100	59 920	
Repayments of loans received	-17 265	-114 346	-97 516	-152 367	
Interest paid	-1 432	-3 642	-2 186	-9 270	
Repayments of finance lease liabilities	-1 591	0	0	0	
Proceeds from issuing shares	264 974	975 985	965 985	100 592	11
Other cash outflows from financing activities	-49	0	0	0	
<b>Total cash flows from financing activities</b>	<b>444 637</b>	<b>1 014 097</b>	<b>1 022 383</b>	<b>-1 125</b>	
<b>Total cash flows</b>	<b>-68 550</b>	<b>303 201</b>	<b>815 988</b>	<b>984</b>	
Cash and cash equivalents at beginning of period	378 023	9 727	9 727	8 743	
<b>Change in cash and cash equivalents</b>	<b>-68 550</b>	<b>303 201</b>	<b>815 988</b>	<b>984</b>	
Cash and cash equivalents at end of period	309 473	312 928	825 715	9 727	



**Consolidated statement of changes in equity**

(In Euros)

	Equity held by shareholders and partners in parent company					Total
	Issued capital	Unregistered equity	Share premium	Other reserves	Retained earnings (loss)	
	<b>31.12.2020</b>	<b>75 000</b>	<b>100 592</b>			
Annual period profit (loss)					-207 897	-207 897
Issue of equity	44 847	-100 592	1 097 788			1 042 043
Changes in reserves				156		156
<b>30.06.2021</b>	<b>119 847</b>	<b>0</b>	<b>1 097 788</b>	<b>156</b>	<b>-442 383</b>	<b>775 408</b>
Annual period profit (loss)					-385 355	-385 355
Issue of equity	10 000		771 000			781 000
Changes in reserves				473 766		473 766
<b>31.12.2021</b>	<b>129 847</b>	<b>0</b>	<b>1 868 788</b>	<b>473 922</b>	<b>-827 738</b>	<b>1 644 819</b>
Annual period profit (loss)					-456 403	-456 403
Issue of equity	4 288	0	260 686			264 974
Changes in reserves				870		870
<b>30.06.2022</b>	<b>134 135</b>	<b>0</b>	<b>2 129 474</b>	<b>474 792</b>	<b>-1 284 141</b>	<b>1 454 260</b>

Additional information on movements in equity can be found in Appendices 1 and 11.

## Notes

### Note 1 Accounting policies

#### General information

AS Bercman Technologies (hereinafter also the "Parent Company") and its subsidiary (hereinafter together with the "Group")

The consolidated annual accounts for 01.01.2022-30.06.2022 have been prepared in accordance with the Estonian Financial Reporting Standard, which is based on internationally recognized accounting and reporting standards.

Based on the category it belongs to, the company has prepared the abridged financial statements of a small undertaking.

The income statement of AS Bercman Technologies Group has been prepared on the basis of the income statement scheme No. 1 set out in Note 2 to the Accounting Act.

The financial statements have been prepared in euros.

#### Preparation of consolidated statements

The consolidated financial statements contain the financial indicators of AS Bercman Technologies and its subsidiary Krakul OÜ as consolidated line by line. The subsidiary is consolidated from the date of acquisition.

The subsidiary uses the same accounting policies as the Parent Company when preparing its statements. All intra-Group transactions, receivables, and liabilities, as well as unrealised profits and losses on transactions between the Group's companies, have been eliminated in full in the annual report.

The Parent Company's separate unconsolidated main reports are published in the notes. The Parent Company's main statements have been prepared in accordance with the same accounting policies that have also been applied to the preparation of the consolidated annual report, with the exception of investments in the subsidiary that are recognised in the unconsolidated report using the cost method.

#### Financial assets

A Financial asset is any asset that is: cash, a contractual right to receive cash or other financial assets from another entity (e.g., Trade receivables), a contractual right to exchange financial assets with another entity under conditions that are potentially favourable to the entity (e.g., derivatives with a positive fair value); an equity instrument of another entity (e.g., investment in shares of another entity).

Financial assets shall initially be recognised at cost which is the fair value of the consideration payables or receivable for the financial assets. Initial cost includes all transaction cost directly attributable to the acquisition of financial assets, except financial assets acquired for the purpose of trading.

Depending on their category, financial assets are subsequently measured at fair value, cost or amortized cost.

Applying the amortised cost method, a financial asset is recognised at its initial cost in the balance sheet discounted by using the effective interest rate method minus principal payments and a potential write-down due to impairment or uncollectibility.

A Financial asset shall be derecognised when an entity loses its right to the cash flows arising from the financial asset or transfers the cash flows derived from the financial asset and most risks and rewards of ownership of the financial asset to a third party.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand as well as bank account balances.

#### Foreign currency transactions and assets and liabilities denominated in a foreign currency

The company's functional currency is the euro. Transactions denominated in foreign currency are recorded on the basis of the foreign currency exchange rates of the European Central Bank officially valid on the transaction date. Assets and liabilities denominated in foreign currency have been translated into Euros on the basis of the currency exchange rates of the European Central Bank officially valid on the balance sheet date.

Foreign exchange gains and losses resulting from revaluation are recorded in the income statement of the reporting period.

**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.

Business combinations are accounted for by applying the purchase method, except businesses under common control. Under the purchase method, the investment is recorded at cost.

According to the method of purchase, the assets, liabilities, and contingent liabilities of the acquired subsidiary are recognised at their fair value and the difference between the cost of the acquired interest and the fair value of the acquired net assets is recognised as positive or negative goodwill. Where the acquisition of an interest is effected in exchange for shares of the acquirer issued for that purpose and to be issued in the future, the acquisition cost shall be taken to be the fair value of the shares issued and to be issued. The best indication of fair value is the market price of the shares.

From the date of acquisition, the assets, liabilities and contingent liabilities of the acquired subsidiary and the positive goodwill generated shall be recognised in the consolidated balance sheet and the participation in the income and expenses of the subsidiary shall be recognised in the consolidated profit and loss account.

**Receivables and prepayments**

Accrued income and other current and non-current receivables (incl. loan receivables, deposits) are recognised at restated cost. The adjusted acquisition cost of short-term receivables is generally the same as their nominal value (less discounts), which is why short-term receivables are represented on the balance sheet at the amounts likely to be received.

Accounts receivable from buyers have been valued in the balance sheet on the basis of the amounts likely to be received. The requirements are assessed on a case-by-case basis. A claim shall be considered to be irrecoverable if, in the opinion of the management board, there is no possibility of collecting the claim. In case of trade receivables whose collection is partly or fully doubtful, their impairment is recognised in the income statement under "other operating expenses". Trade receivables whose collection is not feasible or economically justified are considered uncollectible and written off. An improbable or irrecoverable receivable in the reporting period is recognised as a reduction in the amount and cost of the improbable receivables in the period in which the receivable was received.

**Inventories**

Inventories are initially recorded at their acquisition cost, which consists of purchase costs, production costs and other costs necessary to bring the inventories to their existing location and condition.

Cost of inventories is calculated using the FIFO method

Inventories are valued at the lower of the acquisition cost or net realisable value.

Net realisable value is the selling price forecast in the ordinary course of business, less the costs of completion, marketing and distribution.

**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 EUR 500 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.

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.

Both plant, property and equipment and intangible assets are recorded at cost, which consists of the purchase price and the costs directly related to the acquisition that are necessary to bring the asset to its working position and location. In the balance sheet, an item of property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the straight-line method. Depreciation rates are assigned separately to each tangible asset or its separately identifiable component depending on its estimated useful life.

Assets are depreciated from the time they are taken into use and until the depreciable portion is fully depreciated or the asset is retired. If a fully depreciated asset is still in use, both the cost and accumulated depreciation are recognized in the balance sheet until the asset is permanently withdrawn from use.

**Minimum threshold for the recognition of assets:** 500 euros

**Useful life by assets group (years)**

Assets group name	Useful life
Computers and computer systems	4-5 years
Computers and computer systems	5 years
Other tangible fixed assets	5 years
Other machinery and equipment	5 years
Development expenditure	3-5 years
Computer software	5 years
Concessions, patents, licenses, trademarks	10 years
Other intangible fixed assets	3-5 years
Goodwill	10 years

**Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases

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 recognized 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 recognized 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 amortized cost. The amortized 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 amortized cost of long-term financial liabilities, they are initially recognized 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.

Liabilities expected to be settled during an entity's normal operating cycle (e.g., trade payables); held primarily for the purpose of trading; with the maturity date within 12 months after the reporting date (for example short-term loans) are classified as current liabilities. All other liabilities are classified as long-term liabilities.

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

**Provisions and contingent liabilities**

A provision is recognised in the balance sheet if the Group has a legal or operational obligation that is probable to materialise (more than 50%) and the amount of which can be measured reliably as a result of a mandatory event that occurred before the balance sheet date. Provisions are valued on the basis of the management's estimates, experience and, if necessary, independent experts' estimates and are recognised in the balance sheet in the amount necessary to satisfy the liabilities related to the provision as at the balance sheet date

**Government grants and donations**

Government grant is aid received from local, national or international authorities or other similar organizations, in the form of transferring certain resources to the Company and for which the Company's economic performance has to correspond to certain specified criteria.

Government grants are recorded as income, when:

- (a) their receipt is practically certain; and
- (b) substantial conditions related to government grants have been met.

In accounting for assets acquired with government grants, the asset is recognised at cost in the balance sheet

Government grants received for supporting Entity's activities are recorded as revenue, when the receipt of the grant is practically certain and substantial conditions for receiving the grant are fulfilled. Received grants for which all necessary conditions are not fulfilled, are recorded as liability on the balance sheet. Respective liability is recorded on the balance sheet either as short or long-term liability, depending on when respective conditions are expected to be fulfilled

**Revenue**

Revenue from the sale of services is recognized based on the stage of completion method, revenue and profit from the provision of services are

recognized proportionately in the same periods as the costs of providing the service.

**Expenses**

Expenses are recognized on an accrual basis in the period in which they are incurred or to which they have been substantially related.

**A Related party**

A related party is a person or a company that is related to AS Bercman Technologies (the Company) to such an extent that transactions between them may be conducted on terms not equivalent to those used in arm's length transactions. A person or a close member of that person's family (i.e., a family member who may be associated with significant influence such as the spouse or the domestic partner or a child) is a related party for the Company if that person:

- (a) is a member of the management of the Company or its parent company (i.e., a person having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly); or
- (b) has control of or significant influence over the Company (e.g., through an ownership interest).

A company is a related party for the Company if any of the following conditions apply:

- (a) the other company and the Company are under common control (i.e., they are members of the same group or controlled by the same person (or a close family member of that person));
- (b) one is under the control of a third party (that may be a company or a person) and the other is under the significant influence of that third party (if the third party is a person, then that person or a close family member of that person);
- (c) the other company has control of or significant influence over the Company;
- (d) the other company is under the control or significant influence of the Company;
- (e) a member of the management of the Company or the Company's parent company (i.e., a person having the authority and responsibility AS Bercman Technologies 2020 annual report for planning, directing and controlling the activities of the Company, directly or indirectly or its direct family member) has control of or significant influence over the other Company;
- (f) the other company's management includes persons (or close family members of those persons) that have control of or significant influence over the Company.

**Note 2 Receivables and prepayments**

(In Euros)

	30.06.2022	Within 12 months	Note
Accounts receivable	207 997	207 997	
Tax prepayments and receivables	5 480	5 480	4
Other receivables	1 126	1 126	
Prepayments	25 355	25 355	
Deferred expenses	25 355	25 355	
<b>Total receivables and prepayments</b>	<b>239 958</b>	<b>239 958</b>	
	30.06.2021	Within 12 months	Note
Tax prepayments and receivables	11 076	11 076	4
Other receivables	470	470	
Accrued income	470	470	
Prepayments	542	542	
Deferred expenses	542	542	
<b>Total receivables and prepayments</b>	<b>12 088</b>	<b>12 088</b>	

**Note 3 Inventories**

(In Euros)

	30.06.2022	30.06.2021
Raw materials	55 961	50 510
Finished goods	16 688	24 321
Work in progress	5 096	0
Inventory prepayments	6 651	109
<b>Total Inventories</b>	<b>84 396</b>	<b>74 940</b>

**Note 4 Tax prepayments and liabilities**

(In Euros)

	30.06.2022		30.06.2021	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Corporate income tax		20		0
Value added tax	1 484	5 983	953	0
Personal income tax		29 161		7 858
Fringe benefit income tax		20		111
Social tax		54 182		13 631
Contributions to mandatory funded pension		3 069		826
Unemployment insurance tax		3 614		932
Prepayment account balance	3 996	0	10 123	0
<b>Total tax prepayments and liabilities</b>	<b>5 480</b>	<b>96 049</b>	<b>11 076</b>	<b>23 358</b>

**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 (%)	
				30.06.2021	30.06.2022
12458980	Krakul OÜ	Estonia	Research and development	0	100
Acquired ownership interests					
Name of subsidiary	Acquired ownership interest %	Acquisition date	Cost of acquired ownership interest		
Krakul OÜ	100	23.12.2021	1 233 600		

In order to acquire 100% of the shareholding of Krakul OÜ, Krakul Holding OÜ and AS Bercman Technologies entered into a share swap agreement for a conditional private limited company and a share swap agreement for the acquisition of a shareholding in AS Bercman Technologies. The payment for the shareholding is made in several instalments and the second and third instalments are conditional. The management board has estimated that the additional conditions are met and are therefore included in the cost of the shareholding. Since the acquisition of the holding took place in exchange for AS Bercman Technologies shares issued for this purpose and to be issued in the future, the acquisition cost is the fair value of the shares issued over time, which is the market price for these shares. Shares to be issued in the future are recorded in equity in other reserves (see Note 11).

A positive goodwill of 1 169 476 EUR was created between the cost of the acquired interest and the fair value of the net assets acquired, which has been recognised as intangible fixed assets in the consolidated balance sheet (see Note 7).



**Note 6 Property, plant and equipment**

(In Euros)

								Total
	Transportation	Computers and computer systems	Other machinery and equipment	Other property, plant and equipment			Unfinished projects and prepayments	
					Unfinished projects	Pre-payments		
<b>30.06.2020</b>								
Carried at cost	0	1 119	0	58 374	0	51	51	59 544
Accumulated depreciation	0	-37	0	-21 731	0	0	0	-21 768
<b>Residual cost</b>	<b>0</b>	<b>1 082</b>	<b>0</b>	<b>36 643</b>	<b>0</b>	<b>51</b>	<b>51</b>	<b>37 776</b>
Acquisitions and additions	3 500	1 562	0	0	0	0	0	1 562
Depreciation	-2 042	-242	0	-11 230	0	0	0	-11 472
<b>30.06.2021</b>								
Carried at cost	3 500	2 681	0	58 374	0	51	51	61 106
Accumulated depreciation	-2 042	-279	0	-32 961	0	0	0	-33 240
<b>Residual cost</b>	<b>1 458</b>	<b>2 402</b>	<b>0</b>	<b>25 413</b>	<b>0</b>	<b>51</b>	<b>51</b>	<b>27 866</b>
Acquisitions and additions	0	7 943	2 294	0	523	0	522	10 760
Depreciation	-58	-4 721	-1 383	-1 215	0	0	0	-7 377
Reclassifications		0	0	0	0	0	-51	-51
Other reclassifications	-1 400	0	0	0	0	0	0	-1 400
<b>30.06.2022</b>								
Carried at cost	0	38 193	18 183	7 925	523	0	523	64 824
Accumulated depreciation	0	-11 878	-7 118	-6 734	0	0	0	-25 731
<b>Residual cost</b>	<b>0</b>	<b>26 315</b>	<b>11 065</b>	<b>1 190</b>	<b>523</b>	<b>0</b>	<b>523</b>	<b>39 092</b>

Accounting period: 01.01-30.06.2022

Period of comparison: 01.01-30.06.2021

**Note 7 Intangible assets**

(In Euros)

							Total
	Goodwill	Development expenditures	Computer software	Concessions, patents, licenses, trademarks	Other intangible assets	Unfinished projects and prepayments	
<b>30.06.2021</b>							
Carried at cost	0	104 170	46 351	3 955	3 327	0	157 803
Accumulated depreciation	0	-27 900	-8 567	-1 109	-1 219	0	-38 795
<b>Residual cost</b>	<b>0</b>	<b>76 270</b>	<b>37 784</b>	<b>2 846</b>	<b>2 108</b>	<b>0</b>	<b>119 008</b>
Acquisitions and additions	0	0	0	0	5 420	52 089	57 509
Depreciation	0	-20 165	-9 270	-394	-816	0	-30 645
<b>30.06.2021</b>							
Carried at cost	0	104 170	46 351	3 955	8 747	52 089	215 312
Accumulated depreciation	0	-48 065	-17 837	-1 503	-2 035	0	-69 440
<b>Residual cost</b>	<b>0</b>	<b>56 105</b>	<b>28 514</b>	<b>2 452</b>	<b>6 712</b>	<b>52 089</b>	<b>145 872</b>
Acquisitions and additions	0	0	17 229	0	0	103 607	120 836
Depreciation	-58 474	-9 264	-11 814	-197	-903	0	-80 653
<b>30.06.2022</b>							
Carried at cost	1 169 476	104 170	153 432	3 955	5 420	245 104	1 681 556
Accumulated depreciation	-58 474	-66 591	-64 193	-1 899	-1 957	0	-193 114
<b>Residual cost</b>	<b>1 111 002</b>	<b>37 579</b>	<b>89 239</b>	<b>2 056</b>	<b>3 463</b>	<b>245 104</b>	<b>1 488 443</b>

As of 30.06.2022 unfinished projects and prepayments include prepayments for intangible assets in the amount of 11 800 EUR and capitalised salary costs for the preparation of own intangible assets in the amount of 233 304 EUR (see also Note no 16) (Accounting period: 01.01-30.06.2022; Period of comparison: 01.01-30.06.2021)

## Note 8 Loan commitments

(In Euros)

	30.06.2022	Allocation by remaining maturity			Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years	Over 5 years			
Current loans							
Current loan from related party	200 000	200 000	0	0	3,5 %	EUR	10.08.2022
Credit institutions	8 796	8 796	0	0	5% + 6k Euribor	EUR	15.09.2022
<b>Current loans total</b>	<b>208 796</b>	<b>208 796</b>	<b>0</b>	<b>0</b>			
<b>Finance lease obligations total</b>	<b>9 385</b>	<b>2 001</b>	<b>7 384</b>	<b>0</b>			
<b>Loan commitments total</b>	<b>218 181</b>	<b>210 797</b>	<b>7 384</b>	<b>0</b>			
	30.06.2021	Allocation by remaining maturity			Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years	Over 5 years			
Current loans							
Credit institutions	42 891	42 891	0	0	5% + 6k Euribor	EUR	15.09.2022
<b>Current loans total</b>	<b>42 891</b>	<b>42 891</b>	<b>0</b>	<b>0</b>			
<b>Loan commitments total</b>	<b>42 891</b>	<b>42 891</b>	<b>0</b>	<b>0</b>			

The loan from the credit institution is backed by a KredEx guarantee, the amount of which is 80% of the outstanding loan amount to the bank and a personal guarantee from the members of the management board and supervisory board.

The finance lease agreements have been concluded in euros and are due in December 2024.

**Note 9 Payables and prepayments**

(In Euros)

	30.06.2022	Within 12 months	Note
Trade payables	196 039	196 039	
Employee payables	118 572	118 571	
Tax payables	71 601	71 601	4
Other payables	53 858	53 858	
Interest payables	15 686	15 686	
Other accrued expenses	38 172	38 172	
Prepayments received	19 397	19 397	
Deferred income	19 397	19 397	
Other current liabilities	9 056	9 056	
<b>Total payables and prepayments</b>	<b>468 523</b>	<b>468 522</b>	

  

	30.06.2021	Within 12 months	Note r
Trade payables	167 523	167 523	
Employee payables	33 871	33 871	
Related parties' payables	23 358	23 358	4
Tax payables	6 896	6 896	
Other payables	6 896	6 896	
Interest payables	9 056	9 056	
Other current liabilities	<b>240 704</b>	<b>240 704</b>	

**Note 10 Grants**

(In Euros)

	30.06.2020		Received	Recognized in the income statement	30.06.2021	
					Receivables	Liabilities
	Receivables	Liabilities				
Grants for acquisition of non-current assets						
Enterprise Estonia development project EU51732	0	19 390	0	0	0	19 390
<b>Total grants for acquisition of non-current assets</b>	0	19 390	0	0	0	19 390
Grants for operating expenses						
Green ICT funding	0	0	0	19 811	0	0
Innovation voucher EU52657	0	3 920	0	0	0	3 920
<b>Total grants for operating expenses</b>	0	3 920	0	19 811	0	3 920
<b>Total grants</b>	0	23 310	0	19 811	0	23 310

	30.06.2021		Received	Recognized in the income statement	30.06.2022	
					Receivables	Liabilities
	Receivables	Liabilities				
Grants for acquisition of non-current assets						
Enterprise Estonia development project EU51732	0	19 390	0	0	0	0
<b>Total grants for acquisition of non-current assets</b>	0	19 390	0	0	0	0
Grants for operating expenses						
Green ICT funding	0	0	0	0	0	0
Innovation voucher EU52657	0	3 920	0	0	0	0
<b>Total grants for operating expenses</b>	0	3 920	0	0	0	0
<b>Total grants</b>	0	23 310	0	0	0	0

Within the framework of the Enterprise Estonia development project (EU51732) program, a decision was made in 2017 to support the realization and testing of a prototype of AS Bercman Technologies in the amount of 19 390 euros through government grants. The project involved cooperation with Tallinn University of Technology (TalTech). The conditions attached to the project have been met and the grant of 19 390 EUR has been recognised as revenue at the end of 2021

Within the framework of the Innovation Voucher measure (EU52657), co-operation was established with the University of Tartu to test the product. The conditions attached to the project have been met and the grant of 3 920 EUR has been recognised as revenue at the end of 2021.

The aim of the Estonian-Norwegian cooperation program "Green ICT" is to support the sustainable development of Estonian entrepreneurs. The program focuses on the development of three areas: industry and green technologies, ICT and health technologies.

## Note 11 Share capital

(In Euros)

	30.06.2022	30.06.2021
Share capital	134 135	119 847
Number of shares (pcs)	1 341 350	1 198 470
Nominal value of shares	0.10	0.10

During the reporting period 42 876 shares with a nominal value of 4287,60 EUR and share premium of 260 686,08 EUR have been issued.

AS Bercman Technologies has entered into share call option agreements with its employees under which the employees will be entitled to acquire shares in AS Bercman Technologies in the future. On the basis of these contracts, the amounts resulting from the granting of share options in the form of equity reserves amount to 870 EUR. The same amount has been adjusted for cash flows in the "Other adjustments" line.

## Note 12 Net sales

(In Euros)

	30.06.2022	30.06.2021
Net sales by geographical location		
Net sales in European Union		
Estonia	441 889	0
Latvia	52 499	3 115
Greece	230	0
Lithuania	87	0
Portugal	825	0
Finland	68 754	0
Germany	2 570	0
Great Britain	1 600	0

<b>Total net sales in European Union</b>	<b>568 454</b>	<b>3 115</b>
Net sales outside of European Union		
United States of America	67 279	0
Switzerland	42 872	0
Singapore	114 830	0
<b>Total net sales outside of European Union</b>	<b>224 981</b>	
<b>Total net sales</b>	<b>793 435</b>	<b>3 115</b>
Net sales by operating activities		
Sale of goods	37 040	2 990
Sale of services	756 395	125
<b>Total net sales</b>	<b>793 435</b>	<b>3 115</b>

**Note 13 Other operating income**

(In Euros)

	30.06.2022	30.06.2021
Revenue from grants	0	19 811
Other	0	57
<b>Total other operating income</b>	<b>0</b>	<b>19 868</b>

**Note 14 Goods, raw materials and services**

(In Euros)

	30.06.2022	30.06.2021
Raw materials	-215 924	-5 245
Inventory write-off	-10 944	0
Services purchased for resale	-9 321	-6 767
Transportation expense	-2 566	-174
Logistics expense	-276	-122
<b>Total goods, raw materials and services</b>	<b>-239 031</b>	<b>-12 308</b>

**Note 15 Miscellaneous operating expenses**

(In Euros)

	30.06.2022	30.06.2021
Leases	-52 896	0
Miscellaneous office expenses	-6 370	-209
Travel expense	-18 139	-4 099
Training expense	-701	-42
State and local taxes	-133	0
Maintenance and common services of premises	-15 226	-2 100
Accounting and auditing services	-51 883	-49 396
Legal services	-14 615	-3 145
Consultation services	-17 990	-381
IT and communication services	-2 885	-912
Advertising and marketing costs	-37 947	-150
Car costs	-2 130	-746
Other services	-61 947	-31 743
Other	-6 126	-647



<b>Total miscellaneous operating expenses</b>	<b>-288 989</b>	<b>-93 570</b>
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## Note 16 Labor expense

(In Euros)

	<b>30.06.2022</b>	<b>30.06.2021</b>
Wage and salary expense	-534 363	-119 155
Social security taxes	-175 603	-24 434
Unemployment insurance costs	-3 871	-557
Option costs	-870	-156
<b>Total labor expense</b>	<b>-714 707</b>	<b>-144 302</b>
Average number of employees in full time equivalent units	33	10
Average number of employees by types of employment:	0	0
Person employed under employment contract	33	10

AS Berman Technologies has entered into share call option agreements with its employees under which the employees will be entitled to acquire shares in AS Berman Technologies in the future. The cost of issuing share options is included in the line "Option costs"

A total of 233 304 EUR has been capitalised until 30.06.2022 from labour costs in the reporting period for own-account fixed assets (see Note 7 for details).

## Note 17 Related parties

(In Euros)

### Related party balances according to groups

<b>SHORT TERM</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
<b>Receivables and prepayments</b>		
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	10 424	5 966
<b>Total receivables and prepayments</b>	<b>10 424</b>	<b>5 966</b>

<b>SHORT TERM</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
<b>Payables and prepayments</b>		
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	0	4 210
<b>Total payables and prepayments</b>	<b>0</b>	<b>4 210</b>

LOAN COMMITMENTS	30.06.2021	Loans received	Loans received repayments	30.06.2022	Interest accrued for period	Note
Close family members and entities under their prevalent and material influence of management and higher	0	200 000	0	200 000	3 299	8
<b>Total loan commitments</b>	<b>0</b>	<b>200 000</b>	<b>0</b>	<b>200 000</b>	<b>3 299</b>	

SOLD	30.06.2022	30.06.2021
	Services	Services
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	17 162	0
<b>Total sold</b>	<b>17 162</b>	<b>0</b>

BOUGHT	30.06.2022	30.06.2021
	Services	Services
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	1 481	930
<b>Total bought</b>	<b>1 481</b>	<b>930</b>

Remuneration and other significant benefits calculated for members of management and highest supervisory body		
	<b>30.06.2022</b>	<b>30.06.2021</b>
Remuneration	86 654	25 285

Upon early termination of the contract of a member of the management board, which is on the initiative of the company, the members of the management board are entitled to severance pay at the threefold rate of the remuneration of the member of the management board. No other significant benefits for the members of the management board are foreseen or accounted for during the reporting period.

**Note 18 Non-consolidated statement of financial position**

(In Euros)

	30.06.2022	30.06.2021
Assets		
Current assets		
Cash and cash equivalents	127 452	825 715
Receivables and prepayments	31 128	12 088
Inventories	68 032	74 940
<b>Total current assets</b>	<b>226 612</b>	<b>912 743</b>
Non-current assets		
Investments in subsidiaries and associates	1 233 600	0
Property, plant and equipment	15 486	27 866
Intangible assets	315 066	145 872
<b>Total non-current assets</b>	<b>1 564 152</b>	<b>173 738</b>
<b>Total assets</b>	<b>1 790 764</b>	<b>1 086 481</b>
Liabilities and equity		
Liabilities		
Current liabilities		
Loan liabilities	10 797	42 891
Payables and prepayments	314 155	240 704
Provisions	4 168	4 168
<b>Total current liabilities</b>	<b>329 120</b>	<b>287 763</b>
Non-current liabilities		
Loan liabilities	7 384	0
Government grants	0	23 310
<b>Total non-current liabilities</b>	<b>7 384</b>	<b>23 310</b>
<b>Total liabilities</b>	<b>336 504</b>	<b>311 073</b>
Equity		
Issued capital	134 135	119 847
Share premium	2 129 474	1 097 788
Other reserves	474 792	156
Retained earnings (loss)	-827 738	-234 486
Annual period profit (loss)	-456 403	-207 897
<b>Total equity</b>	<b>1 454 260</b>	<b>775 408</b>
<b>Total liabilities and equity</b>	<b>1 790 764</b>	<b>1 086 481</b>

**Note 19 Non-consolidated income statement**

(In Euros)

	30.06.2022	30.06.2021
Revenue	41 472	3 115
Other income	0	19 868
Work performed by entity and capitalized	103 126	44 790
Raw materials and consumables used	-86 465	-12 308
Other operating expense	-156 991	-93 570
Employee expense	-336 096	-144 302
Depreciation and impairment loss (reversal)	-19 452	-20 658
Other expense	-527	-1 584
<b>Total operating profit (loss)</b>	<b>-454 933</b>	<b>-204 649</b>
Interest expenses	-1 149	-2 463
Other financial income and expense	-321	-785
<b>Profit (loss) before tax</b>	<b>-456 403</b>	<b>-207 897</b>
<b>Annual period profit (loss)</b>	<b>-456 403</b>	<b>-207 897</b>

**Note 20 Non-consolidated statement of cash flows**

(In Euros)

	30.06.2022	30.06.2021
Cash flows from operating activities		
Operating profit (loss)	-454 933	-204 649
Adjustments		
Depreciation and impairment loss (reversal)	19 452	20 658
Other adjustments	870	-19 654
<b>Total adjustments</b>	<b>20 322</b>	<b>1 004</b>
Changes in receivables and prepayments related to operating activities	21 889	-11 588
Changes in inventories	24 889	-6 055
Changes in payables and prepayments related to operating activities	62 588	43 341
Interest received	10	0
Proceeds from government grants	0	30 624
<b>Total cash flows from operating activities</b>	<b>-325 227</b>	<b>-147 323</b>
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-104 886	-59 072
<b>Total cash flows from investing activities</b>	<b>-104 886</b>	<b>-59 072</b>
Cash flows from financing activities		
Loans received	0	156 100
Repayments of loans received	-17 265	-97 516
Interest paid	-1 432	-2 186
Repayments of finance lease liabilities	-1 591	0
Proceeds from issuing shares	264 974	965 985
Other cash outflows from financing activities	-49	0
<b>Total cash flows from financing activities</b>	<b>244 637</b>	<b>1 022 383</b>
<b>Total cash flows</b>	<b>-185 476</b>	<b>815 988</b>
Cash and cash equivalents at beginning of period	312 928	9 727
<b>Change in cash and cash equivalents</b>	<b>-185 476</b>	<b>815 988</b>
Cash and cash equivalents at end of period	127 452	825 715

**Note 21 Non-consolidated statement of changes in equity**

(In Euros)

	Equity held by shareholders and partners in parent company					Total
	Issued capital	Unregistered equity	Share premium	Other reserves	Retained earnings (loss)	
	<b>31.12.2020</b>	75 000	100592			
Annual period profit (loss)					-207 897	-207 897
Issue of equity	44 847	-100 592	1 097 788			1 042 043
Changes in reserves				156		156
<b>30.06.2021</b>	119 847	0	1 097 788	156	-442 383	775 408
Annual period profit (loss)					-385 355	-385 355
Issue of equity	10 000		771 000			781 000
Changes in reserves				473 766		473 766
<b>31.12.2021</b>	129 847	0	1 868 788	473 922	-827 738	1 644 819
Annual period profit (loss)					-456 403	-456 403
Issue of equity	4 288	0	260 686			264 974
Changes in reserves				870		870
Governing and material influence ownership interest value of financial position						-1 233 600
Governing and material influence on the value of holdings under the equity method						1 233 600
<b>30.06.2022</b>	134 135	0	2 129 474	474 792	-1 284 141	1 454 260