Imex International Limited Liability Company

Company Number 01-09-348068

Financial Statements - 31 December 2021

Prepared by:

RSM Hungary Private Company Ltd.
1138 Budapest,
Váci road 99-105. Balance Hall building 4th floor

General information

The financial statements cover Imex International Limited Liability Company as an individual entity. The financial statements are presented in EUR, which is Imex International Limited Liability Company's functional and presentation currency.

Imex International Limited Liability Company is a company limited by shares, incorporated and domiciled in Hungary. Its registered office and principal place of business are:

Registered office	Principal place of business
1st Floor C Building 2 Fürj Street 1124 Budapest	1st Floor C Building 2 Fürj Street 1124 Budapest

During the financial year the principal continuing activities of the company consisted of:

- Wholesale of electronic and telecommunications equipment

Imex International Limited Liability Company
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2021

	Note	2021 EUR	2020 EUR
Revenue	3	271,221,171	49,685,497
Share of profits of associates accounted for using the equity method	4	-	-
Other income	5	104	105
Interest revenue calculated using the effective interest method		1,505	194
Net gain on derecognition of financial assets at amortised cost		-	-
Expenses			
Cost of sales		265,525,575	48,339,253
Raw materials and consumables used		3,089,896	339,714
Employee benefits expense		18,728	7,259
Depreciation and amortisation expense	6	1,981	405
Impairment of receivables		538,111	86,932
Net fair value loss on investment properties	6	-	-
Other expenses		298,844	78,204
Finance costs	6	10,949	765
Profit before income tax expense		1,738,696	833,263
Income tax expense	7	275,901	108,534
Profit after income tax expense for the year attributable to the owners of Imex International Limited Liability Company	41	1,462,795	724,729
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain on the revaluation of land and buildings, net of tax		-	-
Gain on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		-	-
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges transferred to profit or loss, net of tax		-	-
Cash flow hedges transferred to inventory in the statement of financial position, net of tax		-	-
Net change in the fair value of cash flow hedges taken to equity, net of tax		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Imex International Limited Liability Company		**1,462,795**	**724,729**

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Imex International Limited Liability Company
Statement of financial position
As at 31 December 2021

	Note	2021 EUR	2020 EUR
Assets			
Current assets			
Cash and cash equivalents	8	925,571	196,652
Trade and other receivables	9	320,784	16,824,088
Contract assets	10	-	-
Inventories	11	1,943,550	71,965
Financial assets at fair value through profit or loss	12	-	-
Other	13	-	-
		3,189,905	17,092,704
Non-current assets classified as held for sale	14	-	-
Total current assets		3,189,905	17,092,704
Non-current assets			
Financial assets at amortised cost	15	203,155	41,173
Investments	16	5,000	5,000
Financial assets at fair value through other comprehensive income	17	-	-
Investment properties	18	-	-
Property, plant and equipment	19	5,517	4,007
Right-of-use assets	20	2,366	3,550
Intangibles	21	-	-
Deferred tax	22	56,277	7,824
Other	23	-	-
Total non-current assets		272,316	61,554
Total assets		**3,462,221**	**17,154,258**
Liabilities			
Current liabilities			
Trade and other payables	24	1,018,759	16,306,886
Contract liabilities	25	-	-
Borrowings	26	-	-
Lease liabilities	27	1,184	1,174
Derivative financial instruments	28	-	-
Income tax	29	244,730	115,522
Employee benefits	30	-	-
Provisions	31	261	-
Other	32	-	-
		1,264,935	16,423,582
Liabilities directly associated with assets classified as held for sale	33	-	-
Total current liabilities		1,264,935	16,423,582
Non-current liabilities			
Borrowings	34	-	-
Lease liabilities	35	1,195	2,379
Deferred tax	36	-	-
Employee benefits	37	-	-
Provisions	38	-	-
Total non-current liabilities		1,195	2,379
Total liabilities		1,266,130	16,425,962
Net assets		2,196,091	728,296

The above statement of financial position should be read in conjunction with the accompanying notes

Imex International Limited Liability Company
Statement of financial position
As at 31 December 2021

	Note	2021 EUR	2020 EUR
Equity			
Issued capital	39	10,000	5,000
Reserves	40	-	-
Retained profits	41	2,186,091	723,296
Total equity		**2,196,091**	**728,296**

The above statement of financial position should be read in conjunction with the accompanying notes

Imex International Limited Liability Company
Statement of changes in equity
For the year ended 31 December 2021

	Issued capital EUR	Reserves EUR	Retained profits EUR	Total equity EUR
Balance at 1 January 2020	5,000	-	(1,433)	3,567
Profit after income tax expense for the year	-	-	724,729	724,729
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	724,729	724,729
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 39)	-	-	-	-
Dividends paid (note 42)	-	-	-	-
Balance at 31 December 2020	5,000	-	723,296	728,296

	Issued capital EUR	Reserves EUR	Retained profits EUR	Total equity EUR
Balance at 1 January 2021	5,000	-	723,296	728,296
Profit after income tax expense for the year	-	-	1,462,795	1,462,795
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	1,462,795	1,462,795
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 39)	5,000	-	-	5,000
Dividends paid (note 42)	-	-	-	-
Balance at 31 December 2021	10,000	-	2,186,091	2,196,091

The above statement of changes in equity should be read in conjunction with the accompanying notes

Imex International Limited Liability Company
Statement of cash flows
For the year ended 31 December 2021

	Note	2021 EUR	2020 EUR
Cash flows from operating activities			
Profit for the period		1,462,795	724,729
Adjustments:			
Income tax expense recognised in profit or loss		275,901	108,534
Impairment loss on trade receivables		538,111	86,932
Depreciation and amortization of non-current assets		1,981	405
Net exchange (gains) / losses		167	-
		2,278,954	920,600
Changes in working capital:			
(Increase) / decrease in trade and other receivables		15,965,194	(16,898,270)
(Increase) / decrease in inventories		(1,871,586)	(71,965)
(Increase) / decrease in other assets		-	-
Decrease in trade and other liabilities		(15,288,126)	16,296,740
Increase / (decrease) in provisions		261	-
		1,084,697	247,105
Income taxes paid		(195,146)	(836)
Net cash from operating activities		**889,552**	**246,269**
Cash flows from investing activities			
Payments to acquire financial assets		(160,644)	(40,750)
Interest received		(1,505)	(194)
Payments for investments		-	(5,000)
Payments for property, plant and equipment		(2,308)	(4,117)
Payments for intangible assets		-	-
Proceeds from disposal of investments		-	-
Proceeds from disposal of property, plant and equipment		-	-
Proceeds from release of security deposits		-	-
Net cash used in investing activities		**(164,457)**	**(50,060)**
Cash flows from financing activities			
Proceeds from issue of shares	39	5,000	-
Proceeds from borrowings		-	-
Share issue transaction costs		-	-
Dividends paid	42	-	-
Repayment of borrowings		-	-
Repayment of lease liabilities		(1,174)	(292)
Net cash used in financing activities		**3,826**	**(292)**
Net increase/(decrease) in cash and cash equivalents		**728,920**	**195,917**
Cash and cash equivalents at the beginning of the financial year		196,652	735
Cash and cash equivalents at the end of the financial year	8	**925,571**	**196,652**

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), as appropriate for for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Foreign currency translation

The financial statements are presented in EUR, which is Imex International Limited Liability Company's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into EUR 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 financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Note 1. Significant accounting policies (continued)

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent
Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 1. Significant accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets
Contract assets are recognised when the company has transferred goods or services to the customer but where the company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Customer acquisition costs
Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

Customer fulfilment costs
Customer fulfilment costs are capitalised as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the company that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortised on a straight-line basis over the term of the contract.

Right of return assets
Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

Inventories
Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Note 1. Significant accounting policies (continued)

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Cash flow hedges

Cash flow hedges are used to cover the company's exposure to variability in cash flows that is attributable to particular risks associated with a recognised asset or liability or a firm commitment which could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income through the cash flow hedges reserve in equity, whilst the ineffective portion is recognised in profit or loss. Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs.

Cash flow hedges are tested for effectiveness on a regular basis both retrospectively and prospectively to ensure that each hedge is highly effective and continues to be designated as a cash flow hedge. If the forecast transaction is no longer expected to occur, the amounts recognised in equity are transferred to profit or loss.

If the hedging instrument is sold, terminated, expires, exercised without replacement or rollover, or if the hedge becomes ineffective and is no longer a designated hedge, the amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Associates

Associates are entities over which the company has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the company's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the company's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The company discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Note 1. Significant accounting policies (continued)

Investments and other financial assets

Investments and other financial assets, other than investments in associates, are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Investment properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the company. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Transfers to and from investment properties to property, plant and equipment are determined by a change in use of owner-occupation. The fair value on the date of change of use from investment properties to property, plant and equipment are used as deemed cost for the subsequent accounting. The existing carrying amount of property, plant and equipment is used for the subsequent accounting cost of investment properties on the date of change of use.

Investment properties also include properties under construction for future use as investment properties. These are carried at fair value, or at cost where fair value cannot be reliably determined and the construction is incomplete.

Note 1. Significant accounting policies (continued)

Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Note 1. Significant accounting policies (continued)

Research and development
Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the company is able to use or sell the asset; the company has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Patents and trademarks
Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Impairment of non-financial assets
Non-financial assets 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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities
Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

Refund liabilities
Refund liabilities are recognised where the company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Note 1. Significant accounting policies (continued)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Note 1. Significant accounting policies (continued)

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Value-Added Tax ('VAT') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated VAT, unless the VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the tax authority.

Rounding of amounts

Amounts in this report have been rounded off to the nearest currency unit.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Accounting Standards that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 31 December 2021. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Revenue from contracts with customers involving sale of goods
When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Determination of variable consideration
Judgement is exercised in estimating variable consideration which is determined having regard to past experience with respect to the goods returned to the company where the customer maintains a right of return pursuant to the customer contract or where goods or services have a variable component. Revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the Coronavirus (COVID-19) pandemic and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 9, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Fair value measurement hierarchy
The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax
The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease make good provision
A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Warranty provision
In determining the level of provision required for warranties the company has made judgements in respect of the expected performance of the products, the number of customers who will actually claim under the warranty and how often, and the costs of fulfilling the conditions of the warranty. The provision is based on estimates made from historical warranty data associated with similar products and services.

Note 3. Revenue

	2021 EUR	2020 EUR
Revenue from contracts with customers		
Sale of goods	271,221,171	49,685,497
Rendering of services	-	-
	271,221,171	49,685,497
Other revenue		
Rent from investment properties	-	-
Other revenue	-	-
	-	-
Revenue	271,221,171	49,685,497

Note 4. Share of profits of associates accounted for using the equity method

	2021 EUR	2020 EUR
Share of profit - associates	-	-

Note 5. Other income

	2021 EUR	2020 EUR
Net fair value gain on investment properties	-	-
Net gain on disposal of property, plant and equipment	-	-
Roundings	44	78
Foreign exchange gains	60	27
Other income	104	105

Note 6. Expenses

	2021 EUR	2020 EUR
Profit before income tax includes the following specific expenses:		
Cost of sales		
Cost of sales	265,525,575	48,339,253
Depreciation		
Leasehold improvements	-	-
Plant and equipment	798	109
Buildings right-of-use assets	1,183	296
Plant and equipment right-of-use assets	-	-
Total depreciation	1,981	405
Amortisation		
Development	-	-
Patents and trademarks	-	-
Software	-	-
Customer acquisition costs	-	-
Customer fulfilment costs	-	-
Total amortisation	-	-
Total depreciation and amortisation	1,981	405
Finance costs		
Interest and finance charges paid/payable on borrowings	786	-
Interest and finance charges paid/payable on lease liabilities	26	757
Foreign exchange losses	10,137	8
Unwinding of the discount on provisions	-	-
Finance costs expensed	10,949	765

Note 6. Expenses (continued)

	2021 EUR	2020 EUR
Net foreign exchange loss		
Net foreign exchange loss	-	-
Net fair value loss		
Net fair value loss on investment properties	-	-
Cash flow hedge ineffectiveness		
Cash flow hedge ineffectiveness	-	-
Leases		
Variable lease payments	-	-
Short-term lease payments	-	-
Low-value assets lease payments	-	-
	-	-
Superannuation expense		
Defined contribution superannuation expense	-	-
Research costs		
Research costs	-	-
Write off of assets		
Inventories	55,470	4,200
Expenses on investment properties		
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Total expenses on investment properties	-	-

Note 7. Income tax expense

	2021 EUR	2020 EUR
Income tax expense		
Current tax	324,354	116,358
Deferred tax - origination and reversal of temporary differences	(48,453)	(7,824)
Adjustment recognised for prior periods	-	-
Aggregate income tax expense	275,901	108,534
Deferred tax included in income tax expense comprises:		
Increase in deferred tax assets (note 22)	(48,453)	(7,824)
Increase in deferred tax liabilities (note 36)	-	-
Deferred tax - origination and reversal of temporary differences	(48,453)	(7,824)
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	1,738,696	833,263
Tax at the statutory tax rate of 9%	156,483	74,994
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Local business tax	130,996	26,924
Impairment of inventories	48,430	7,824
Sundry items	(11,555)	126
Deferred tax	(48,453)	(7,824)
Minimum statutory tax base	-	6,490
	275,901	108,534
Adjustment recognised for prior periods	-	-
Income tax expense	275,901	108,534

	2021 EUR	2020 EUR
Amounts charged/(credited) directly to equity		
Deferred tax assets (note 22)	-	-
Deferred tax liabilities (note 36)	-	-
	-	-

Note 8. Current assets - cash and cash equivalents

	2021 EUR	2020 EUR
Cash on hand	1,850	-
Cash at bank	923,721	196,652
Cash on deposit	-	-
	925,571	196,652

Reconciliation to cash and cash equivalents at the end of the financial year
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

	2021 EUR	2020 EUR
Balances as above	925,571	196,652
Bank overdraft (note 26)	-	-
Balance as per statement of cash flows	925,571	196,652

Note 9. Current assets - trade and other receivables

	2021 EUR	2020 EUR
Trade receivables	265,535	16,801,930
Less: Allowance for expected credit losses	-	-
	265,535	16,801,930
Other receivables	55,249	22,158
Interest receivable	-	-
	320,784	16,824,088

Note 10. Current assets - contract assets

	2021 EUR	2020 EUR
Contract assets	-	-

Note 11. Current assets - inventories

	2021 EUR	2020 EUR
Raw materials	-	-
Work in progress	-	-
Finished goods	1,943,550	71,965
Stock in transit	-	-
	1,943,550	71,965

Note 12. Current assets - financial assets at fair value through profit or loss

	2021 EUR	2020 EUR
Listed ordinary shares - designated at fair value through profit or loss	-	-
Listed ordinary shares - held for trading	-	-
	-	-

Note 13. Current assets - other

	2021 EUR	2020 EUR
Prepayments	-	-
Security deposits	-	-
Customer acquisition costs	-	-
Customer fulfilment costs	-	-
Right of return assets	-	-
	-	-

Note 14. Current assets - non-current assets classified as held for sale

	2021 EUR	2020 EUR
Land	-	-

Note 15. Non-current assets - financial assets at amortised cost

	2021 EUR	2020 EUR
Financial assets at amortised cost	203,155	41,173

Note 16. Non-current assets - investments

	2021 EUR	2020 EUR
Investment in associate	5,000	5,000

Refer to note 44 for further information on interests in associates.

Note 17. Non-current assets - financial assets at fair value through other comprehensive income

	2021 EUR	2020 EUR
Unlisted ordinary shares	-	-

Note 18. Non-current assets - investment properties

	2021 EUR	2020 EUR
Investment properties - at independent valuation	-	-

Note 19. Non-current assets - property, plant and equipment

	2021 EUR	2020 EUR
Land and buildings - at independent valuation	-	-
Leasehold improvements - at cost	-	-
Less: Accumulated depreciation	-	-
	-	-
Plant and equipment - at cost	6,425	4,116
Less: Accumulated depreciation	(908)	(109)
	5,517	4,007
	5,517	4,007

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land and buildings EUR	Leasehold improvements EUR	Plant and equipment EUR	Total EUR
Balance at 1 January 2020	-	-	-	-
Additions	-	-	4,116	4,116
Disposals	-	-	-	-
Revaluation increments	-	-	-	-
Depreciation expense	-	-	(109)	(109)
Balance at 31 December 2020	-	-	4,007	4,007
Additions	-	-	2,309	2,309
Classified as held for sale (note 14)	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	-	-	(799)	(799)
Balance at 31 December 2021	-	-	5,517	5,517

Note 20. Non-current assets - right-of-use assets

	2021 EUR	2020 EUR
Land and buildings - right-of-use	3,846	3,846
Less: Accumulated depreciation	(1,480)	(296)
	2,366	3,550
Plant and equipment - right-of-use	-	-
Less: Accumulated depreciation	-	-
	-	-
	2,366	3,550

Note 21. Non-current assets - intangibles

	2021 EUR	2020 EUR
Development - at cost	-	-
Less: Accumulated amortisation	-	-
	-	-
Patents and trademarks - at cost	-	-
Less: Accumulated amortisation	-	-
	-	-
Software - at cost	-	-
Less: Accumulated amortisation	-	-
	-	-
	-	-

Note 22. Non-current assets - deferred tax

	2021 EUR	2020 EUR
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Impairment on trade receivables	56,254	7,824
Property, plant and equipment	-	-
Contract liabilities	-	-
Employee benefits	-	-
Leases	-	-
Provision for unused vacations	23	-
Provision for warranties	-	-
Accrued expenses	-	-
Refund liabilities	-	-
	56,277	7,824
Amounts recognised in equity:		
Transaction costs on share issue	-	-
Derivative financial instruments	-	-
	-	-
Deferred tax asset	56,277	7,824
Movements:		
Opening balance	7,824	-
Credited to profit or loss (note 7)	48,453	7,824
Credited to equity (note 7)	-	-
Closing balance	56,277	7,824

Note 23. Non-current assets - other

	2021 EUR	2020 EUR
Security deposits	-	-
	-	-

Note 24. Current liabilities - trade and other payables

	2021 EUR	2020 EUR
Trade payables	1,001,475	16,300,286
Other payables	17,284	6,600
	1,018,759	16,306,886

Note 25. Current liabilities - contract liabilities

	2021 EUR	2020 EUR
Contract liabilities	-	-

Note 26. Current liabilities - borrowings

	2021 EUR	2020 EUR
Bank overdraft	-	-
Bank loans	-	-
	-	-

Note 27. Current liabilities - lease liabilities

	2021 EUR	2020 EUR
Lease liability	1,184	1,174

Note 28. Current liabilities - derivative financial instruments

	2021 EUR	2020 EUR
Forward foreign exchange contracts - cash flow hedges	-	-

Note 29. Current liabilities - income tax

	2021 EUR	2020 EUR
Provision for income tax	244,730	115,522

Note 30. Current liabilities - employee benefits

	2021 EUR	2020 EUR
Employee benefits	-	-

Note 31. Current liabilities - provisions

	2021 EUR	2020 EUR
Unused vacation	261	-
Warranties	-	-
	261	-

Unused vacation
The provision represents the estimated costs to cover possible obligation to pay unused vacation days of employees.

Warranties
The provision represents the estimated warranty claims in respect of products sold which are still under warranty at the reporting date. The provision is estimated based on historical warranty claim information, sales levels and any recent trends that may suggest future claims could differ from historical amounts.

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

2021	Unused vacation EUR	Warranties EUR
Carrying amount at the start of the year	-	-
Additional provisions recognised	261	-
Amounts transferred from non-current	-	-
Amounts used	-	-
Unused amounts reversed	-	-
Carrying amount at the end of the year	261	-

Note 32. Current liabilities - other

	2021 EUR	2020 EUR
Accrued expenses	-	-
Refund liabilities	-	-
	-	-

Note 33. Current liabilities - liabilities directly associated with assets classified as held for sale

	2021 EUR	2020 EUR
Bank loans	-	-

Note 34. Non-current liabilities - borrowings

	2021 EUR	2020 EUR
Bank loans	-	-

Note 35. Non-current liabilities - lease liabilities

	2021 EUR	2020 EUR
Lease liability	1,195	2,379

Note 36. Non-current liabilities - deferred tax

	2021 EUR	2020 EUR
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Financial assets at fair value through profit or loss	-	-
Prepayments	-	-
Development costs	-	-
Customer contracts	-	-
Net fair value gain on investment properties	-	-
Contract assets	-	-
Customer acquisition costs	-	-
Customer fulfilment costs	-	-
Right of return assets	-	-
	-	-
Amounts recognised in equity:		
Revaluation of property, plant and equipment	-	-
Revaluation of financial assets at fair value through other comprehensive income	-	-
	-	-
Deferred tax liability	-	-
Movements:		
Opening balance	-	-
Charged to profit or loss (note 7)	-	-
Charged to equity (note 7)	-	-
Closing balance	-	-

Note 37. Non-current liabilities - employee benefits

	2021 EUR	2020 EUR
Employee benefits	-	-

Note 38. Non-current liabilities - provisions

	2021 EUR	2020 EUR
Lease make good	-	-

Lease make good
The provision represents the present value of the estimated costs to make good the premises leased by the company at the end of the respective lease terms.

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

2021	Lease make good EUR
Carrying amount at the start of the year	-
Additional provisions recognised	-
Amounts transferred to current	-
Unwinding of discount	-
Carrying amount at the end of the year	-

Note 39. Equity - issued capital

	2021 Shares	2020 Shares	2021 EUR	2020 EUR
Ordinary shares - fully paid	10,000	5,000	10,000	5,000

Movements in ordinary share capital

Details	Date	Shares	Issue price	EUR
Balance	1 January 2020	5,000		5,000
Balance	31 December 2020	5,000		5,000
Payment of issued capital by owner		5,000		5,000
Balance	31 December 2021	10,000		10,000

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held.

Note 40. Equity - reserves

	2021 EUR	2020 EUR
Revaluation surplus reserve	-	-
Financial assets at fair value through other comprehensive income reserve	-	-
Hedging reserve - cash flow hedges	-	-
	-	-

Revaluation surplus reserve
The reserve is used to recognise increments and decrements in the fair value of land and buildings, excluding investment properties.

Financial assets at fair value through other comprehensive income reserve
The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Hedging reserve - cash flow hedges
The reserve is used to recognise the effective portion of the gain or loss of cash flow hedge instruments that is determined to be an effective hedge.

Note 41. Equity - retained profits

	2021 EUR	2020 EUR
Retained profits at the beginning of the financial year	723,296	(1,433)
Profit after income tax expense for the year	1,462,795	724,729
Dividends paid (note 42)	-	-
Retained profits at the end of the financial year	2,186,091	723,296

Note 42. Equity - dividends

Dividends paid during the financial year were as follows:

	2021 EUR	2020 EUR
Final dividend for the year ended 31 December 2020	-	-
	-	-

Note 43. Related party transactions

Associates
Interests in associates are set out in note 44.

Transactions with related parties
The following transactions occurred with related parties:

	2021 EUR	2020 EUR
Proceeds for goods and services:		
Proceeds for goods from associate	1,600,000	-

	2021 EUR	2020 EUR
Payment for goods and services:		
Payment for goods from associate	1,548,000	-

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2021 EUR	2020 EUR
Current receivables:		
Trade receivables from associate	52,000	-

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

	2021 EUR	2020 EUR
Non-current receivables:		
Financial assets at amortised cost	10,587	10,494

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 44. Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the company are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest 2021 %	Ownership interest 2020 %
Basculer Commerce SAS	France	100.00%	100.00%

Summarised financial information

	Basculer Commerce SAS 2021 EUR	Basculer Commerce SAS 2020 EUR
Summarised statement of financial position		
Current assets	4,313,796	1,721,239
Non-current assets	235	235
Total assets	4,314,031	1,721,474
Current liabilities	4,293,334	1,716,606
Non-current liabilities	-	-
Total liabilities	4,293,334	1,716,606
Net assets	20,697	4,868
Summarised statement of profit or loss and other comprehensive income		
Revenue	3,697,670	248,000
Expenses	(3,676,182)	(248,132)
Profit before income tax	21,488	(132)
Income tax expense	(5,659)	-
Profit after income tax	15,829	(132)
Other comprehensive income	-	-
Total comprehensive income	15,829	(132)

Note 45. Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Hungarian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.