

## LOCALEYES LIMITED


### CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2021

[www.crowleysdfk.ie](http://www.crowleysdfk.ie)

16/17 College Green, Dublin, D02 V078 | +353 1 679 0800  
5 Lapps Quay, Cork, T12 RW7D | +353 21 4272900

Partners: James O'Connor FCA (Director) Tony Cooney FCA (Director) Edward Murphy FCA CTA (Director) Colette Nagle FCA (Director) Natalie Kelly (Director) FCA QFA  
Vincent Teo FCA Siobhán O'Hea CTA Harry O'Sullivan FCA David Coombes FCA Niall Grant FCA CTA

Crowleys DFK Unlimited Company trading as Crowleys DFK. Registered Office: 16/17 College Green, Dublin D02 V078. Company No: 393878.

A member firm of  DFK International a worldwide association of independent firms.

Registered to carry on audit work and authorised to carry on investment business by the Institute of Chartered Accountants in Ireland (ICAI).  
Chartered Accountants Ireland is the operating name of ICAI.

Directors	Raffaello Marco Sartorio (Swiss) (appointed 2 April 2021) Lindita Spahija (Albanian) Niall Shanahan
Company secretary	Lindita Spahija
Registered number	263049
Registered office	5 Lapps Quay Cork
Independent auditors	Crowleys DFK Unlimited Company Chartered Accountants and Statutory Audit Firm 5 Lapps Quay Cork
Bankers	Allied Irish Bank 66 South Mall Cork  AIB Treasury and International Ashford House Tara Street Dublin 2
Solicitors	J.W. O'Donovan & Company 53 South Mall Cork

## CONTENTS

	<b>Page</b>
Directors' Report	2-4
Directors' Responsibilities Statement	5
Independent Auditors' Review Report	6
Condensed Consolidated Profit and Loss Account	7
Condensed Consolidated Statement of Comprehensive Income	8
Condensed Consolidated Statement of Financial Position	9
Condensed Company Statement of Financial Position	10
Condensed Consolidated Statement of Changes in Equity	11-12
Condensed Company Statement of Changes in Equity	13
Condensed Consolidated Statement of Cash Flows	14
Notes to the Condensed Consolidated Interim financial information	15-34

## **DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2021**

The directors present their interim report and the audited condensed consolidated interim financial information for the financial period ended 30 June 2021.

### **Principal activities**

The principal activity of the group during the period was the provision of computer software localisation and translation services.

### **Business review**

The results for the period are set out on page 7. There has been no significant change in the company's activities during the period. During 2021, LocalEyes has continued to work with external marketing advisors to establish trading opportunity in the European and US markets. This continues to be a key area of development for the Company. Directors continue marketing and development strategies together with developing other client business areas.

### **Results and dividends**

The profit for the financial period, after taxation and minority interests, amounted to €1,571,883 (30 June 2020 - €766,140). The company paid dividends in the amount of €1,000,000 during the period (30 June 2020 - €255,000). At 30 June 2021, the directors had declared but not paid interim dividends amounting to €1,000,000 (30 June 2020 - €nil).

### **Directors**

The directors who served during the financial period were:

Niall Shanahan  
Lindita Spahija  
Raffaello Marco Sartorio (appointed 2 April 2021)

### **Secretary**

The company secretary throughout the period was Lindita Spahija.

### **Directors and secretary and their interests**

The directors and secretary at 30 June 2021 did not hold any direct interest in the shares of the Company. Carlo Cozza holds 100% of the share capital of Kibest Srl, the ultimate parent company of LocalEyes Limited.

### **Principal risks and uncertainties**

The directors consider that the principal risks and uncertainties faced by the company and its subsidiaries are in the following categories:

#### *Economic risk*

The risk of increased interest rates and/or inflation having an adverse impact on served markets. The risk of unrealistic increases in wages or infrastructural cost impacting adversely on competitiveness of the group and its principal customers. The risk of adverse exchange movements.

These risks are managed by innovative product sourcing, strict control of costs and, when needed, re-negotiating the pricing model with customers and suppliers.

#### *Competition risk*

The directors of the company and subsidiaries manage competition through close attention to customer service levels in terms of quality and timeline delivery.

## **DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2021**

### *Financial risk*

Each of the companies within the group has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk.

### **People in our business**

The continued success of the group has been achieved by the people working in it. Each of the subsidiaries is managed separately but reflects the group philosophy and ethos. There are many long serving members of staff and the relatively low turnover of personnel reflects the general policy of providing good terms and conditions of employment while dealing with staff as well as the other stakeholders in the business, in a fair and consistent manner. Their continued loyalty and hard work is much appreciated.

### **Accounting records**

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 3rd Floor, 11 Anglesea Street, Cork.

### **Post balance sheet events**

During 2021 LocalEyes' directors and shareholder sought and identified a potential new shareholder of the Group. We anticipate that discussions with the potential new shareholder will conclude in October 2021.

### **Future developments**

There are no material changes anticipated in the business of the Group at this time. The directors continue to focus on generating sales and rationalising its costs in order to maintain profitability.

### **Research and development activities**

The Group did not engage in any research and development activities during the financial period to 30 June 2021.

### **Statement on relevant audit information**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant information of which the company and the group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant information and to establish that the company and the group's auditors are aware of that information.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 30 JUNE 2021**

**Branches outside the state**

The Group has branches outside the State in Germany, Sweden and Denmark.

This report was approved by the board on 13/09/2021 and signed on its behalf.



**Niall Shanahan**  
Director

**Date:** 13/09/2021



**Lindita Spahija**  
Director

**Date:** 13/09/2021



**Raffaello Marco Sartorio**  
Director

**Date:** 13/09/2021

**DIRECTORS' RESPONSIBILITIES STATEMENT ON CONDENSED CONSOLIDATED INTERIM  
FINANCIAL INFORMATION PERIOD ENDED 30 JUNE 2021**

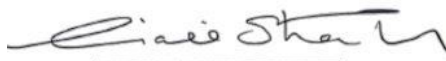
The directors are responsible for the preparation and presentation of the condensed consolidated interim financial information in accordance with FRS 104 "Financial Reporting Standard for Interim Financial Reporting" issued by the Financial Reporting Council.

In preparing this condensed consolidated interim financial information, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the condensed consolidated interim financial information has been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- assess the Group and Company's ability to continue as a going concern, disclose, as applicable, matters relating to going concern and prepare the condensed consolidated interim financial information on the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for ensuring that the Group and the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Group and the Company and enable at any time the assets, liabilities, financial position and profit or loss of the Group and the Company to be determined with reasonable accuracy. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

  
\_\_\_\_\_  
**Niall Shanahan**  
Director

  
\_\_\_\_\_  
**Lindita Spahija**  
Director

  
\_\_\_\_\_  
**Raffaello Marco Sartorio**  
Director

Date: 13/09/2021

Date: 13/09/2021

Date: 13/09/2021

**INDEPENDENT AUDITORS' REVIEW REPORT ON CONDENSED CONSOLIDATED INTERIM  
FINANCIAL INFORMATION PERIOD ENDED 30 JUNE 2021****Conclusion**

We have reviewed the accompanying condensed Group and Company statement of financial position of LocalEyes Limited as of 30 June 2021, the related condensed statements of Group profit and loss, Group comprehensive income, Group and Company changes in equity and Group cash flows and the notes to the condensed consolidated interim financial information for the six month period then ended.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with FRS 104 "Financial Reporting Standard for Interim Financial Reporting" issued by the Financial Reporting Council.

**Basis for Conclusion**

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK and Ireland), "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" July 2007. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Other matter**

The condensed consolidated interim financial information for period ended 30 June 2020 was not subject to review and therefore we do not express an audit opinion on that interim financial information.

**Responsibilities of Directors and Management**

The directors and management are responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with FRS 104. In preparing the condensed consolidated interim financial information, the directors are responsible for assessing the Group and Company's ability to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

**Auditors' Responsibilities for the Review of the Financial Information**

Our responsibility is to express a conclusion on the condensed consolidated interim financial information based on our review. Our conclusion is based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

**The Purpose of our Work and to Whom we owe our Responsibilities**

Our report is made solely to the Company's directors, as a body. Our review work has been undertaken so that we might state to the Company's directors those matters we are required to state to them in a review report on interim financial information and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors, as a body, for our review work, for this report, or for the opinions we have formed.



Crowleys DFK Unlimited Company  
Chartered Accountants and Statutory  
Audit Firm  
5 Lapps Quay  
Cork

Date: 13/09/2021



**CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 30 JUNE 2021**

	Note	6 months to 30 June 2021	6 months to 30 June 2020	Year to 31 December 2020 Adjusted
		€	€	€
Turnover	6	6,344,497	6,609,775	15,744,479
Cost of Sales		(2,983,800)	(3,591,509)	(7,501,957)
<b>Gross profit</b>		<b>3,360,697</b>	<b>3,018,266</b>	<b>8,242,522</b>
Administrative expenses		(1,473,120)	(1,951,857)	(4,413,780)
<b>Operating profit</b>		<b>1,887,577</b>	<b>1,066,409</b>	<b>3,828,742</b>
Share of losses in associated undertakings		(5,650)	(31,057)	(62,114)
Other interest receivable and similar income		-	-	1
Impairment charge		-	-	(184,299)
Restructuring costs		-	(11,864)	(12,859)
Interest payable and similar expenses		(1,775)	(202)	(1,227)
<b>Profit before taxation</b>		<b>1,880,152</b>	<b>1,023,286</b>	<b>3,568,244</b>
Tax on profit		(308,319)	(257,146)	(514,292)
<b>Profit for the financial period/year</b>		<b>1,571,833</b>	<b>766,140</b>	<b>3,053,952</b>

The notes on pages 15 to 34 form part of these condensed consolidated interim financial information.


**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 JUNE 2021**

	6 months to 30 June 2021	6 months to 30 June 2020	Year to 31 December 2020 Adjusted
	€	€	€
Profit for the financial period/year	1,571,833	766,140	3,053,952
<b>Other comprehensive income</b>	-	-	-
Currency translation differences	67,445	158,157	174,930
<b>Total comprehensive income for the financial period/year</b>	<b>1,639,278</b>	<b>924,297</b>	<b>3,228,882</b>
<b>Profit for the financial period/year attributable to:</b>			
Non-controlling interest	-	-	-
Owners of the parent company	1,639,278	924,297	3,228,882
	<b>1,639,278</b>	<b>924,297</b>	<b>3,228,882</b>
<b>Total comprehensive income for the financial period/year attributable to:</b>			
Non-controlling interest	-	-	-
Owners of the parent company	1,639,278	924,297	3,228,882
	<b>1,639,278</b>	<b>924,297</b>	<b>3,228,882</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION,  
AS AT 30 JUNE 2021**

	Note	6 months to 30 June 2021	6 months to 30 June 2020	Year to 31 December 2020 Adjusted
		€	€	€
<b>Fixed assets</b>				
Intangible assets	9	81,914	136,524	109,219
Tangible fixed assets	10	210,538	186,520	232,272
Financial assets	11	77,802	361,870	142,071
		<u>370,254</u>	<u>684,914</u>	<u>483,561</u>
<b>Current assets</b>				
Stocks		324,919	399,166	238,572
Debtors: amounts falling due within one year		1,191,632	2,285,470	668,010
Current asset investments		1	1	1
Cash at bank and in hand		2,145,117	2,989,753	2,012,579
		<u>3,661,669</u>	<u>5,674,390</u>	<u>2,919,162</u>
<b>Creditors: amounts falling due within one year</b>		<u>(1,015,859)</u>	<u>(1,007,103)</u>	<u>(1,025,937)</u>
<b>Net current assets</b>		<u>2,645,810</u>	<u>4,667,287</u>	<u>1,893,225</u>
<b>Total assets less current liabilities</b>		<u>3,016,064</u>	<u>5,352,201</u>	<u>2,376,786</u>
<b>Capital and Reserves</b>				
Called up share capital presented as equity	12	1,376,294	3,376,294	1,376,294
Other reserves		190	190	190
Profit and loss account		665,804	1,975,717	26,526
Capital redemption reserve		973,776	-	973,776
		<u>3,016,064</u>	<u>5,352,501</u>	<u>2,376,786</u>
<b>Shareholders funds</b>				
Non-controlling interests		-	-	-
<b>Total shareholder's funds</b>		<u>3,016,064</u>	<u>5,352,501</u>	<u>2,376,786</u>

The condensed consolidated interim financial information were approved and authorised for issue by the board:

  
 \_\_\_\_\_  
 Niall Shanahan  
 Director

  
 \_\_\_\_\_  
 Lindita Spahija  
 Director

  
 \_\_\_\_\_  
 Raffaello Marco Sartorio  
 Director

Date: 13/09/2021

Date: 13/09/2021

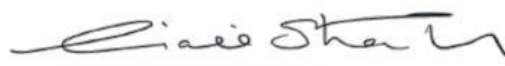
Date: 13/09/2021

The notes on pages 15 to 34 form part of these condensed consolidated interim financial information.

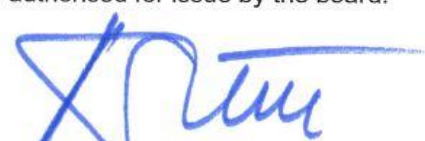
**CONDENSED COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2021**

	Note	6 months to 30 June 2021 €	6 months to 30 June 2020 €	Year to 31 December 2020 €
<b>Fixed assets</b>				
Intangible assets	9	81,914	136,524	109,219
Tangible assets	10	47,603	64,348	54,782
Financial assets	11	696,307	1,005,782	817,040
		<b>825,824</b>	<b>1,206,654</b>	<b>981,041</b>
<b>Current assets</b>				
Stocks		324,919	399,166	238,572
Debtors: amounts falling due within one year		1,838,368	2,968,883	1,095,792
Current Asset Investments		1	1	1
Cash at bank and in hand		2,011,392	2,789,614	1,660,004
		<b>4,174,680</b>	<b>6,157,664</b>	<b>2,994,369</b>
<b>Creditors: amounts falling due within one year</b>		<b>(2,136,079)</b>	<b>(2,038,729)</b>	<b>(1,625,152)</b>
<b>Net current assets</b>		<b>2,038,601</b>	<b>4,118,934</b>	<b>1,369,217</b>
<b>Total assets less current liabilities</b>		<b>2,864,425</b>	<b>5,325,588</b>	<b>2,350,258</b>
<b>Capital and Reserves</b>				
Called up share capital presented as equity	12	1,376,294	3,376,294	1,376,294
Capital reduction reserve		973,776	-	973,776
Other reserves		190	190	190
Profit and loss account		514,165	1,949,104	(2)
<b>Shareholders funds</b>		<b>2,864,425</b>	<b>5,325,588</b>	<b>2,350,258</b>

The condensed consolidated interim financial information were approved and authorised for issue by the board:

  
 Niall Shanahan  
 Director

  
 Lindita Spahija  
 Director

  
 Raffaello Marco Sartorio  
 Director

Date: 13/09/2021

Date: 13/09/2021

Date: 13/09/2021

The notes on pages 15 to 34 form part of these condensed consolidated interim financial information.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2021**

	Called up share capital	Other reserves	Capital reduction reserve	Profit and loss account	Equity attributable to owners of parent company
	€	€	€	€	€
<b>At 1 January 2021</b>	1,376,294	190	973,776	26,526	2,376,786
<b>Comprehensive income for the financial period</b>					
Profit for the financial period	-	-	-	1,571,833	1,571,833
Currency translation differences	-	-	-	67,445	67,445
<b>Total comprehensive income for the financial period</b>	-	-	-	1,639,278	1,639,278
Dividends: Equity capital	-	-	-	(1,000,000)	(1,000,000)
<b>At 30 June 2021</b>	<b>1,376,294</b>	<b>190</b>	<b>973,776</b>	<b>665,804</b>	<b>3,016,064</b>

The notes on pages 15 to 34 form part of these condensed consolidated interim financial information.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2020**

	Called up share capital	Other reserves	Profit and loss account	Equity attributable to owners of parent company
	€	€	€	€
<b>At 1 January 2020</b>	3,376,294	190	763,655	4,140,139
<b>Adjustments</b>	-	-	542,765	542,765
<b>At 1 January 2020 (restated)</b>	3,376,294	190	1,306,420	4,682,904
<b>Comprehensive income for the financial period</b>				
Profit for the financial period/year	-	-	766,140	766,140
Currency translation differences	-	-	158,157	158,157
<b>Total comprehensive income for the financial period</b>	<hr/>	<hr/>	<hr/> 924,297	<hr/> 924,297
Dividends: Equity capital	-	-	(255,000)	(255,000)
<b>At 30 June 2020</b>	<hr/> <b>3,376,294</b> <hr/>	<hr/> <b>190</b> <hr/>	<hr/> <b>1,975,717</b> <hr/>	<hr/> <b>5,352,201</b> <hr/>

The notes on pages 15 to 34 form part of these condensed consolidated interim financial information.

**CONDENSED COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2021**

	Called up share capital	Capital reduction reserve	Other reserves	Profit and loss account	Total Equity
	€		€	€	€
<b>At 1 January 2021</b>	1,376,294	973,776	190	(2)	2,350,258
<b>Comprehensive income for the financial period</b>					
Profit for the financial period	-	-	-	1,514,167	1,514,167
<b>Contributions by and distributions to owners</b>					
Dividends: Equity capital	-	-	-	(1,000,000)	(1,000,000)
<b>At 30 June 2021</b>	<u>1,376,294</u>	<u>973,776</u>	<u>190</u>	<u>514,165</u>	<u>2,864,425</u>

**CONDENSED COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2020**

	Called up share capital	Other reserves	Profit and loss account	Total Equity
	€	€	€	€
<b>At 1 January 2020</b>	3,376,294	190	1,398,119	4,774,603
<b>Comprehensive income for the financial period</b>				
Profit for the financial period	-	-	805,985	805,985
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(255,000)	(255,000)
<b>At 30 June 2020</b>	<u>3,376,294</u>	<u>190</u>	<u>1,949,104</u>	<u>5,325,588</u>

The notes on pages 15 to 34 form part of these condensed consolidated interim financial information.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 JUNE 2021**

	6 months to 30 June 2021 €	6 months to 30 June 2020 €	Year to 31 December 2020 €
<b>Cash flows from operating activities</b>			
<b>Profit for the financial period/year</b>	<b>1,571,833</b>	<b>766,140</b>	<b>3,053,952</b>
<b>Adjustments for:</b>			
Amortisation of intangible assets	27,305	27,305	54,610
Depreciation of tangible assets	27,749	26,500	53,601
Interest paid	1,775	202	1,227
Interest received	-	-	(1)
Taxation charge	308,319	(257,146)	514,292
(Income)/loss from interests in associate undertaking	5,649	31,056	62,114
Impairment of investments	58,620	-	184,299
(Increase)/decrease in stocks	(86,347)	(33,955)	126,639
Decrease /(increase) in debtors	(523,622)	(170,176)	1,447,284
Increase/(decrease) in creditors	(59,966)	98,050	44,663
Corporation tax (paid)	(258,432)	371,802	(327,418)
Foreign currency translation adjustments	65,088	160,170	176,303
<b>Net cash generated from operating activities</b>	<b><u>1,137,972</u></b>	<b><u>1,019,946</u></b>	<b><u>5,391,565</u></b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	(3,742)	(9,456)	(82,853)
Sale of tangible fixed assets	83	(615)	569
Purchase of shares in associates	-	(209,977)	(205,533)
Interest received	-	-	1
<b>Net cash from investing activities</b>	<b><u>(3,659)</u></b>	<b><u>(220,048)</u></b>	<b><u>(287,816)</u></b>
<b>Cash flows from financing activities</b>			
Dividends paid	(1,000,000)	(255,000)	(5,535,000)
Interest paid	(1,775)	(202)	(1,227)
<b>Net cash used in financing activities</b>	<b><u>(1,001,775)</u></b>	<b><u>(255,202)</u></b>	<b><u>(5,536,227)</u></b>
Net increase/(decrease) in cash and cash equivalents	132,538	544,696	(432,478)
Cash and cash equivalents at beginning of period/year	2,012,579	2,445,057	2,445,057
<b>Cash and cash equivalents at the end of period/year</b>	<b><u>2,145,117</u></b>	<b><u>2,989,753</u></b>	<b><u>2,012,579</u></b>
<b>Cash and cash equivalents at the end of period/year comprise:</b>			
Cash at bank and in hand	<b><u>2,145,117</u></b>	<b><u>2,989,753</u></b>	<b><u>2,012,579</u></b>

The notes on pages 15 to 34 form part of these condensed consolidated interim financial information.



## **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2021**

### **1. General information**

These condensed consolidated interim financial information comprising the Condensed Consolidated Profit and Loss Account, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Financial Position, Condensed Company Statement of Financial Position, the Condensed Consolidated Statement of Changes in Equity, the Condensed Company Statement of Changes in Equity, the Condensed Consolidated Statement of Cash Flows, and the related notes constitute the consolidated and individual interim financial information of LocalEyes Limited for the financial period ended 30 June 2021.

LocalEyes Limited is a private company limited by shares (registered under Part 2 of the Companies Act 2014), incorporated and registered in the Republic of Ireland (CRO Number: 263049). The company's registered address is 5 Lapps Quay. The company's principal place of business is 3rd Floor, 11 Anglesea Street, Cork. The nature of the Group's operations and its principal activities are set out in the Directors' Report.

The condensed consolidated interim financial information have been approved in accordance with FRS 104 "Financial Reporting Standard for Interim Financial Reporting" issued by the Financial Reporting Council.

The condensed consolidated interim financial information have been presented in Euro (€) which is also the functional currency of the Group and the company.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's condensed consolidated interim financial information.

### **2. Accounting policies**

#### **2.1 Basis of preparation of condensed consolidated interim financial information**

The condensed consolidated interim financial information have been prepared on a going concern basis in accordance with Financial Reporting Standard 104, the Interim Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of condensed consolidated interim financial information in compliance with FRS 104 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 304 of the Companies Act 2014 and has not presented its own Profit and Loss account in these condensed consolidated interim financial information.

#### **2.2 Basis of Consolidation**

The condensed consolidated interim financial information present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The condensed consolidated interim financial information incorporate the results of business combinations using the purchase method. In the Condensed Statement of Financial Position, the investee's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Condensed Consolidated Profit and Loss Account from the date on which control is obtained. They are deconsolidated from the date control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

The results of associates are accounted for using the equity method of accounting. All intra-group transactions, balances, income and expenses are eliminated on consolidation

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2021

### 2. Accounting policies (continued)

#### 2.3 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must be met before revenue is recognised:

##### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

#### 2.4 Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquire at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Condensed Consolidated Profit and Loss Account over its useful economic life.

#### 2.5 Foreign currency translation

##### ***Functional and presentation currency***

The Company's functional and presentational currency is Euros.

##### ***Transactions and balances***

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Condensed Consolidated Profit and Loss Account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Condensed Consolidated Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Condensed Consolidated Profit and Loss Account within 'other operating income'.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**2. Accounting policies (continued)**

**2.6 Foreign currency translation (continued)**

On consolidation, the results of overseas operations are translated into Euros at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**2.7 Finance costs**

Finance costs are charged to the Condensed Consolidated Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.8 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**2.9 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Condensed Consolidated Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

**2.10 Interest income**

Interest income is recognised in the Condensed Consolidated Profit and Loss Account using the effective interest method.

**2.11 Intangible fixed assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Condensed Consolidated Profit and Loss Account over its useful economic life of 10 years.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**2. Accounting policies (continued)**

**2.11 Intangible fixed assets (continued)**

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Customer listing	- 5 years
Other intangible assets	- 3 years
Software	- 3 years

**2.12 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

• Property renovation	Life of lease
• Motor vehicles	10%
• Fixtures and fittings	15%
• Equipment	15%
• Computer equipment	20%
• Software	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Condensed Consolidated Profit and Loss Account.

**2.13 Valuation of investments**

The Company's investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted shares, whose market value can be reliably determined, are remeasured to market value at each statement of financial position date. Gains and losses on remeasurement are recognised in the Condensed Consolidated Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

The Company's investments in associates and joint ventures are held at cost less impairment.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**2. Accounting policies (continued)**

**2.14 Work in progress**

Work in progress is valued at selling price, including direct costs, overhead and profit. Provision is made for any foreseeable losses where appropriate.

**2.15 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.16 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.17 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.18 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Condensed Consolidated Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**2. Accounting policies (continued)**

**2.19 Financial instruments**

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

**2.20 Operating Leases: the group as the lessee**

Rentals paid under operating leases are charged to the Condensed Consolidated Profit and Loss Account on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.21 Taxation**

The tax expense for the financial period comprises current and deferred tax. Tax is recognised in the Condensed Consolidated Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2021

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the amounts reported in the condensed consolidated interim financial information and accompanying notes. The judgements, estimates and assumptions used in the condensed consolidated interim financial information are based upon management's evaluation of the relevant facts and circumstances as of the date of the condensed consolidated interim financial information. Actual results could differ from these estimates, and the effect of any change in estimates will be adjusted in the condensed consolidated interim financial information when they become reasonably determinable.

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under these circumstances.

#### Judgements

In preparing the condensed consolidated interim financial information, the directors have had to make the following judgments:

##### *Useful lives of depreciable assets*

The annual depreciation and amortisation charges depend primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair values and residual values. The directors annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned. Changes in the useful lives can have a significant impact on the depreciation and amortisation charges for the financial period. The net book value of Tangible Fixed Assets subject to depreciation at the financial period end date was €210,538 (30 June 2020 - €186,520). The net book value of Intangible Fixed Assets subject to amortisation at the financial period end date was €81,914 (30 June 2020 - €136,524).

##### *Impairment of Debtors*

The Group trades with its customers on credit terms some debts due will not be paid through the default of a small number of customers. The directors' assessment of the recoverability of these amounts is informed by historical experience and current information in determining the level of debts for which an impairment charge is required. The level of impairment required is reviewed at each financial period end. The total amounts of debtors at 30 June 2021 was €1,191,632 (30 June 2020 - €2,285,470).

##### *Going Concern*

Since March 2020, the Covid-19 pandemic has resulted in a worldwide slowdown of economic activity. However, LocalEyes Limited has continued to trade strongly during this period despite the measures that governments have introduced in response to the virus.

The group reported a profit of €1,571,833 (30 June 2020 - €766,140) and has net assets of €3,016,064 (30 June 2020 - €5,352,201) at the period end. The directors have prepared budgets and cash flow projections which demonstrate that there is no material uncertainty regarding the Group's ability to meet its liabilities as they fall due and to continue as a going concern. On this basis the directors consider it appropriate to prepare the condensed consolidated interim financial information on a going concern basis. Accordingly, these financial do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the group was unable to continue as a going concern.

The condensed consolidated interim financial information have been prepared on a going concern basis.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**3. Judgements in applying accounting policies and key sources of estimation uncertainty (continued)**

*Corporation tax*

The corporation tax expense is recognised based on the best estimate of the weighted average annual effective corporation tax rate expected for the full financial year. The corporation tax expense for the six month period ended 30 June 2021 is estimated to be €308,319 (30 June 2020: €257,146).

**4. Significant events and transactions**

In the period ended 30 June 2021 the Group has changed how it accounts for its investment in CB Service S.A. See note 5 for further details.

The Group introduced a cost cutting initiative in the second half of 2020 which has continued to be implemented in 2021. This has resulted in an increase in reported profits for the period ended 30 June 2021 compared to period ended 30 June 2020.

**5. Business combinations**

*Campus Party Limited*

On 25 January 2021, the Group disposed of its 20% shareholding and voting rights in Campus Party Limited, a company based in Ireland that provides licences to run Campus Party events, for a consideration of €120,000 resulting in a net profit on disposal of €nil.

*CB Service S.A*

At 31 December 2020, the company had an option to purchase additional shares up to 51% of the share capital of CB Service S.A. by 31 December 2024. If the company exercised this option, it would have received an additional 5 year option to purchase the remaining shares in the company. At 31 December 2020, the directors expected to exercise the existing option to purchase additional shares up to 51% of the share capital. Consequently, CB Service S.A. was accounted for as an investment in a subsidiary undertaking in the statutory financial statements year ended 31 December 2020.

As at 30 June 2021, the directors no longer expect to exercise the option to purchase additional shares in CB Service S.A.. Consequently, the accounting treatment of this investment has changed to an investment in an associate undertaking accounted for using the equity method. For comparative purposes only, all prior periods disclosed in these condensed consolidated interim financial information have been restated to reflect this change.

The effect of this adjustment is set out below:



**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**5. Business combinations (continued)**

	Year to 31 December 2020 as previously stated €	Adjustment €	Year to 31 December 2020 as Adjusted €
<b>Consolidated Statement of Profit or Loss</b>			
Turnover	18,166,279	(2,421,800)	15,744,479
Cost of Sales	(8,069,548)	567,591	(7,501,957)
<b>Gross profit</b>	<b>10,096,731</b>	<b>(1,854,209)</b>	<b>8,242,522</b>
Administrative expenses	(6,278,985)	1,865,205	(4,413,780)
<b>Operating profit</b>	<b>3,817,746</b>	<b>10,996</b>	<b>3,828,742</b>
Share of losses in associated undertakings	(120,732)	58,618	(62,114)
Other interest receivable and similar income	1	-	1
Impairment charge	-	(184,299)	(184,299)
Reconstructing cost	(12,859)	-	(12,859)
Interest payable and similar expenses	(1,227)	-	(1,227)
<b>Profit before taxation</b>	<b>3,682,929</b>	<b>(114,685)</b>	<b>3,568,244</b>
Tax on profit	(514,292)	-	(514,292)
<b>Profit for the financial period/year</b>	<b>3,168,637</b>	<b>(114,685)</b>	<b>3,053,952</b>

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**5. Business combinations (continued)**

	Year to 31 December 2020 as previously stated €	Adjustment €	Year to 31 December 2020 as Adjusted €
<b>Consolidated Statement of Financial Position</b>			
<b>Fixed assets</b>			
Intangible assets	164,722	(55,503)	109,219
Tangible fixed assets	252,526	(20,254)	232,272
Financial assets	-	142,071	142,071
	<u>417,248</u>	<u>66,313</u>	<u>483,561</u>
<b>Current assets</b>			
Stocks	262,359	(23,787)	238,572
Debtors: amounts falling due within one year	1,092,446	(424,436)	668,010
Current asset investments	1	-	1
Cash at bank and in hand	2,530,141	(517,562)	2,012,579
	<u>3,884,947</u>	<u>(965,785)</u>	<u>2,919,162</u>
<b>Creditors: amounts falling due within one year</b>	<b>(1,740,791)</b>	<b>714,854</b>	<b>(1,025,937)</b>
<b>Net current assets</b>	<b>2,144,156</b>	<b>(250,932)</b>	<b>1,893,224</b>
<b>Total assets less current liabilities</b>	<u><b>2,561,404</b></u>	<u><b>(184,618)</b></u>	<u><b>2,376,786</b></u>
<b>Capital and Reserves</b>			
Called up share capital presented as equity	1,376,294	-	1,376,294
Other reserves	190	-	190
Profit and loss account	(531,518)	558,044	26,526
Capital redemption reserve	973,776	-	973,776
	<u>1,818,742</u>	<u>558,044</u>	<u>2,376,786</u>
<b>Shareholders funds</b>			
Non-controlling interests	742,662	(742,662)	-
<b>Total shareholder's funds</b>	<u><u>2,561,404</u></u>	<u><u>(184,618)</u></u>	<u><u>2,376,786</u></u>

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**6. Turnover**

An analysis of turnover by class of business is as follows:

	<b>6 months to 30 June 2021</b>	<b>6 months to 30 June 2020</b>	<b>Year to 31 December 2020 Adjusted</b>
	€	€	€
Localisation and translation services	6,344,497	6,609,775	15,744,479
	<u><b>6,344,497</b></u>	<u><b>6,609,775</b></u>	<u><b>15,744,479</b></u>

Analysis of turnover by country of destination:

	<b>6 months to 30 June 2021</b>	<b>6 months to 30 June 2020</b>	<b>Year to 31 December 2020 Adjusted</b>
	€	€	€
Republic of Ireland	3,863,915	4,145,938	8,024,446
Europe	1,242,803	1,524,490	5,700,800
Rest of the World	1,237,779	939,347	2,019,233
	<u><b>6,344,497</b></u>	<u><b>6,609,775</b></u>	<u><b>15,744,479</b></u>

**7. Seasonal fluctuations**

The demand for the provision of computer software localisation and translation services is subject to seasonal fluctuations. Historically, peak demand is in the period from March to October each year.

As 4 months of the busy period are included in the condensed consolidated interim financial information to the period ended 30 June 2021, and 4 months fall outside this period, the results included in these condensed consolidated interim financial information are not materially impacted by the seasonal fluctuations in demand.

**8. Dividends**

	<b>6 months to 30 June 2021</b>	<b>6 months to 30 June 2020</b>	<b>Year to 31 December 2020 Adjusted</b>
	€	€	€
Interim Dividends paid	<u>1,000,000</u>	<u>255,000</u>	<u>5,535,000</u>

At 30 June 2021, the directors had declared but not paid interim dividends of €nil (30 June 2020 - €nil).

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**9. Intangible fixed assets**

**Group**

	<b>Customer listing €</b>	<b>Concessions &amp; patents €</b>	<b>Other intangibles €</b>	<b>Goodwill €</b>	<b>Software €</b>	<b>Total €</b>
<b>Cost or valuation</b>						
At 1 January 2021 as previously stated	501,531	25,624	8,237	138,753	163,829	837,974
Adjustment (see note 5)	(501,531)	(25,624)	-	(138,753)	-	(665,908)
At 1 January 2021 (as adjusted)	-	-	8,237	-	163,829	172,066
<b>At 30 June 2021</b>	<b>-</b>	<b>-</b>	<b>8,237</b>	<b>-</b>	<b>163,829</b>	<b>172,066</b>
<b>Amortisation</b>						
At 1 January 2021 as previously stated	501,531	25,479	8,237	69,520	54,610	659,377
Adjustment (see note 5)	(501,531)	(25,479)	-	(69,520)	-	(596,530)
At 1 January 2021 (as adjusted)	-	-	8,237	-	54,610	62,847
Charge for the financial period	-	-	-	-	27,305	27,305
<b>At 30 June 2021</b>	<b>-</b>	<b>-</b>	<b>8,237</b>	<b>-</b>	<b>81,915</b>	<b>90,152</b>
<b>Net book value</b>						
<b>At 30 June 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81,914</b>	<b>81,914</b>
At 1 January 2021	-	-	-	-	109,219	109,219

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**9. Intangible fixed assets (continued)**

**Company**

	<b>Software</b>	<b>Total</b>
	€	€
<b>Cost or valuation</b>		
At 1 January 2021	163,829	163,829
<b>At 30 June 2021</b>	<u><b>163,829</b></u>	<u><b>163,829</b></u>
<b>Amortisation</b>		
At 1 January 2021	54,610	54,610
Charge for the financial period	27,305	27,305
<b>At 30 June 2021</b>	<u><b>81,915</b></u>	<u><b>81,915</b></u>
<b>Net book value</b>		
<b>At 30 June 2021</b>	<u><b>81,914</b></u>	<u><b>81,914</b></u>
At 1 January 2021	<u>109,219</u>	<u>109,219</u>

The company engaged consultants to develop bespoke software and related tools for use in the company's business. The total cost incurred and capitalised amounted to €163,829.

Software is amortised to the Profit and Loss Account evenly over their estimated useful life of 3 years from January 2020. The remaining amortisation period is 1.5 years.

All amortisation of intangible fixed assets is included in administration expenses in the Profit and Loss Account.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**10. Tangible fixed assets**

**Group**

	Property renovations	Motor Vehicles	Fixtures and fittings	Equipment	Computer Equipment	Software	Total
	€	€	€	€	€	€	€
<b>Cost or valuation</b>							
At 1 January 2021 as previously stated	140,369	102,360	120,884	51,416	469,845	113,879	998,753
Adjustment (see note 5)	-	(32,269)	(27,674)	(23,168)	(25,935)	(47,564)	(156,610)
At 1 January 2021 (adjusted)	140,369	70,091	93,210	28,248	443,910	66,315	842,143
Additions	-	-	502	284	2,957	-	3,743
Disposals	-	-	(83)	-	-	-	(83)
Foreign exchange movement	376	964	558	359	2,561	187	5,005
<b>At 30 June 2021</b>	<b>140,745</b>	<b>71,055</b>	<b>94,187</b>	<b>28,891</b>	<b>449,428</b>	<b>66,502</b>	<b>850,808</b>
<b>Depreciation</b>							
At 1 January 2021 as previously stated	81,679	33,436	96,978	33,456	395,282	105,396	746,227
Adjustment (see note 5)	-	(32,268)	(21,152)	(19,341)	(21,842)	(41,753)	(136,356)
At 1 January 2021 (adjusted)	81,679	1,168	75,826	14,115	373,440	63,643	609,871
Charge for the financial period	4,952	6,987	2,534	1,451	11,486	339	27,749
Foreign exchange movement	32	16	360	165	1,929	151	2,653
<b>At 30 June 2021</b>	<b>86,662</b>	<b>8,171</b>	<b>78,720</b>	<b>15,731</b>	<b>386,855</b>	<b>64,133</b>	<b>640,273</b>
<b>Net book value</b>							
<b>At 30 June 2021</b>	<b>54,082</b>	<b>62,884</b>	<b>15,467</b>	<b>13,160</b>	<b>62,573</b>	<b>2,369</b>	<b>210,535</b>
At 1 January 2021	58,690	68,923	17,384	14,133	70,470	2,672	232,272

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**10. Tangible fixed assets (continued)**

**Company**

	<b>Property renovations €</b>	<b>Equipment €</b>	<b>Software €</b>	<b>Fixtures and Fittings €</b>	<b>Computer Equipment €</b>	<b>Total €</b>
<b>Cost or valuation</b>						
At 1 January 2021	113,035	2,122	-	35,438	187,796	338,391
Additions	-	-	-	-	2,157	2,157
Disposals	-	-	-	(83)	-	(83)
<b>At 30 June 2021</b>	<b>113,035</b>	<b>2,122</b>	<b>-</b>	<b>35,355</b>	<b>189,953</b>	<b>340,465</b>
<b>Depreciation</b>						
At 1 January 2021	79,380	2,122	-	32,580	169,527	283,609
Charge for the financial period	4,207	-	-	1,005	4,041	9,253
<b>At 30 June 2021</b>	<b>83,587</b>	<b>2,122</b>	<b>-</b>	<b>33,585</b>	<b>173,568</b>	<b>292,862</b>
<b>Net book value</b>						
<b>At 30 June 2021</b>	<b>29,448</b>	<b>-</b>	<b>-</b>	<b>1,770</b>	<b>16,385</b>	<b>47,603</b>
At 1 January 2021	33,655	-	-	2,858	18,269	54,782

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**11. Financial assets**

<b>Group</b>	<b>Investment in associates €</b>	<b>Total €</b>
<b>Cost or valuation</b>		
At 1 January 2021 as previously stated	120,731	120,731
Adjustment (see note 5)	83,451	83,451
At 1 January 2021 (adjusted)	<u>204,182</u>	<u>204,182</u>
Additions	-	-
Disposals	(120,731)	(120,731)
Share of profit/(loss)	(5,650)	(5,650)
<b>At 30 June 2021</b>	<b><u>77,802</u></b>	<b><u>77,802</u></b>
<b>Net book value</b>		
<b>At 30 June 2021</b>	<b><u>77,802</u></b>	<b><u>77,802</u></b>
<b>At 1 January 2021</b>	<b><u>120,731</u></b>	<b><u>120,731</u></b>

**Associate Undertakings**

The following were associate undertakings of the Company and accounted for using the equity method:

<b>Name</b>	<b>Country of incorporation</b>	<b>Holding</b>	<b>Principal activity</b>	<b>Registered office</b>
CB Service S.A.	Switzerland	42%	Translation Services	Avenue Du Lemman 21 - 1005 Lausanne, Switzerland



**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**11. Financial assets (continued)**

Company	Investments in subsidiary companies	Investment in associates	Total
	€	€	€
<b>Cost or valuation</b>			
At 1 January 2021 as previously stated	1,436,690	120,731	1,557,421
Adjustment (see note 5)	(83,451)	83,451	-
At 1 January 2021 (adjusted)	-	(120,731)	(120,731)
<b>At 30 June 2021</b>	<u>1,353,239</u>	<u>83,451</u>	<u>1,436,690</u>
<b>Impairments</b>			
At 1 January 2021	740,381	-	740,381
Charge for the period	-	-	-
<b>At 30 June 2021</b>	<u>740,381</u>	<u>-</u>	<u>740,381</u>
<b>Net book value</b>			
<b>At 30 June 2021</b>	<u>612,858</u>	<u>83,451</u>	<u>696,309</u>
At 1 January 2021	<u>696,309</u>	<u>120,731</u>	<u>817,040</u>

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Holding	Principal activity	Registered office
LocalEyes Nederland BV	The Netherlands	100%	Translation Services	Burgemeester Hogguerstraat 791, 1064EB Amsterdam, The Netherlands
LocalEyes Suomi OY	Finland	100%	Translation Services	Linnoitustie 4, 02600, Espoo, Finland
LocalEyes España SL	Spain	100%	Translation Services	C/ Príncipe, 14 - 1 Izq. 28012, Madrid, España
LocalEyes Albania	Albania	100%	Translation Services	Rruga Pjeter Bogdani, Nr 20, ish Blloku, Tirane, Albania
LocalEyes USA LLC	United States of America	100%	Translation Services	520 S. El Camino Suite 518, San Mateo California CA 94402
Ratelanguage Technologies Limited	Ireland	100%	Translation Services	5 Lapps Quay, Co Cork, Cork, T12 RW7D, Ireland

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**11. Financial assets (continued)**

**Subsidiary undertakings (continued)**

The company has availed of the exemption under S315 (a) of the Companies Act 2014 from the requirement to disclose information on the net assets and results of its subsidiaries in its individual financial statements.

**Associate undertakings**

The Company holds a 42% share in CB Service S.A, a company registered in Switzerland. The principal activity of this company is the provision of translation services. As outlined in note 5, the Company's investment in CB Service S.A changed from that of a subsidiary undertaking to an associate undertaking, accounted for using the equity method.

**12. Share capital**

	<b>6 months to 30 June 2021 €</b>	<b>6 months to 30 June 2020 €</b>	<b>Year to 31 December 2020 €</b>
<b>Authorised</b>			
4,000,000 Ordinary shares €1 each	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,000,000</u>
<b>Allotted, called up and fully paid</b>			
1,376,294 Ordinary shares of €1 each	<u>1,376,294</u>	<u>3,376,294</u>	<u>1,376,294</u>

On 14 December 2020, the Company reduced its issued share capital by 2,000,000 ordinary shares of €1 each. The nominal value of the reduced share capital was transferred to the capital reduction reserve. The amounts held in this reserve are available for distribution.

**14. Transactions with directors**

No transactions with directors occurred during the period that require disclosure in accordance with sections 305 to 312 of the Companies Act 2014.

**15. Related party transactions**

Cubic Venture SA is the immediate parent company of LocalEyes Limited. In February 2021, Cubic Venture SA purchased 20% of Campus Party Limited shares from LocalEyes Limited in the value of €120,000. This amount was paid in full by Cubic Ventures SA and the balance owed by Cubic Ventures SA to LocalEyes Limited at 30 June 2021 was €nil.

Scripta Manent SARL is a 90% subsidiary of CB Service S.A., a 42% owned associate of LocalEyes Limited. During the 6 month period ended 30 June 2021, Scripta Manent invoiced LocalEyes Limited €16,455 and the balance due to Scripta Manent at 30 June 2021 was €813.

**Other related party transactions**

Total compensation paid to key management personnel during the period amounted to €5,000 (30 June 2020: €5,000).

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**16. Post balance sheet events**

During 2021 LocalEyes' directors and shareholder sought and identified a potential new shareholder of the Group. We anticipate that discussions with the potential new shareholder will conclude in October 2021.

**17. Controlling party**

The ultimate controlling parent company is Kibest Srl, a company incorporated in Italy. The immediate parent company is Cubic Venture SA, a company incorporated in Switzerland. Carlo Cozza holds 100% of the share capital of Kibest Srl and is therefore the company's controlling party.

**18. Financial Instruments**

<b>Group</b>	<b>6 months ended 30 June 2021</b>	<b>6 months ended 30 June 2020</b>	<b>Year ended 31 December 2020 Adjusted</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>Financial assets that are debt instruments measured at amortised cost</b>			
Cash at bank and in hand	2,145,117	2,989,753	2,012,579
Trade debtors	954,707	1,252,727	518,553
Amounts owed by associated undertakings	-	816,231	-
Other debtors	44,022	30,180	20,741
	<b><u>3,143,846</u></b>	<b><u>5,088,891</u></b>	<b><u>2,551,873</u></b>
<b>Financial assets that are equity instruments measured at cost less impairment</b>			
Investment in associate undertakings	77,802	361,870	142,070
Unlisted current investments	1	1	1
	<b><u>77,803</u></b>	<b><u>361,871</u></b>	<b><u>142,071</u></b>
<b>Financial liabilities measured at amortised cost</b>			
Bank overdraft	(4,060)	(2,961)	(3,814)
Trade creditors	(274,327)	(379,383)	(240,718)
Other creditors	(51,912)	(16,054)	(68,263)
	<b><u>(330,299)</u></b>	<b><u>(398,398)</u></b>	<b><u>(312,795)</u></b>

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED 30 JUNE 2021**

**18. Financial instruments (continued)**

<b>Company</b>	<b>6 months ended 30 June 2021</b>	<b>6 months ended 30 June 2020</b>	<b>Year ended 31 December 2020 Adjusted</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>Financial assets that are debt instruments measured at amortised cost</b>			
Cash at bank and in hand	2,011,392	2,789,614	1,660,004
Trade debtors	928,227	989,769	412,993
Amounts owed by group undertakings	784,317	1,064,991	627,077
Amounts owed by associated undertakings	-	816,231	-
Other debtors	25,386	859	1,983
	<b><u>3,749,321</u></b>	<b><u>5,661,464</u></b>	<b><u>2,702,057</u></b>
<b>Financial assets that are equity instruments measured at cost less impairment</b>			
Investments in subsidiaries undertakings	612,856	612,856	612,856
Investment in associate undertakings	83,451	392,926	204,184
Unlisted current investments	1	1	1
	<b><u>693,308</u></b>	<b><u>1,005,783</u></b>	<b><u>817,041</u></b>
<b>Financial liabilities measured at amortised cost</b>			
Bank overdraft	(4,060)	(2,961)	(3,814)
Trade creditors	(268,155)	(343,592)	(233,273)
Other creditors	-	-	(2,479)
Amounts owed to group and associate undertakings	(1,236,751)	(1,210,511)	(769,789)
	<b><u>(1,508,966)</u></b>	<b><u>(1,557,065)</u></b>	<b><u>(1,009,356)</u></b>

**19. Approval of condensed consolidated interim financial information**

The board of directors approved these condensed consolidated interim financial information for issue on 13/09/2021.