AEONIC SECURITIES C.I.F. PLC

UNAUDITED FINANCIAL STATEMENTS
Period from 1 January 2023 to 30 June 2023

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AEONIC SECURITIES C.I.F. PLC

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Alexandros Sinos Serafeim Charalampidis Stephanos Kazantzis Evangelos Drympetas Gloria Chrysafi
Company Secretary:	Gloria Chrysafi
Independent Auditors:	C&N Auditors Ltd CERTIFIED PUBLIC ACCOUNTANTS - CY 10 Yianni Kranidioti 2nd Floor Office 201 1065 Nicosia, Cyprus
Registered office:	Laiou 6 Anna City Court Block B, Flat 301 3015 Limassol Cyprus
Registration number:	HE 304867

AEONIC SECURITIES C.I.F. PLC

UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Period from 1 January 2023 to 30 June 2023

	Note	**01/01/2023-30/06/2023** €	01/01/2022-30/06/2022 €
Revenue	8	**77.723**	167.649
Cost of sales	9	**(36.952)**	(80.891)
Gross profit		**40.771**	86.758
Other operating income	10	**6.752**	6.752
Selling and distribution expenses	11	**(2.400)**	(4.221)
Administration expenses	12	**(95.751)**	(128.251)
Operating loss		**(50.628)**	(38.962)
Finance costs	14	**(1.621)**	(2.971)
Loss before tax		**(52.249)**	(41.933)
Tax	15	**(55)**	-
Net loss for the period		**(52.304)**	(41.933)
Other comprehensive income		**-**	-
Total comprehensive income for the period		**(52.304)**	(41.933)

The notes on pages 6 to 29 form an integral part of these financial statements.

AEONIC SECURITIES C.I.F. PLC

UNAUDITED STATEMENT OF FINANCIAL POSITION
30 June 2023

	Note	**30/06/2023** €	30/06/2022 €
ASSETS			
Non-current assets			
Property, plant and equipment	16	**4.069**	6.414
Right-of-use assets	17	**28.743**	6.167
Financial assets at fair value through other comprehensive income	19	**45.003**	-
Investors' Compensation Fund	21	**50.346**	86.690
		128.161	99.271
Current assets			
Trade and other receivables	20	**167.562**	723.857
Cash at bank and in hand	22	**14.115**	55.390
		181.677	779.247
Total assets		**309.838**	878.518
EQUITY AND LIABILITIES			
Equity			
Share capital	23	**650.000**	600.000
Accumulated losses		**(435.484)**	(355.596)
Total equity		**214.516**	244.404
Non-current liabilities			
Lease liabilities	24	**11.839**	-
		11.839	-
Current liabilities			
Trade and other payables	25	**66.066**	627.934
Lease liabilities	24	**17.115**	345
Current tax liabilities	26	**302**	5.835
		83.483	634.114
Total liabilities		**95.322**	634.114
Total equity and liabilities		**309.838**	878.518

On 29 September 2023 the Board of Directors of AEONIC SECURITIES C.I.F. PLC authorised these financial statements for issue.

AEONIC SECURITIES C.I.F. PLC

....
Alexandros Sinos
Director

....
Serafeim Charalampidis
Director

The notes on pages 6 to 29 form an integral part of these financial statements.

UNAUDITED STATEMENT OF CHANGES IN EQUITY
Period from 1 January 2023 to 30 June 2023

	Note	Share capital €	Accumulated losses €	Total €
Balance at 1 January 2022		**600.000**	**(313.663)**	**286.337**
Comprehensive income				
Net loss for the period		-	(41.933)	(41.933)
Total comprehensive income for the period		-	(41.933)	(41.933)
Balance at 30 June 2022		**600.000**	**(355.596)**	**244.404**
Balance at 1 January 2023 as previously reported		**600.000**	**(355.596)**	**244.404**
Balance 01/07/2022-31/12/2022		-	(27.584)	(27.584)
Balance at 1 January 2023		**600.000**	**(383.180)**	**216.820**
Comprehensive income				
Net loss for the period		-	(52.304)	(52.304)
Total comprehensive income for the period		-	(52.304)	(52.304)
Transactions with owners				
Issue of share capital	23	50.000	-	50.000
Total transactions with owners		50.000	-	50.000
Balance at 30 June 2023		**650.000**	**(435.484)**	**214.516**

Companies, which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution at a rate of 2,65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

The balance of accumulated losses as at 30 June 2020 is not in accordance with the balance of the accumulated losses as at 1st of January 2021 as the net profit of the second semester of 2020 which amounts to €41,936 is not included.

AEONIC SECURITIES C.I.F. PLC

UNAUDITED CASH FLOW STATEMENT
Period from 1 January 2023 to 30 June 2023

	Note	2023 €	2022 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		**(52.249)**	(41.933)
Adjustments for:			
Depreciation of property, plant and equipment	16	**661**	-
Depreciation of right-of-use assets	17	**5.749**	-
Interest income	10	**(184)**	-
Interest expense	14	**462**	73
		(45.561)	(41.860)
Changes in working capital:			
Decrease in trade and other receivables		**556.295**	333.262
Decrease in financial assets at fair value through profit or loss		**-**	51.710
Decrease in trade and other payables		**(561.868)**	(329.078)
Cash (used in)/generated from operations		**(51.134)**	14.034
Tax paid		**(5.588)**	-
Net cash (used in)/generated from operating activities		**(56.722)**	14.034
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of financial assets at fair value through other comprehensive income		**(45.003)**	-
Payment for purchase of other assets	21	**-**	(3.185)
Proceeds from sale of other assets		**36.344**	-
Interest received		**184**	-
Net cash used in investing activities		**(8.475)**	(3.185)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		**50.000**	-
Payments of leases liabilities		**(5.883)**	(11.789)
Interest paid		**(462)**	(73)
Cash flow movement 01/07/2022-31/12/2022		**(19.733)**	25.183
Net cash generated from financing activities		**23.922**	13.321
Net (decrease)/increase in cash and cash equivalents		**(41.275)**	24.170
Cash and cash equivalents at beginning of the period		**55.390**	31.220
Cash and cash equivalents at end of the period	**22**	**14.115**	55.390

The notes on pages 6 to 29 form an integral part of these financial statements.

1. Incorporation and principal activities

Country of incorporation

The Company AEONIC SECURITIES C.I.F. PLC (the "Company") was incorporated in Cyprus on 19th of April 2012 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at Laiou 6, Anna City Court Block B, Flat 301, 3015 Limassol, Cyprus.

Principal activities

The Company is a Cyprus Investment Firm ("C.I.F") and in accordance with the license no.177/12 granted by the Cyprus Securities and Exchange Commission ("CySEC") on 4 September 2012.

The principal activities of the company comprise the provision of investment services, including reception and transmission of orders in relation to one or more financial instruments and execution of orders on behalf of clients in relation to one or more financial instruments.

In addition, the Company provides ancillary services, which comprise the safekeeping and administration of financial instruments, including custondianship and related services, advice to undertakings on capital structure, industrial strategy and related matters and advice and services related to mergers and the purchase of undertakings, foreign exchange services where these are connected to the provision of investment services, services related to underwriting, and investment services and activities as well as ancillary services where these are connected to the provision of investment or ancillary services.

Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Company has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

Despite the limited direct exposure, the conflict is expected to negatively impact the tourism and services industries in Cyprus. Furthermore, the increasing energy prices, fluctuations in foreign exchange rates, unease in stock market trading, rises in interest rates, supply chain disruptions and intensified inflationary pressures may indirectly impact the operations of the Company. The indirect implications will depend on the extent and duration of the crisis and remain uncertain.

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact in the Company's profitability position. The event is not expected to have an immediate material impact on the business operations. Management will continue to monitor the situation closely and will assess the need for [please complete accordingly] in case the crisis becomes prolonged.

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. The financial statements have been prepared under the historical cost convention as modified by the revaluation of, and financial assets and financial liabilities at fair value through profit or loss and through other comprehensive income.

3. Adoption of new or revised standards and interpretations

During the current period the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2023. This adoption did not have a material effect on the accounting policies of the Company.

4. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Revenue

Recognition and measurement

Revenue represents the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, value-added taxes); the transaction price. The Company includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Company's experience with similar contracts and forecasted sales to the customer.

The Company recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the Company can identify each party's rights and the payment terms for the goods or services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract), it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific criteria have been met for each of the Company's contracts with customers.

The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. In evaluating whether collectability of an amount of consideration is probable, the Company considers only the customer's ability and intention to pay that amount of consideration when it is due.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates are reflected in the statement of profit or loss and other comprehensive income in the period in which the circumstances that give rise to the revision become known by Management.

4. Significant accounting policies (continued)

Revenue (continued)

Identification of performance obligations

The Company assesses whether contracts that involve the provision of a range of goods and/or services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified on the basis of its stand-alone selling price. A good or service that is promised to a customer is distinct if the customer can benefit from the good or service, either on its own or together with other resources that are readily available to the customer (that is the good or service is capable of being distinct) and the Company's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (that is, the good or service is distinct within the context of the contract).

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

- **Rendering of services**

  Revenue from rendering of services is recognised over time while the Company satisfies its performance obligation by transferring control over the promised service to the customer in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. This is determined based on the actual labour hours spent relative to the total expected labour hours.

- **Commission income**

  Commission income is recognised on an accruals basis in accordance with the substance of the relevant agreements.

- **Interest income**

  Interest income is recognised on a time-proportion basis using the effective interest method.

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Foreign currency translation

(1) Functional and presentation currency
Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (€), which is the Company's functional and presentation currency.

(2) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

4. Significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life. The annual depreciation rates used are as follows:

	%
Motor vehicles	20
Furniture, fixtures and office equipment	10
Computer Hardware	20

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Computer software

Costs that are directly associated with identifiable and unique computer software products controlled by the Company and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Subsequently computer software is carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the computer software. Costs associated with maintenance of computer software programs are recognised as an expense when incurred. Computer software costs are amortised using the straight-line method over their useful lives, not exceeding a period of three years. Amortisation commences when the computer software is available for use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

4. Significant accounting policies (continued)

Leases (continued)

- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets

Financial assets - Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

4. Significant accounting policies (continued)

Financial assets (continued)

Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in 'other income'. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income. Financial assets measured at amortised cost (AC) comprise: cash and cash equivalents, bank deposits with original maturity over 3 months, trade receivables and financial assets at amortised cost.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in "other income". Foreign exchange gains and losses are presented in "other gains/(losses)" and impairment expenses are presented as separate line item in the statement of profit or loss and other comprehensive income.

FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within "other gains/(losses)" in the period in which it arises.

4. Significant accounting policies (continued)

Financial assets (continued)

Financial assets - Measurement (continued)

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's Management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment, any related balance within the FVOCI reserve is reclassified to retained earnings. The Company's policy is to designate equity investments as FVOCI when those investments are held for strategic purposes other than solely to generate investment returns. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in "other gains/(losses)" in the statement of profit or loss and other comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

Financial assets - impairment - credit loss allowance for ECL

The Company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within "net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For trade receivables and contract assets, including trade receivables and contract assets with a significant financing component, and lease receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the financial assets.

For all other financial instruments that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

4. Significant accounting policies (continued)

Financial assets (continued)

Financial assets - impairment - credit loss allowance for ECL (continued)

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to note 6, Credit risk section, for a description of how the Company determines when a SICR has occurred. If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Company's definition of credit impaired assets and definition of default is explained in note 6, Credit risk section.

Additionally the Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 6, Credit risk section for a description of how the Company determines low credit risk financial assets.

Financial assets -Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets - modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

4. Significant accounting policies (continued)

Financial assets (continued)

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note 6, Credit risk section.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 180 days past due.

Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

4. Significant accounting policies (continued)

Financial assets (continued)

Financial liabilities - Modifications

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. (In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in loan covenants are also considered.)

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset, when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

Share capital

Ordinary shares are classified as equity.

5. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

6. Financial risk management

Financial risk factors

The Company is exposed to market price risk, interest rate risk, credit risk, liquidity risk, currency risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

6.1 Market price risk

The Company is exposed to equity securities price risk because of equity investments held by the Company and classified on the statement of financial position either as fair value through other comprehensive income or at fair value through profit or loss. The Company is not exposed to commodity price risk.

6.2 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest-bearing assets. The Company is exposed to interest rate risk in relation to its non-current borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

6.3 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from [cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and contract assets as well as lease receivables. Further, credit risk arises from financial guarantees and credit related commitments.]

(i) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, the Company has established policies whereby the majority of bank balances are held with independently rated parties with a minimum rating of ['C'].

If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, Management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. [Individual credit limits and credit terms are set based on the credit quality of the customer in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards.]

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The Company's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

These policies enable the Company to reduce its credit risk significantly.

(ii) Impairment of financial assets

The Company has the following types of financial assets that are subject to the expected credit loss model:

- trade receivables
- financial assets carried at FVOCI
- cash and cash equivalents
- credit commitments

6. Financial risk management (continued)

6.3 Credit risk (continued)

(ii) Impairment of financial assets (continued)

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

- For trade receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected losses to be recognised from initial recognition of the financial assets.
- For all other financial assets that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial asset that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Impairment losses are presented as net impairment losses on financial and contract assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Significant increase in credit risk

The Company considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's/counterparty's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant increases in credit risk on other financial instruments of the same borrower/counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the Company and changes in the operating results of the borrower/counterparty.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

6. Financial risk management (continued)

6.3 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Low credit risk

The Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

Write-off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a debt financial asset for write off when a debtor fails to make contractual payments greater than 180 days past due. Where debt financial assets have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Company's exposure to credit risk for each class of (asset/instrument) subject to the expected credit loss model is set out below:

Trade receivables and contract assets

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables (including those with a significant financing component, and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2023 or 1 January 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The average credit period on sales of goods is 60 days. No interest is charged on outstanding trade receivables.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL.

There were no significant trade receivable and contract asset balances written off during the period that are subject to enforcement activity.

6. Financial risk management (continued)

6.3 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Receivables from related parties

For receivables from related parties lifetime ECL was provided for them upon initial application of IFRS 9 until these financial assets are derecognised as it was determined on initial application of IFRS 9 that it would require undue cost and effort to determine whether their credit risk has increased significantly since initial recognition to the date of initial application of IFRS 9.

For any new loans to related parties, which are not purchased or originated credit-impaired financial assets, the impairment loss is recognised as 12-month ECL on initial recognition of such instruments and subsequently the Company assesses whether there was a significant increase in credit risk.

The Company does not hold any collateral as security for any receivables from related parties.

There were no significant receivables from related parties written off during the period that are subject to enforcement activity.

Cash and cash equivalents

The Company assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

Bank deposits held with banks with investment grade rating are considered as low credit risk.

The ECL on current accounts is considered to be approximate to 0, unless the bank is subject to capital controls. The ECL on deposits accounts is calculated by considering published PDs for the rating as per Moody's and an LGD of 40-60% as published by ECB.

The Company does not hold any collateral as security for any cash at bank balances.

There were no significant cash at bank balances written off during the period that are subject to enforcement activity.

(iii) Credit related commitments

The primary purpose of these instruments is to ensure that funds are available to a borrower as required. Guarantees which represent irrevocable assurances that the Company will make payments in the event that a counterparty cannot meet its obligations to third parties, carry the same credit risk as loans receivable. Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans or guarantees. With respect to credit risk on commitments to extend credit, the Company is potentially exposed to loss in an amount equal to the total unused commitments, if the unused amounts were to be drawn down. The Company monitors the term to maturity of credit related commitments, because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

6.4 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

6. Financial risk management (continued)

6.5 Currency risk
Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar and the Euro. The Company's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

6.6 Capital risk management
Capital includes equity shares and share premium, convertible preference shares and loan from parent company.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

7. Critical accounting estimates, judgments and assumptions

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- **Leases**

  The Company has an enforceable extension option in relation to... [provide details of the arrangement, extension option, pricing etc]. The group has assessed whether the extension option is reasonably certain to exercise by considering [list considerations] and has concluded that it is/is not reasonably certain to exercise.

- **Amount payable under residual value guarantees**

  The Company initially estimates and recognises amounts expected to be payable under residual value guarantees as part of the lease liability. Typically, the expected residual value at lease commencement is equal to or higher than the guaranteed amount, and so the Company does not expect to pay anything under the guarantees.

  At the end of each reporting period, the expected residual values are reviewed to reflect actual residual values achieved on comparable assets and expectations about future prices.

- **Calculation of loss allowance**

  When measuring expected credit losses the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

  Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

  Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

7. Critical accounting estimates, judgments and assumptions (continued)

- **Income taxes**

  Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Critical judgements in applying the Company's accounting policies

- **Impairment of financial assets**

  The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 6, Credit risk section.

- **Impairment of non-financial assets**

  The impairment test is performed using the discounted cash flows expected to be generated through the use of non-financial assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Company estimates the recoverable amount of the cash generating unit in which the asset belongs to.

- **Impairment of intangible assets**

  Intangible assets are initially recorded at acquisition cost and are amortized on a straight line basis over their useful economic life. Intangible assets that are acquired through a business combination are initially recorded at fair value at the date of acquisition. Intangible assets with indefinite useful life are reviewed for impairment at least once per year. The impairment test is performed using the discounted cash flows expected to be generated through the use of the intangible assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Company estimates the recoverable amount of the cash generating unit in which the asset belongs to.

- **Useful live of depreciable assets**

  The Board of Directors assesses the useful lives of depreciable assets at each reporting date, and revises them if necessary so that the useful lives represent the expected utility of the assets to the Company. Actual results, however, may vary due to technological obsolescence, mis-usage and other factors that are not easily predictable.

8. Revenue

The Company derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major product lines.

Disaggregation of revenue	**2023**	2022
	€	€
Rendering of services	**8.778**	3.600
Commissions receivable	**68.945**	164.049
	77.723	167.649

9. Cost of sales

	2023	2022
	€	€
Services received	36.952	80.891
	36.952	80.891

10. Other operating income

	2023	2022
	€	€
Interest income	184	-
Exchange profit	-	752
Sundry operating income	6.568	6.000
	6.752	6.752

11. Selling and distribution expenses

	2023	2022
	€	€
Motor vehicle running costs	149	806
Inland travelling	2.251	3.415
	2.400	4.221

12. Administration expenses

	2023	2022
	€	€
Staff costs	37.291	58.038
Rent	-	8.933
Common expenses	103	-
Licenses and taxes	241	222
Electricity	929	1.687
Insurance	1.765	1.275
Sundry expenses	14.998	6.697
Telephone and postage	2.181	1.939
Subscriptions and contributions	14.350	28.783
Staff training	50	5.679
Computer supplies and maintenance	930	1.530
Auditors' remuneration	1.250	1.250
Accounting fees	1.200	1.200
Other professional fees	11.676	8.660
Fines	988	-
Inland travelling and accommodation	811	1.511
Entertaining	578	637
Motor vehicle running costs	-	210
Depreciation of right-of-use assets	5.749	-
Depreciation	661	-
	95.751	128.251

13. Other expenses

	2023 €	2022 €
	-	-

14. Finance costs

	2023 €	2022 €
Interest expense on lease liabilities	462	-
Interest expense	-	73
Sundry finance expenses	1.159	2.898
Finance costs	**1.621**	2.971

15. Tax

	2023 €	2022 €
Defence contribution	55	-
Charge for the period	**55**	-

The tax on the Company's results before tax differs from theoretical amount that would arise using the applicable tax rates as follows:

	2023 €	2022 €
Loss before tax	(52.249)	(41.933)
Tax calculated at the applicable tax rates	(6.531)	(5.242)
Tax effect of expenses not deductible for tax purposes	5.039	6.355
Tax effect of allowances and income not subject to tax	(193)	(310)
Tax effect of tax losses brought forward	-	(803)
Tax effect of tax loss for the period	1.685	-
Defence contribution current period	55	-
Tax charge	**55**	-

The corporation tax rate is 12,5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 30%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

Gains on disposal of qualifying titles (including shares, bonds, debentures, rights thereon etc) are exempt from Cyprus income tax.

Due to tax losses sustained in the period, no tax liability arises on the Company. Under current legislation, tax losses may be carried forward and be set off against taxable income of the five succeeding years.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
Period from 1 January 2023 to 30 June 2023

16. Property, plant and equipment

	Motor vehicles	Furniture, fixtures and office equipment	Total
	€	€	€
Cost			
Balance at 1 January 2022	43.018	32.622	75.640
Balance at 1 January 2023	**43.018**	**32.622**	**75.640**
Balance at 30 June 2023	**43.018**	**32.622**	**75.640**
Depreciation			
Balance at 1 January 2022	43.018	26.208	69.226
Balance at 30 June 2022	**43.018**	**26.208**	**69.226**
Balance 01/07/2022-31/12/2022	-	1.684	1.684
Charge for the period	-	661	661
Balance at 30 June 2023	**43.018**	**28.553**	**71.571**
Net book amount			
Balance at 30 June 2023	**-**	**4.069**	**4.069**
Balance at 30 June 2022	**-**	**6.414**	**6.414**

17. Right-of-use assets

	Land and buildings €
Cost	
Balance at 1 January 2022	42.436
Balance at 30 June 2022/ 1 January 2023	**42.436**
Additions	34.492
Balance at 30 June 2023	**76.928**
Depreciation	
Balance at 1 January 2022	29.701
Charge for the period	6.568
Balance at 30 June 2022	**36.269**
Balance 01/07/2022-31/12/2022	6.167
Charge for the period	5.749
Balance at 30 June 2023	**48.185**
Net book amount	
Balance at 30 June 2023	**28.743**
Balance at 30 June 2022	**6.167**

Amounts recognised in profit and loss:

	2023 €	2022 €
Interest expense on lease liabilities	(462)	-

18. Intangible assets

	Computer software €
Cost	
Balance at 1 January 2022	13.591
Balance at 30 June 2022/ 1 January 2023	**13.591**
Balance at 30 June 2023	**13.591**
Amortisation	
Balance at 1 January 2022	13.591
Balance at 30 June 2022/ 1 January 2023	**13.591**
Balance at 30 June 2023	**13.591**

Net book amount

19. Financial assets at fair value through other comprehensive income

	2023	2022
	€	€
Additions	**45.003**	-

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, Management of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

(i) Disposal of equity investments

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

(ii) Disposal of debt investments

On disposal of these debt investments, any related balance within the FVOCI reserve is reclassified to profit or loss.

20. Trade and other receivables

	2023	2022
	€	€
Trade receivables	**69.087**	673.925
Receivables from own subsidiaries (Note 28.1)	**3.388**	3.388
Shareholders' current accounts - debit balances (Note 28.2)	**51.889**	894
Deposits and prepayments	-	2.023
Other receivables	**18.178**	23.541
Refundable VAT	**25.020**	20.086
	167.562	723.857

The Company does not hold any collateral over the trading balances.

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

The exposure of the Company to credit risk and impairment losses in relation to trade and other receivables is reported in note 6 of the financial statements.

21. Investors' Compensation Fund

	2023	2022
	€	€
Balance at 1 January	**86.690**	83.505
Additions	-	3.185
Decrease in Fund	**(36.344)**	-
Balance at 30 June	**50.346**	86.690

22. Cash at bank and in hand

Cash balances are analysed as follows:

	2023 €	2022 €
Cash at bank and in hand	14.115	55.390
	14.115	55.390

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 6 of the financial statements.

23. Share capital

	2023 Number of shares	2023 €	2022 Number of shares	2022 €
Authorised				
Ordinary shares of €1 each	1.000.000	1.000.000	1.000.000	1.000.000
Issued and fully paid				
Balance at 1 January	600.000	600.000	600.000	600.000
Issue of shares	50.000	50.000	-	-
Balance at 30 June	**650.000**	**650.000**	600.000	600.000

24. Lease liabilities

	Minimum lease payments		The present value of minimum lease payments	
	2023 €	2022 €	2023 €	2022 €
Not later than 1 year	12.000	-	17.115	345
Later than 1 year and not later than 5 years	24.000	-	11.839	-
	36.000	-	28.954	345
Future finance charges	(7.046)	345	-	-
Present value of lease liabilities	**28.954**	345	**28.954**	345

It is the Company's policy to lease certain its office. The average lease term is 36 months. For period from 1 January 2023 to 30 June 2023, the average effective borrowing rate was 3,0% (2022: 3,0%). Interest rates are fixed at the contract date, and thus expose the Company to fair value interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

All lease obligations are denominated in Euro.

The fair values of lease obligations approximate to their carrying amounts as presented above.

The Company's obligations under leases are secured by the lessors' title to the leased assets.

25. Trade and other payables

	2023	2022
	€	€
Trade payables	-	592.922
Social insurance and other taxes	1.351	3.901
Accruals	3.754	7.506
Other creditors	59.526	10.811
Defence and GHS contribution on rent payable	1.435	12.794
	66.066	627.934

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

26. Current tax liabilities

	2023	2022
	€	€
Special contribution for defence	302	5.835
	302	5.835

27. Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Company has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

27. Operating Environment of the Company (continued)

Despite the limited direct exposure, the conflict is expected to negatively impact the tourism and services industries in Cyprus. Furthermore, the increasing energy prices, fluctuations in foreign exchange rates, unease in stock market trading, rises in interest rates, supply chain disruptions and intensified inflationary pressures may indirectly impact the operations of the Company. The indirect implications will depend on the extent and duration of the crisis and remain uncertain.

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact in the Company's profitability position. The event is not expected to have an immediate material impact on the business operations. Management will continue to monitor the situation closely and will assess the need for [please complete accordingly] in case the crisis becomes prolonged.

28. Related party transactions

The Company is controlled by Alexandros Sinos, incorporated in Cyprus, which owns 61% of the Company's shares, which corresponds to 365,500 shares.

The following transactions were carried out with related parties:

28.1 Receivables from related parties (Note 20)

Name	Nature of transactions	2023 €	2022 €
Aeonic Investments Ltd	Finance	**3.388**	3.388
		3.388	3.388

28.2 Shareholders' current accounts - debit balances (Note 20)

	2023 €	2022 €
Alexandros Sinos	**1.889**	894

The directors'/shareholders' current accounts are interest free, and have no specified repayment date.

29. Contingent liabilities

The Company had no contingent liabilities as at 30 June 2023.

30. Commitments

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

31. Events after the reporting period

As explained in note 27 the geopolitical situation in Eastern Europe remains intense with the continuation of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds and additional sanctions are imposed.

Depending on the duration of the conflict between Russia and Ukraine, and continued negative impact on economic activity, the Company might experience further negative results, and liquidity restraints and incur additional impairments on its assets in 2024 which relate to new developments that occurred after the reporting period.

AEONIC SECURITIES C.I.F. PLC

ADDITIONAL INFORMATION TO THE UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

CONTENTS

AEONIC SECURITIES C.I.F. PLC

DETAILED INCOME STATEMENT
Period from 1 January 2023 to 30 June 2023

	Page	2023 €	2022 €
Revenue			
Rendering of services		**8.778**	3.600
Commissions receivable		**68.945**	164.049
Cost of sales	2	**(36.952)**	(80.891)
Gross profit		**40.771**	86.758
Other operating income			
Other interest income		**184**	-
Unrealised foreign exchange profit		**-**	752
Sundry operating income		**6.568**	6.000
		47.523	93.510
Operating expenses			
Administration expenses	3	**(95.751)**	(128.251)
Selling and distribution expenses	3	**(2.400)**	(4.221)
Operating loss		**(50.628)**	(38.962)
Finance costs	4	**(1.621)**	(2.971)
Net loss for the period before tax		**(52.249)**	(41.933)

COST OF SALES
Period from 1 January 2023 to 30 June 2023

	2023 €	2022 €
Cost of sales		
Closing stocks	-	-
Direct costs		
Services received	36.952	80.891
	36.952	80.891

OPERATING EXPENSES
Period from 1 January 2023 to 30 June 2023

	2023 €	2022 €
Administration expenses		
Staff salaries	**32.455**	50.836
Social insurance	**4.836**	7.202
Rent	**-**	8.933
Common expenses	**103**	-
Licenses and taxes	**241**	222
Electricity	**929**	1.687
Insurance	**1.765**	1.275
Sundry expenses	**14.998**	6.697
Telephone and postage	**2.181**	1.939
Subscriptions and contributions	**14.350**	28.783
Staff training	**50**	5.679
Computer supplies and maintenance	**930**	1.530
Auditors' remuneration	**1.250**	1.250
Accounting fees	**1.200**	1.200
Other professional fees	**11.676**	8.660
Fines	**988**	-
Inland travelling and accommodation	**811**	1.511
Entertaining	**578**	637
Motor vehicle running costs	**-**	210
Depreciation of right-of-use assets	**5.749**	-
Depreciation	**661**	-
	95.751	128.251

	2023 €	2022 €
Selling and distribution expenses		
Motor vehicle running costs	**149**	806
Inland travelling	**2.251**	3.415
	2.400	4.221

FINANCE COSTS
Period from 1 January 2023 to 30 June 2023

	2023 €	2022 €
Finance costs		
Interest expense		
Interest expense on lease liabilities	**462**	-
Bank interest	**-**	73
Sundry finance expenses		
Bank charges	**1.159**	2.898
	1.621	2.971

COMPUTATION OF DEFENCE CONTRIBUTION
Period from 1 January 2023 to 30 June 2023

	Income €	Rate	Defence € c
INTEREST			
Interest that was not subject to deduction at source	184		
	184	30%	55,20
DEFENCE CONTRIBUTION DUE TO IRD			55,20

Apportionment to the relevant years of assessment	2023 €	2022 €
Period 01/01/2023 - 06/30/2023	55	-
	55	-
	55	-