CLEVON

Consolidated unaudited interim report for 6 months of 2023

CLEVON AS

CONSOLIDATED UNAUDITED INTERIM REPORT FOR 6 MONTHS OF 2023

Business name:	Clevon AS
Commercial register number:	16472103
Address:	Reinu tee 48, 71020, Viljandi
Telephone:	+372 5597 7090
E-mail address:	info@clevon.com
Website:	www.clevon.com
Beginning of financial period:	01 January
End of financial period:	30 June
Legal form:	Public limited company

TABLE OF CONTENTS

MANAGEMENT REPORT

Clevon AS was registered in the Estonian Commercial Register on 1 April 2022, when the division plan approved on 22 February 2022 entered into effect. The division took place by way of separation, where the company being divided, Cleveron AS, transferred the assets, liabilities and rights of the driverless vehicle technology development unit to the company being separated, Cleveron Mobility AS, which adopted the business name Clevon AS starting from 06 December 2022.

In June 2022, an initial public offering (IPO) of Clevon AS shares was completed and trading of the company's shares on the First North multilateral trading facility operated by Nasdaq Tallinn AS (First North) started on 28 June 2022.

Marketing and pilot projects

In spring of 2023, Clevon started driving with unmanned robotic couriers in the US on public roads of the state of Texas and started offering services with the first commercial customer, PostNet Northlake in Texas. Additionally, a partnership agreement was signed with T-Mobile, the subsidiary of Deutsche Telekom AG.

In summer of 2023, as the first company in Europe, Clevon brought on public roads the first fleet of autonomous robotic couriers, starting customer deliveries on the streets of Vilnius together with REWE Group's Lithuanian subsidiary, LastMile. Additionally, first steps were taken in the Middle East, signing a Memorandum of Understanding with the Investment Ministry of Saudi Arabia and by meeting various local companies and investors, to prepare the launch of services in the region. By today, there are negotiations with several local blue chip companies to pilot the CLEVON 1 solution.

By now, a total of 20 autonomous robotic couriers CLEVON 1 had been produced and are in active use. The vehicles are used both for testing at the company's closed test site and in pilot projects in Estonia, other European countries and at the subsidiary in the USA. On the test site, the vehicles perform predetermined tasks of varying degrees of difficulty simulating real-life situations on city streets in order to improve the performance of the vehicles and identify possible hazard situations.

Plans for the future

In 2023-2024, the focus will be on increasing vehicle autonomy, improving cyber security and scalability of external interfaces. The ADS set gets a hardware upgrade in the form of added sensors, a more powerful computer and a router, which allows us to keep our system modern and more efficient. We put more emphasis on the use of simulation in development and testing, which significantly speeds up and automates our work. We continue to work to ensure that our processes and systems support higher cybersecurity requirements. The plan is to achieve sufficient autonomy so that the vehicle fleet can be operated with a smaller number of operators, which requires the next generation MRM (Minimum Risk Manoeuvre) functionality. We intend to further develop an automated precision mapping and routing system that will quickly support entering new areas and increasing autonomy there. With the aim of achieving fast integration with new services, we are developing the Fleet Management System ecosystem to become more flexible and scalable.

Leaving First North and raising capital

In a stock exchange announcement of 16 January 2023, Clevon announced its plan to leave First North. The reasoning given for the departure from First North is the need to raise additional capital, which is necessary for the further development of Clévon's main product – the CLEVON 1 vehicle and the technology contained in it – raising of which from public sources, both at present and in future fundraising rounds, is extremely unlikely. Therefore, Clevon is looking for potential investors outside First North, communication with whom has shown that in order to attract capital from them for further development, Clevon has to leave First North. As finding investors has taken more time than anticipated due to being listed and the liquidity position of the company has worsened, Clevon has temporarily reduced the cost level until additional financing is certain.

On September 11th 2023, the Surveillance and Listing Committee of Nasdaq Tallinn AS decided to approve the application of Clevon AS and end trading on First North on the following main terms:

1. Investors will be offered an exit opportunity, of which there may be several; and
2. The fair treatment of investors.

The documents of the exit opportunities are currently being prepared. The aim is to fulfil the terms set by the Surveillance and Listing Committee and the cessation of trading on the First North platform latest in November. This will allow the Group to start negotiations with a large amount of potential investors, for whom being listed on First North is a hindering factor for investing and thereby significantly increase the likelihood of successful next capital raising round.

Economic results

The group's sales revenue for the interim period was 62 thousand euros, and this revenue was earned mainly from the implementation of the pilot projects. The group's expenditure on goods, material and services amounted to 242 thousand euros, miscellaneous operating expenses 713 thousand euros, labour costs (including the cost of share-based payments) 2 765 thousand euros and the cost of non-current assets 790 thousand euros. The group's business is not affected by seasonality.

The operating loss for the period amounted to -3 229 thousand euros, which is primarily due to the rapid growth of the company's operations and the number of employees. The EBITDA for the period was -2 440 thousand euros.

Investments in non-current assets amounted to 1 361 thousand euros, of which investments in property, plant and equipment amounted to 151 thousand euros and in intangible non-current assets amounted to 1 210 thousand euros (including capitalised expenses for manufacturing of non-current assets for own use in the amount of 1 203 thousand euros).

The Group had 986 thousand euros in floating interest rate loans, the rise of EURIBOR from the second half of 2022 and the signing of an additional convertible note with a 15% interest rate in the amount of 700 thousand has significantly increased the interest expenses of the company.

Economic environment

According to the Estonian Central Bank's forecast, the economy is expected to grow by 0.4% in 2023 and 3.1% in 2024. The consumer price growth accelerated to 20% by December 2022. According to the Estonian Central Bank's forecast, the consumer price change in 2023 will be 9.3% and 2.8% in 2024.

The economy of Estonia is in a clear downward trend, the annual real growth of GDP for the second quarter was -2,9% and private spending decreased by 3,3%, while the annual real growth of investments declined by 18,7%. At the same time, the cost of labour increased in the inflationary conditions, the average gross salary increased 12,4% as compared to the second quarter of the previous year, reaching 1 873 euros. The Bank of Estonia estimates that the increase in CPI will have a significant effect on salary growth, which will reach approximately 11% during 2023.

Shares of Clevon AS

The shares of Clevon AS have been listed on Nasdaq Tallinn First North since 28 June 2022. As at 30 June 2023, the amount of subscribed shares is 29 697 771 with a nominal value of 0.10 euros per share. Accordingly, the share capital is 2 969 777 euros. All shares belong to a single class and there are no ownership restrictions. The Articles of Association of the company do not impose any restrictions on the transfer of the company's shares. There are no known restrictions on the transfer of securities laid down in the shareholders' agreements.

During the period, the share price has decreased by 53,13%, from 1,60 euros to 0,75 euros. Compared to the value of the initial public offering at 1,87 euros per share, the share price has decreased by 59,89%. Significant shareholding (more than 5%) is held by the Chair of the Management Board Arno Kütt (via Konna OÜ) and Tera Ventures I Usaldusfond, which is represented by Clevon AS Supervisory Board member

Stanislav Ivanov. In June this year, the CEO of the company Arno Kütt increased his holding in Clevon AS to 64,2%, exchanging his shares in Cleveron AS to shares of Clevon Investors AS, the parent of Clevon AS.

Arno Kütt
Chair of the Management Board of Clevon AS
arno.kutt@clevon.com

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(euros)	Note	30.06.2023	31.12.2022
Current assets			
Cash and cash equivalents		96 985	1 767 398
Trade and other receivables	8	23 320	91 500
Prepayments	8	13 930	20 733
Inventories		271 045	334 053
Total current assets		**405 280**	**2 213 684**
Non-current assets			
Prepayments	8	11 173	12 223
Property, plant and equipment	9	1 620 574	1 772 287
Intangible assets	10	5 290 384	4 595 642
Total non-current assets		**6 922 131**	**6 380 152**
TOTAL ASSETS		**7 327 411**	**8 593 837**
Current liabilities			
Loans	17	773 260	797 219
Trade payables		350 613	134 976
Employee related liabilities		386 977	248 756
Other liabilities		541 952	248 821
Total current liabilities		**2 052 802**	**1 429 772**
Non-current liabilities			
Loans	17	1 394 884	647 700
Total non-current liabilities		**1 394 884**	**647 700**
Total liabilites		**3 447 686**	**2 077 472**
EQUITY			
Share capital		2 969 777	2 957 577
Share premium		6 537 670	6 508 708
Other reserves		998 993	381 903
Unrealised exchange rate differences		10 410	0
Profit (loss) for the period		-6 637 125	-3 331 824
Total equity attributable to owners of the parent		**3 879 725**	**6 516 364**
Total equity		**3 879 725**	**6 516 364**
TOTAL LIABILITIES AND EQUITY		**7 327 411**	**8 593 837**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(euros)	**Note**	**01.01.-30.06.2023**	**01.04.-30.06.2022**
Revenue	11	61 675	3 100
Other income		35 111	68
Goods, raw material, materials and services	12	-242 178	-65 502
Operating expenses	13	-713 211	-251 627
Personnel expenses	14	-2 764 628	-569 911
Depreciation, amortisation and impairment		-789 558	-255 216
Capitalised expenses for manufacturing of non-current assets for own use	10	1 203 731	434 971
Other expenses		-20 308	-497
Operating profit (loss)		**-3 229 366**	**-704 614**
Finance income		1 935	7
Finance costs		-72 200	-15 382
Other finance income and costs		-5 670	-7
Finance costs – net		**-75 935**	**-15 382**
Profit (loss) before income tax		**-3 305 301**	**-719 996**
Profit (loss) for the period		**-3 305 301**	**-719 996**
Attributable to owners of the parent		-3 305 301	-719 996
Unrealised exchange rate differences		10 410	0
Comprehensive income (loss) for the period		**3 294 891**	**-719 996**
Attributable to owners of the parent		3 294 891	-719 996
Basic earnings per share	7	-0,11	-0,03

CONSOLIDATED STATEMENT OF CASH FLOW

(euros)	**Note**	**01.01.-30.06.2023**	**01.04.-30.06.2022**
CASH FLOWS FROM OPERATIING ACTIVITIES			
Profit (loss) for the period		**-3 305 301**	**-719 996**
Adjustments:			
Depreciation, amortisation and impairment		789 558	255 216
Gain (loss) on sale of tangible and intangible fixed assets		4 198	0
Finance costs		75 935	15 382
Increase in option reserve		617 089	0
Other adjustments		282	0
Change in operating receivables and prepayments		68 572	-115 189
Change in inventories		73 138	46 866
Change in operating accounts payable and prepayments		624 231	575 022
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES		**-1 052 298**	**57 301**
CASH FLOWS IN INVESTING ACTIVITIES			
Paid upon acquisition of property, plant, and equipment, and non-current intangible assets		-1 269 598	-765 774
Received from sales of property, plant, and equipment, and intangible assets		8 000	0
Loans granted to parent company		-3 400	0
Interests received		100	0
TOTAL CASH FLOWS IN INVESTING ACTIVITIES		**-1 264 898**	**-765 774**
CASH FLOWS FROM FINANCING ACTIVITIES			
Loans received		743 230	950 000
Repayments of loans received		-12 340	-3 030
Repayment of lease liabilities		-96 306	-25 572
Interests paid		-28 713	-6 592
Received from share issue less issuance costs		41 163	5 200 042
TOTAL CASH FLOWS FROM FINANCING ACTIVITIES		**647 034**	**6 114 848**
NET CASH FLOW		**-1 670 162**	**5 406 375**
Cash and cash equivalents at beginning of period		1 767 398	0
Effect of movements in exchange rates on cash held		-251	0
Cash and cash equivalents at end of the period		**96 985**	**5 406 375**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(euros)	Equity attributable to owners of parent					
	Share capital	**Share premium**	**Option reserve**	**Unrealised exchange rate differences**	**Retained earnings (loss)**	**Total equity**
Equity at 31.12.2022	**2 957 577**	**6 508 708**	**381 903**	**0**	**-3 331 824**	**6 516 364**
Profit (loss) for the period	0	**0**	0	0	-3 305 301	**-3 305 301**
Other compehensive income for the period	0	0	0	10 410	0	**10 410**
Total comprehensive income for the period	**0**	**0**	**0**	**10 410**	**-3 305 301**	**-3 294 891**
Transactions with owners						
Share capital issued	12 200	28 962	0	0	0	**41 162**
Formation of share option reserve	0	0	617 090	0	0	**617 090**
Total transactions with owners	**12 200**	**28 962**	**617 090**	**0**	**0**	**658 252**
Equity at 30.06.2023	**2 969 777**	**6 537 670**	**998 993**	**10 410**	**-6 637 125**	**3 879 725**

The share capital in the amount of 2 969 777 euros (31.12.2022: 2 957 577 euros) is divided into 29 697 771 shares (31.12.2022: 29 575 771 shares) with a nominal value of 0.10 euros (31.12.2022: 0.10 euros) per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. GENERAL INFORMATION

Clevon AS (hereinafter also the parent company or company) is a company established in the Republic of Estonia on 01.04.2022. The registered address of the parent company is Reinu tee 48, 71020, city of Viljandi, Republic of Estonia. The consolidated interim statements of Clevon AS for the financial period ended 30 June 2023 include the parent company and its subsidiary (hereinafter the group). The main activity of the group is production of motor vehicles. The company produces a new generation of autonomous unmanned motor vehicles with the intention of making deliveries of goods to end consumers as efficient and environmentally friendly as possible.

NOTE 2. BASES OF PREPARING REPORT

The group's interim statements are for the financial period ended on 30 June 2023. The interim report should be read together with the consolidated annual report for 2022, which has been prepared in accordance with the international financial reporting standards (IFRS), as adopted by the European Union.

The described accounting and reporting principles have been consistently applied to all periods presented in the report.

NOTE 3. FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated interim financial statements have been prepared in euros, which is the functional currency of the parent company.

NOTE 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting polocies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Rental period: The management of the group has assessed during estimation of the rental period, whether or not the option to extend the contract will be used;
- Development cost: Development costs have been recorded as intangible assets

Assumptions and estimation uncertainties

- Recording intangible assets – Software and hardware developed in connection with developing a self-driving vehicle is recorded as intangible assets. Capitalized development costs include labor costs and other costs directly related to the development. The labor costs of software product specialsits and developers is included in the acquisition cost of the software. For that the management assesses to what extent their total time worked is related to developing the software which is to be capitalized. As at 30 June 2023, the residual value of intangible assets was 5 290 thousand euros (31 December 2022 4 596 thousand) (Note 10).
- Assessing the value of intangible assets – Intangible assets are tested in case there is an event which suggests the value of the intangible assets may have decreased. Although the consolidated operating cash flows are negative, this is not an indication in this case of a decrease of the carrying value, as the business

model of the group is that of a start-up. This means that the loss and negative cash flows are planned, as the prerequisite for increase in sales and the value of the group's assets is active marketing, quick hiring of new employees and product development. Additionally, the Group's market capitalization is larger than the carrying value of the assets. As a result, at 30 June 2022 and 31 December 2022 there were no indications of a decrease in the value of the intangible assets, which is why no tests were performed.

- Note 15: Share-based payments – assumptions used in estimating the fair value

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value' is 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.

In measuring fair value, a transaction to sell an asset or transfer a liability is assumed to occur either:

- the main market for the asset or liability; or
- if there is no primary market, the most advantageous market.

The Group must have access to the main or most advantageous market on the measurement date.

The measurement of the fair value of an asset or liability uses assumptions that market participants would use in determining the price of the asset or liability, assuming that market participants act in their best economic interests. The measurement of the fair value of a non-financial asset takes into account the ability of the market participant to generate economic benefits by making the best use of the asset or by selling it to the market participant who would make the best use of the asset.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

– Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

– Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);

– Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 15: Share-based payments

NOTE 5. NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS

In addition to disclosures already made in the Annual Report for the financial year ended on 31 December 2022, there are no new IFRSs or IFRIC interpretations that are effective for the financial year beginning on or after 01 January 2023 and that would be expected to have a material impact on the Group.

NOTE 6. ACCOUNTING POLICIES

Below is a summary of the material accounting policies applied in the preparation of these consolidated interim financial statements. The described accounting policies have been applied consistently, unless otherwise stated in the following text.

Preparation of consolidated statements

These consolidated interim financial statements contain the financial indicators of Clevon AS and its subsidiary consolidated on a line-by-line basis.

Subsidiaries

Consolidation of a subsidiary starts from the moment the group acquires control over the subsidiary in question, and ends from the moment the group loses control over said subsidiary. All assets, liabilities, income and expenses acquired or sold by subsidiaries during the year are recognised in the consolidated statement of comprehensive income from the date control is obtained until the date the group loses control over the subsidiary. Where necessary, the financial indicators of subsidiaries are adjusted so that they are in line with the accounting policies of the group.

Loss of control

When the group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, as well as the related non-controlling interest and other components of equity. The gain or loss resulting from the loss of control is recognised in the income statement. The retained interest in the former subsidiary is measured at fair value.

Transactions to be eliminated on consolidation

All intra-group assets and liabilities, equity, income, expenses and cash flows related to transactions between members of the group are completely eliminated on consolidation.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits at banks, other short-term liquid investments with an initial maturity of up to three months and an insignificant risk of change in value.

Foreign currency

The functional currency of each consolidated unit of the group is the currency of the basic economic environment in which the given entity conducts its business. The presentation currency of the group is the euro, which is the official currency of the Republic of Estonia. The functional currency of the parent company is the euro, the functional currency of the US subsidiary is the dollar.

Foreign currency translations

Transactions in foreign currency are translated into the functional currencies of the group's companies at the exchange rate effective on the date of the transaction. A transaction in a foreign currency is translated into euros applying the exchange rate of the European Central Bank effective on the day of the transaction.

Monetary assets and liabilities denominated in a foreign currency are translated into the functional currency applying to the exchange rate of the functional currency effective on the reporting date. The gain or loss arising from exchange rate differences related to monetary assets or liabilities is the difference between the adjusted cost fixed in the functional currency at the beginning of the reporting period and the adjusted cost fixed in the foreign currency translated applying the exchange rate in effect at the end of the period.

Non-monetary assets and liabilities denominated in a foreign currency, which are carried at cost, are translated into the functional currency applying the exchange rate of the functional currency effective on the transaction date. Non-monetary assets and liabilities measured at fair value denominated in a foreign currency are translated into the functional currency at the exchange rate on the date the fair value was determined. The official exchange rate of the European Central Bank for the respective currency is used for translation. Exchange rate differences arising from translation are recognised as gains or loss.

Translation of financial statements of foreign subsidiaries

Assets and liabilities of foreign entities, including goodwill and fair value adjustments arising on the acquisition, are translated into euros applying exchange rates of the reporting date. The income and expenses of foreign entities are translated into euros based on the exchange rates effective on the day of the transaction.

Exchange rate differences are recognised in other comprehensive income and presented as a reserve for exchange rate differences in equity. In the case of a disposal of a foreign entity resulting in the loss of control or significant influence, the cumulative amount associated with the foreign entity in question shall be recognised as profit or loss carried from the rate difference reserve as part of the profit or loss from the disposal. If the group disposes of only part of its interest in a subsidiary that comprises a foreign entity and retains control, the respective pro rate share of the cumulative amount is attributed back to the non-controlling interest.

Financial assets and liabilities

Recognition and initial measurement

Accounts receivable are recognised when they emerge. All other financial assets and liabilities are recognised when the group becomes a counterparty to the instrument. Upon initial recognition, the group measures a financial asset or liability at its fair value plus or minus transaction costs that are directly connected with the acquisition of the financial asset or the issuance of the financial liability. Receivables from buyers that are not related to a significant financing component are recognised at the transaction price on initial recognition.

Classification, subsequent measurement and gains and losses

Financial assets

In the future, the group will recognise financial assets at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss.

Financial assets are not reclassified after their initial recognition, unless the group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets are measured at amortised cost if both of the following conditions are satisfied:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The group classifies cash and cash equivalents, trade receivables, loans and other receivables as financial assets measured at amortised cost.

A financial asset is measured at fair value through other comprehensive income if it meets both of the following conditions and is not designated as an asset recognised at fair value through profit or loss:

- the instruments are held within a business model whose objective is both to collect the contractual cash flows and to sell the financial asset; and
- the contractual terms guarantee cash flows on specific dates, which are solely the principal and the interest calculated on the unpaid principal.

All financial assets that are not classified as being measured at amortised cost or at fair value through other comprehensive income, as described above, are measured at fair value through profit and loss.

Upon initial recognition, the group may also identify financial assets as measurable at fair value through profit or loss, if they meet the conditions for their recognition either at amortised cost or at fair value through other comprehensive income, if doing so would significantly eliminate or reduce a measurement or recognition inconsistency which would otherwise arise from measuring assets or liabilities or recognising gains or losses on them on different bases.

The following table provides an overview of the group's financial assets and their measurement and recognition of gains and losses.

Amortised cost	These assets are carried at amortised cost applying the effective interest rate model. The amortised cost is reduced by the impairment loss. Interest revenue, gains and losses on exchange rate differences and depreciation are recognised in the income statement. The gains or losses on derecognition is recognised in the income statement.

Financial liabilities

Financial liabilities are classified as measured either at amortised cost or at fair value through profit or loss. A financial liability is classified at fair value through profit or loss, if it is held for trading, is a derivative financial instrument or is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are carried at amortised cost applying the effective interest rate model. Interest expenses and gains or losses from exchange rate changes are recognised in profit or loss. The gains or losses on derecognition are recognised through net gains.

Derecognition

Financial assets

The group derecognises a financial asset if and only if the contractual right to the cash flows of the asset no longer exists or if the group transfers the financial asset and the transfer meets the derecognition criteria. The group transfers the contractual rights related to receiving the cash flows in a transaction in which all the risks and rewards of ownership of the financial asset are transferred, or where the group does not transfer the risks and rewards of ownership of the financial asset during the transfer, but the group does not retain control over the financial asset.

In the case of transactions where the group transfers the assets recognised in its financial statements, but retains all or the main risks and rewards relating to the transferred assets, the group does not derecognise the transferred assets.

Financial liabilities

The group removes a financial liability from its statement of financial position if and only if it has been extinguished. Namely, when a liability specified in the contract has been fulfilled, cancelled or expired. The group stops recognising a financial liability if the terms of the financial liability are amended in such a way that the cash flows of the liability are significantly different from the original liability. In this case, the new financial liability based on the amended terms is recognised at fair value.

The difference between the carrying amount of a financial liability (or a part thereof) extinguished or transferred to another party and the consideration paid, including all transferred non-monetary assets or assumed liabilities, is recognised through net profit.

Balancing

Financial assets and liabilities are offset and recognised as a net amount in the financial statement if and only if the group has a legally enforceable right to set-off the amounts at that moment and the group knowingly intends either to settle them on a net basis, or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

Upon recognising impairment, the group applies the expected credit loss model to financial assets carried at amortised cost.

The group measures the impairment in an amount equal to the expected credit losses over the lifetime, except for financial assets, the impairment of which is measured in an amount equal to the expected credit losses over 12 months:

- other requirements;
- cash and cash equivalents, where there has been no significant increase in credit risk since initial recognition.

The group applies the simplified approach provided in IFRS 9 for the recognition of expected credit losses on all trade receivables, which allows to recognise a loss allowance for lifetime expected credit losses.

The group always recognises the allowance for expected credit losses of trade receivables in the amount equal to the lifetime expected credit losses. The expected credit loss of said assets are estimated by applying a provision matrix which is based on the group's historical credit loss experience, which is adjusted by factors related to specific debtors, general state of the economy and, where necessary, the time value of money. Expected credit losses are probability-weighted estimated credit losses. Credit loss is the difference between contractual cash flows and cash flows expected by the group, which is discounted at the financial assets original effective interest rate.

At each reporting date, the group assesses whether or not the credit quality of financial assets carried at amortised cost has deteriorated. The credit quality of a financial asset has deteriorated if one or more events have occurred that have a negative impact on the expected future cash flows of this financial asset. Circumstances that give an indication that the credit quality of a financial asset has deteriorated are the following:

- significant financial difficulties of the debtor;
- breach of contract (failure to perform an obligation or failure to pay by the maturity date);
- restructuring of the loan or prepayment on terms and conditions that the group would not otherwise have accepted;
- it is likely that the debtor will run into payment difficulties.

The book value of the assets is reduced by the decrease in the value of the financial assets carried at amortised cost.

Inventories

Inventories are carried at cost that includes purchasing expenses, production costs and other direct expenses necessary to deliver inventories to their current location and condition.

The group applies the FIFO model to recognise inventories.

Inventories are carried at the lower of cost or net realisable value. Inventory write-down to net realisable value is recognised as an expense of the accounting period in the cost of goods sold in the write-down period. If the previously written down net realisable value increases again in a later period, the earlier write-down has to be reversed.

Where inventories are measured at net realisable value, the costs from the write-down are recognised in the write-down period in the consolidated statement of comprehensive income in the line item “Goods, raw material, materials and services”.

Deficits or surpluses identified in the course of physical stocktaking are recognised in the consolidated statement of comprehensive income as other operating revenue or -expenses.

Property, Plant and Equipment

Initial accounting and recognition

Property, plant and equipment are carried at cost, less accumulated depreciation and possible impairment losses.

If different parts of property, plant and equipment have useful lives of different length, then they are initially accounted as individual items of property, plant and equipment (significant components). The depreciation rate for each component is determined separately, based on the expected useful life of the component.

Profits and losses arising from derecognition of property, plant and equipment are recognised in the income statement.

Subsequent costs

Subsequent cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity. Other maintenance and repair costs shall be recognised as cost at the moment they are incurred.

Depreciation

Depreciation is calculated by dividing the cost by the estimated useful life of the asset up to the carrying amount using the straight-line model and is recognised in profit or loss. The useful life of property, plant and equipment is reviewed at least at each financial year-end, and if new estimates differ from the previous ones, the changes are recognised as changes in accounting estimates, i.e., prospectively. Depreciation of an asset starts from the moment it is ready for use (moved to the location and working condition specified by the management).

The ranges of depreciation rates for property, plant and equipment are as follows:

- Construction works and civil engineering works 1 – 5%
- Production equipment 8 – 20%
- Other machinery and equipment 10 – 33%
- Other property and IT equipment 20 – 50%

The evaluation of assets for impairment is described in more detail in the accounting policy “Impairment of assets”.

Non-current intangible assets

Non-current assets are recognised in the statement of the financial position when the asset is controlled by the group, if future economic benefits are expected to flow from it to the group, and if the cost of the asset can be reliably measured. An acquired non-current intangible asset is initially carried at cost, which consists of the purchasing price and other expenses directly linked with the acquisition. After initial recognition, non-current intangible assets are carried at cost, less the accrued amortisation and possible write-downs caused by impairments. Intangible assets are divided into assets with finite and indefinite useful lives.

Intangible assets with indefinite useful life are not amortised, but in order to verify their value they are impairment tested at every balance sheet date, and if the recoverable amount of the asset falls short of the carrying amount, the respective asset item shall be written down to the recoverable amount.

Intangible assets with a finite useful life are amortised applying the straight-line model based on the estimated useful life of the asset.

Research and development expenditure

Development expenditure is expenditure incurred to implement research results in the development of new products and services. Expenditures related to studies and research carried out for the purpose of obtaining new scientific or technical knowledge are recognised as an expense in profit or loss at the moment they are incurred.

Development costs may be capitalised only if:

a) if it is technically possible to make the item of intangible asset available for use or sale;
b) if the group has sufficient financial resources for this purpose;
c) if the group can use or sell the intangible assets;
d) if the group can reliably measure the development costs of the intangible asset.

Capitalised costs include various expenditures made to create intangible assets, i.e., material cost, labour costs, expenses related to business trips, depreciation cost of non-current assets. Other development expenses and research expenses, incl. marketing and advertising costs, general administration costs and training costs are recognised as expense in the income statement in the period in which they are incurred. Capitalised development costs are carried at cost, less accumulated depreciation and losses resulting from the decrease in asset value.

Subsequent costs

Subsequent costs are capitalised only if they increase future economic benefits embodied in the asset to which they are related. All other expenses, including expenses on internally generated goodwill and trademarks, are recognised in the profit or loss for the period in which they arise.

Amortisation

Amortisation is calculated using the straight-line method, allocating the cost to the terminal value over the estimated useful life of the asset, and is generally recognised in the income statement.

The ranges of depreciation rates for non-current intangible assets are as follows:

– Development costs	15 – 25%
– Software, patents, licences, trademarks and other intangible non-current assets	20 – 33%

Amortisation methods, annual amortisation rates and carrying amounts are reviewed at each reporting date and adjusted as necessary.

The evaluation of assets for impairment is described in more detail under the accounting policy “Impairment of assets”.

Impairment of assets

Impairment of non-financial assets

The book value of assets other than inventories is reviewed at least annually at the end of the reporting period. The purpose of the review is to identify whether there are any indicators that require the asset to be impaired. If there is reason to assume that the recoverable amount of a certain non-current asset may have fallen short of its book value, they are impairment tested and, if necessary, the asset is impaired.

The recoverable amount of an asset is the higher of the asset’s fair value less costs to sell and its value in use.

When evaluating the value in use, the estimated future cash flows are discounted with applying a discount rate that expresses current market value trends and specific risks associated with the asset. For asset impairment testing, assets are grouped into the smallest possible group of assets whose cash flows can be distinguished from their continuous use and which are largely independent of cash flows from other assets or asset groups (cash-generating units). For the purpose of impairment testing, goodwill arising from a business combination is allocated to those cash-generating units of the entity that should benefit economically from the synergies arising from a particular business combination.

Impairment of an asset is recognised as a loss if the book value of the asset or its cash-generating unit exceeds its estimated recoverable amount. Losses arising from the decline in value of the asset are recognised in the expenses of the period. An impairment loss on a cash-generating unit is recognised first to reduce the carrying amount of the goodwill attributed to the unit and then proportionally to the carrying amount of the unit's other assets.

If the reason for the decrease in value disappears, the previously recognised write-down is reversed. Changes in the circumstances of the write-down are analysed at least once a year at the end of the reporting period. Write-downs are reversed and the value of the asset is increased to the maximum book value that the asset would have had if the write-down had not been applied, while taking into account its depreciation in the meantime. Reversal of an asset write-down is recognised in profit or loss for the period under the same line item as the previous write-down.

Impairment of financial assets

The assessment of financial asset impairment is described in more detail in the accounting policies applied to financial assets and liabilities.

Lease accounting

When entering into a contract, the group assesses whether the contract is a lease or whether the contract contains a lease. A contract is a lease contract (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 evaluate whether the contract gives the right to control and use the asset, the group applies the definition of lease given in IFRS 16.

The group as the lessee

When concluding or amending a contract containing a lease component, the group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component.

The group recognises the right-of-use asset and lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which consists of the initial amount of the lease liability. The initial amount of the lease liability is adjusted by any amounts prepaid, by the direct expenses made and by the restoration costs (resulting from the dismantling and restoration of the asset). Any received rental incentives are subtracted from the result.

The right-of-use asset is depreciated using the straight-line model from the commencement date of the lease up to the end of the lease term, unless the lease contract transfers the ownership of the underlying asset to the group at the end of the lease term, or if the residual value of the right-of-use asset indicates that the group plans to exercise the asset's purchase option. In this case, the right-of-use asset is depreciated over the entire useful life of the underlying asset, which is determined on the same basis as for the corresponding property, plant and equipment owned by the group. Furthermore, the right of use is reduced in the event of losses arising from impairment of the asset. The right-of-use asset is also adjusted for certain revaluations of lease liabilities.

The lease liability is initially measured at the present value of the lease payments that have not yet been paid by the lease inception date using the lease's effective interest rate or, if that rate cannot be determined, the lessee’s incremental borrowing rate. In general, the group uses the lessee's incremental borrowing rate as the discount rate.

The group determines the lessee’s incremental borrowing rate using different sources of financing. The resulting inputs are adjusted taking into account the lease terms and the type of leased asset to arrive at the lessee’s incremental borrowing rate appropriate for the leased asset.

The rental payments included in the rental liability include the following components:

- fixed payments (including in-substance fixed payments);
- payments of penalties for terminating the lease (if the termination is reasonably certain);
- the exercise price of a purchase option (if the lessee is reasonably certain to exercise that option);

– guaranteed residual value (expected value of the amount payable);
– lease payments that depend on an index or a rate.

The lease liability is measured at adjusted cost. It is recalculated in the event of changes in future lease payments resulting from an index or rate, if the estimate of the amount of the guaranteed residual value changes, or when the Group changes its estimate of whether it wishes to exercise options to purchase the asset, extend the lease or terminate the lease. The lease liability is also remeasured as fixed payments change (including in-substance fixed lease payments).

If the lease liability is revalued for the reasons listed above, a respective adjustment is made to the carrying amount of the right-of-use asset. The effect of a change in the lease liability is recognised in profit or loss when the carrying amount of the right-of-use asset is reduced to zero.

The group has decided not to recognise right-of-use assets and lease liabilities in the case of low-value asset leases and short-term leases. The Group recognises the lease payments related to these leases as an expense on a straight-line basis over the lease term.

Employee benefits

Short-term employee benefits

Short-term employee benefits include wages and social security contributions, benefits related to the temporary suspension of the employment contract (holiday pay or other similar benefits), if it is assumed that the temporary suspension of the employment contract will take place within 12 months after the end of the period in which the employee performed the work, and other benefits that are to be paid within 12 months after the end of the period in which the employee performed the work.

Termination benefits

Termination benefits are recognised at the earliest of the following dates: when the group can no longer withdraw the offer of these benefits and when the group recognises restructuring costs. If benefits are not planned to be fully paid out within 12 months from the end of the reporting period, they are discounted to the present value.

Share options

The fair value of equity-settled share-based payments is estimated as of the date of transfer applying the Black-Scholes model. The cost of share-based payments settled with equity instruments is recognised in the consolidated statement of comprehensive income during the period of their entry into effect, applying graded vesting, the counterparty of the entry are the reserves within equity.

Inputs for measurement of fair value include the share price at the date of measurement, the strike price of the instrument, the expected volatility, the exercise date of the option, the risk-free interest rate and expected dividends.

Provisions

Provisions are recognised if the group has a legal or constructive obligation to make payments as a result of past events, the settlement of the obligation involves giving up resources and the amount can be reliably measured. Provisions are recognised in the present value of the expenditure required to settle the obligation, applying an interest rate that reflects the market's assessment of the current value of money and the risks characteristic of the obligation. The increase in the provision amount due to the passage of time is recognised as a finance cost.

Possible obligations, the realisation of which is unlikely or the amount of the associated expenses cannot be estimated with sufficient reliability, but which under certain conditions may become liabilities in the future, are disclosed as contingent liabilities in the notes to the financial statements.

Income tax

Income tax consists of current income tax and deferred income tax. Income tax is recognised in the income statement, except for the portion related to business combinations or items that are recognised directly in equity or other comprehensive income.

Current income tax

Current income tax consists of the income tax expected to be paid or recovered from the taxable profit or loss of the financial year and the adjustment of income tax liabilities or claims from previous periods. The amount of the current income tax liability or claim is the best estimate of the amount of tax expected to be paid or recovered, which also reflects the potential uncertainty related to income tax.

Current income tax assets and liabilities are offset only if certain criteria are satisfied.

Corporate income tax in Estonia

According to the effective Income Tax Act of Estonia, the profit of the reporting year is not subject to income tax in Estonia. Income tax is charged on dividends, fringe benefits, gifts, donations, costs of entertaining guests, payments not related to enterprise, and transfer price adjustments.

Dividends that have been paid out of retained profits are generally taxed at the income tax rate of 20/80 on the distribution of dividends (equals 20% of the gross profit to be distributed). Regularly payable dividends are taxed at a rate of 14/86 of the net amount of the dividend. Dividend payments are considered regular if the amount of distributed profit does not exceed the company's average distributed profit of the last three years, on which income tax has been paid in Estonia. Thus, the income tax rates applied to dividends paid by the entity may be the rate of 14/86 and 20/80.

Corporate income tax in other countries

Clevon Corporation, a subsidiary of the group, is registered in the United States, Texas, where the effective corporate income tax rate is 21%. Net losses incurred in 2018 and the following years can be offset to the extent of 80% of the taxable income of each year. Therefore, Clevon Corporation can offset the deferred tax asset if the business of the company becomes profitable and thereby reduce the income tax liability.

Deferred income tax

Deferred income tax is recognised for temporary differences that arise between the carrying amounts of the group's assets and liabilities and the amounts used for corporate income tax purposes. (the so-called tax base).

According to the laws of the Republic of Estonia, the entity’s profit of the reporting year is not taxed in Estonia. The entity’s obligation to pay corporate income tax arises when the profit is distributed, and it is recognised in the profit or loss of the period as an expense when dividends are announced.

The group's deferred income tax liability arises from the group's investment in Estonian subsidiaries, associates, and interests in joint ventures and branches, unless the group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will reverse in the foreseeable future. Examples of the reversal of temporary differences are the payment of dividends, the sale or liquidation of an investment and other transactions.

As the group controls the dividend policy of a subsidiary or branch, it can also check the timing of the temporary differences related to the investment in question. Therefore, if the parent has decided not to distribute such profits in the foreseeable future, it will not recognise the deferred income tax liability. If the parent has decided that dividends will be paid out in the foreseeable future, the deferred income tax obligation shall be recognised up to the amount of these payments in accordance with IAS 12.40.

As the group generally does not control the dividend policy of an associate and a joint venture, it does not control the timing of the reversal of temporary differences. Therefore, the group recognises the deferred income tax liability from investments in affiliates and joint ventures.

The amount of deferred income tax liability shall be measured at the tax rate applicable to temporary differences during the period in which they are expected to be reversed, based on the tax rates applicable at the balance sheet date.

Related parties

The group deems parties to be related, if one party either controls the other party, or has a material impact on business decisions taken by the other party. The related parties of the group are:

- the parent company and its owners;
- other companies in the same consolidation group;
- members of Management Board;
- Close relatives of the persons listed above, and entities connected with them.

Segment reporting

Operating segments are components of an entity that engage in business activities from which they may earn revenues and incur expenses, and for which financial information is available. The group's management regularly reviews the results of the operating segment in order to assess the effectiveness of the segment and to allocate resources to it.

The group has one business and the group operates in one reporting segment.

Events after the reporting period

The consolidated interim accounts reflect significant events affecting the valuation of assets and liabilities that occurred between the end of the reporting period and the date on which the financial statements were prepared but are related to transactions in the reporting period or earlier periods.

Events at the end of the reporting period that are not taken into account in the valuation of assets and liabilities but that significantly affect the result of the following financial year shall be disclosed in the notes to the consolidated accounts.

NOTE 7. EARNINGS PER SHARE

To calculate the net profit per share, the net profit of the financial year attributed to the holders of ordinary shares or the loss is divided by the weighted average number of ordinary shares outstanding during the financial year.

(euros)	**30.06.2023**	**31.12.2022**
Shares issued	29 697 771	29 575 771
Shares of outstanding	**29 697 771**	**29 575 771**

(euros)	**30.06.2023**	**31.12.2022**
Weigted average number of shares outstanding	29 668 114	28 532 982
Attributable profit (loss) to owners of the parent	-3 305 301	-3 331 824
Basic earnings per share	-0,11	-0,12
Diluted earnings per share	-0,11	-0,12

NOTE 8. PREPAYMENTS

(euros)	**30.06.2023**	**31.12.2022**
Prepayments for inventories	0	10 130
Prepaid taxes	12 574	64 355
Other prepayments	12 529	5 780
Prepayments for fixed assets	0	12 223
Total	**25 103**	**92 488**
Non-current	11 173	12 223
Current	13 930	80 265
Total	**25 103**	**92 488**

NOTE 9. PROPERTY, PLANT AND EQUIPMENT

(euros)	Land and buildings	Machinery and equipment	Other items of property, plant and equipment	Total
Cost at 31.12.2022	1 035 296	98 702	987 196	2 121 194
Accumulated depreciation at 31.12.2022	-143 267	-13 445	-192 196	-348 908
Carrying amount at 31.12.2022	**892 030**	**85 257**	**795 000**	**1 772 287**
Acquisition and reconstruction	81 374	0	69 743	151 117
Depreciation charge	-115 759	-8 832	-148 812	-273 403
Sales and impairments	-5 031	-12 198	-12 198	-29 427
Cost at 30.06.2023	1 103 256	83 130	1 038 782	2 225 168
Accumulated depreciation at 30.06.2023	-250 642	-18 903	-335 049	-604 594
Carrying amount at 30.06.2023	**852 614**	**64 227**	**703 733**	**1 620 574**

Other tangible assets mainly comprise vehicles and equipment used to perform pilot projects.

NOTE 10. INTANGIBLE NON-CURRENT ASSETS

(euros)	Development costs	Patents and licenses	Total
Cost at 31.12.2022	5 790 132	21 530	5 811 662
Accumulated amortization at 31.12.2022	-1 213 069	-2 951	-1 216 020
Carrying amount at 31.12.2022	**4 577 063**	**18 579**	**4 595 642**
Acquisition	1 203 732	7 165	1 210 897
Amortization charge	-512 131	-4 024	-516 155
Cost at 30.06.2023	6 993 864	28 695	7 022 559
Accumulated amortization at 30.06.2023	-1 725 200	-6 975	-1 732 175
Carrying amount at 30.06.2023	**5 268 664**	**21 720**	**5 290 384**

Development costs comprise product development related costs to develop the software and hardware of the self-driving vehicle. Most of the costs are related to the labor costs of the engineers.

NOTE 11. REVENUE

Revenue by geography (euros)	01.01.-30.06.2023	01.04.-30.06.2022
Sales to EU countries		
Estonia	14 180	3 100
Lithuania	9 500	0
Belgium	19 500	0
Other EU countries	0	0
Total sales to EU countries	**43 180**	**3 100**
Sales to other countries	18 495	0
Total sales to other countries	**18 495**	**0**
Total revenue	**61 675**	**3 100**
Main products and services		
Pilot project services	58 095	2 000
Licence fee	3 313	1 100
Sale of hardware components	267	0
Total revenue	**61 675**	**3 100**

NOTE 12. GOODS, RAW MATERIAL, MATERIALS AND SERVICES

(euros)	01.01.-30.06.2023	01.04.-30.06.2022
Development expenses	137 410	61 350
Goods transport expenses	2 939	2 400
Material for production	106	0
Production equipment lease expenses	2 340	390
Services purchased	99 383	1 361
Total	**242 178**	**65 502**

NOTE 13. OPERATING COSTS

(euros)	01.01.-30.06.2023	01.04.-30.06.2022
Lease and management of premises	34 977	27 228
Office expenses	84 937	73 361
Vehicle expenses	29 952	12 505
Marketing expenses	99 263	19 261
Outsourced services	242 577	8 277
Employee related expenses	30 798	20 303
Business travel expenses	81 481	11 324
Other operatiing costs	109 226	79 368
Total	**713 211**	**251 627**

NOTE 14. PERSONNEL EXPENSES

(euros)	Note	01.01.-30.06.2023	01.04.-30.06.2022
Salary expenses		1 637 130	426 384
Social security charges		510 409	143 527
Share option expense	13	617 089	0
Total		**2 764 628**	**569 911**
Average number of employees expressed in full-time equivalents		80	46
Average number of employees by types of employment			
Persons employed under employment contracts		77	43
Member of the management of controlling body of the legal person		3	3

NOTE 15. SHARE-BASED PAYMENTS

The group applies a share-based benefits scheme, where the company receives services from the group's employees, in return for which Clevon AS offers equity instruments (options). The fair value of the employee's services received for the grant of options is recognised as a labour cost of the group and an increase in equity (other reserves) during the share-based payment scheme. The total expensed amount is determined based on the fair value at the time the options are granted. At the end of each reporting period, the group reviews its estimates of the number of options expected to vest based on vesting conditions (other than market conditions). The effect of changes in initial estimates, if any, is recognised in the income statement with the corresponding equity adjustment.

The group has concluded two types of share option contracts with the employees of the group:

- contracts with a vesting period of 3 years without objectives, and
- contracts with a vesting period of 5 years, the exercise of which depends on the attainment of the objectives set by the group. At the end of the vesting period, contracts may be awarded if at least one of the following objectives is attained:
  - the sales revenue (only sales of products and services) in one financial year starting from the financial year 2025 is at least 100 million euros;
  - the value of the company is at least 1 billion euros;
  - more than 2,000 vehicles produced by the company are in revenue-generating use.

Unvested options:

Unvested options (number of options)	**01.01.2023-30.06.2023**
Remaining at 31 December 2022	**4 293 758**
Waived over the period	275 342
Granted within a year	251 112
Remaining as at 30 June 2023	**4 269 528**

The exercise price of the options is 0.10 euros per share, the nominal value of which is 0.10 euros.

Options generally take effect (vest) within 3 years. Goal-linked option contracts enter into effect within 3-5 years, with a maximum period of 5 years, but if at least one of the set objectives is attained earlier, the options will be exercisable in the year the objective is attained, but no earlier than three years after the option was granted.

As of June 30, 2023, 176 option contracts (88 without goals and 88 with goals) had been entered into with 88 employees of the group, which were effective as at the end of the financial year.

Option contracts have not been settled in cash and there is no intention to settle in cash any share-based payments intended to be settled in equity instruments.

Fair value of granted options

The fair value on the date of granting is determined based on the share price on the date of granting in First North, a multilateral trading system organised by Nasdaq Tallinn AS, where the shares of Clevon AS are listed.

Labour cost, which was reported in 2023 in share-based payments is 617 089 euros.

The cost of share-based payments settled with equity instruments (Note 14) amounts to 617 089 euros.

The reserve for share-based payments settled with equity instruments is recognised in the statement of financial position in the line item “Other reserves”.

NOTE 16. INVESTMENTS IN SUBSIDIARIES

Holdings of the parent company of the group in subsidiaries as of the end of the reporting period:

List of subsidiaries	Main area of activity	Country of location	Holding %: 30.06.2023	Holding %: 31.12.2022
Clevon Corporation	Logistics services	USA	100%	100%

The voting rights of the group shall be equal to a percentage of the holding in the subsidiary.

NOTE 17. RELATED PARTIES

The group deems parties to be related, if one party either controls the other party, or has a material impact on business decisions taken by the other party. Transactions with related parties shall mean transactions with shareholders, executive and senior management, their close relatives and companies under the control or dominant influence of all the aforementioned persons.

Liabilities		
(euros)	**30.06.2023**	**31.12.2022**
Loans received		
* Entities controlled by shareholders with a controlling interest	950 000	950 000
Trade payables and other liabilities		
Entities controlled by shareholders with a controlling interest	41 416	4 030

Receivables		
(euros)	**30.06.2023**	**31.12.2022**
Trade and other receivables		
Entities controlled by shareholders with a controlling interest	1 080	1 954

Sales		
(euros)	**01.01.-30.06.2023**	**01.04.-30.06.2022**
Services		
Entities controlled by shareholders with a controlling interest	3 313	1 100

Purchases

(euros)	01.01.-30.06.2023	01.04.-30.06.2022
Goods		
Entities controlled by shareholders with a controlling interest	0	1 597
Services		
Entities controlled by shareholders with a controlling interest	53 406	81 936
Non-current assets		
Entities controlled by shareholders with a controlling interest	0	106 319

Interest expenses

(euros)	01.01.-30.06.2023	01.04.-30.06.2022
** Entities controlled by shareholders with a controlling interest	36 241	8 790

Remuneration and other benefits calculated for the members of the executive and top management

(euros)	01.01.-30.06.2023	01.04.-30.06.2022
Calculated remunerations	72 000	36 000
Total remuneration and other significant benefits	**72 000**	**36 000**

* A loan in the amount of 950 thousand euros has been received from the related party Cleveron AS

** Interest expense calculated on the loan received from Cleveron AS