

# Half-yearly Financial Statements 2023 of the TELES Group

(IFRS, unaudited)

## Key figures from January 1, 2023, to June 30, 2023

Overview of the corporate key figures of TELES Group for the first six months of 2023  
(In accordance with IFRS, unaudited)

<b>TELES Group</b> in thousand Euro	<b>01.01.2023 - 30.06.2023</b>	<b>01.01.2022 - 30.06.2022</b>	<b>Change</b>
<b>Sales revenues</b>	<b>30,150</b>	<b>38,572</b>	<b>-22%</b>
Cost of materials	28,638	36,553	-22%
Personnel expenses	1,106	1,169	-5%
Gross profit	754	653	15%
<b>Operating result/EBIT</b>	<b>-562</b>	<b>-77</b>	<b>&gt; -500%</b>
EBITDA	-293	261	-213%
Result from continuing activities	-833	-341	-144%
Result from discontinued activities	73	72	1%
<b>Group result</b>	<b>-760</b>	<b>-269</b>	<b>-183%</b>

## Interim Management Report

The TELES Group will sell the telecommunications segment (TELES Carrier Solutions) in 2023 and will focus on the growth area of pharmaceuticals. Accordingly, this report presents the assets held for sale and the liabilities in connection with assets held for sale.

The TELES Group achieved sales revenues of EUR 30.1 million (previous year: EUR 38.6 million). The gross profit was therefore EUR 1.5 million (previous year: EUR 2.0). The pharmaceutical sector generates lower gross profit margins than the telecommunications sector.

Personnel expenses fell by 5% to EUR 1,106 thousand (previous year: EUR 1,169 thousand). The depreciation amounted to EUR 184 thousand (previous year: 298 thousand). Other operating income amounted to EUR 54 thousand (previous year: EUR 63 thousand). With the increase in other operating expenses of EUR 754 thousand (previous year: EUR 653 thousand), EBITDA was EUR -293 thousand (previous year: EUR 261 thousand) and the result from continuing operations was EUR -833 thousand (previous year: EUR -301 thousand). The result from discontinued operations amounts to EUR 73 thousand (previous year: EUR 72 thousand). The consolidated result is TEUR -760 (previous year: TEUR -229).

The balance sheet total of TELES decreased by EUR 0.7 million compared to the previous year. This is due in particular to the decline in current assets of EUR 0.7 million. The assets held for sale amount to EUR 97 thousand and the liabilities in connection with assets held for sale amount to EUR 389 thousand.

## Risk Report

All relevant risks known to us were conscientiously listed in the management report for the past financial year 2022. There is nothing to add to this at the moment. We ensure the company's liquidity through very conscientious planning. We continue to monitor incoming payments very closely and thereby specifically counteract payment defaults on the part of customers. Whether the sales and earnings targets are achieved depends - apart from internal company factors - largely on economic, political and industry-specific developments - especially in our core market of Europe.

## Forecast

For the current financial year, we expect slightly lower sales for the TELES Group than in 2022 and a slightly improved result (EBIT).

### TELES AG

Oliver Olbrich

Chief Executive Officer

September 2023

# Interim Financial Statements

## Consolidated Balance Sheet (IFRS, unaudited)

TELES-Group, Berlin

Consolidated balance sheet as of June 30, 2023 (IFRS, not audited)

in thousand Euro	30.06.2023	31.12.2022
<b>Assets</b>		
<b>A. Fixed assets</b>		
I. Intangible assets	606	583
II. Tangible assets	1,273	1,222
III. Rights of use from leases	2,036	1,350
IV. Financial assets	1	67
<b>Total fixed assets</b>	<b>3,916</b>	<b>3,222</b>
<b>B. Current assets</b>		
I. Stocks	4,702	5,178
II. Trade receivables and other receivables	1,938	3,375
III. Other assets	962	968
IV. Cash and cash equivalents	2,080	1,492
V. Assets held for sale	97	122
<b>Total current assets</b>	<b>9,778</b>	<b>11,135</b>
<b>Total assets</b>	<b>13,693</b>	<b>14,358</b>

TELES-Group, Berlin

Consolidated balance sheet as of June 30, 2023 (IFRS, not audited)

in thousand Euro	30.06.2023	31.12.2022
<b>Equity and liabilities</b>		
<b>A. Equity</b>		
I. Ordinary shares	6,233	6,233
II. Capital reserve	13,085	13,085
III. Revenue reserves		
IV. Loss carried forward	-21,543	-4,906
V. Profit or loss for the period	-760	-16,637
<b>Total equity</b>	<b>-2,984</b>	<b>-2,224</b>
<b>B. Non-current liabilities</b>		
I. Long-term loans	824	889
II. Long-term lease liabilities	1,742	1,100
III. Deferred tax assets	164	164
<b>Total non-current liabilities</b>	<b>2,730</b>	<b>2,153</b>
<b>C. Current liabilities</b>		
I. Short term loans	8,750	8,750
II. Short term lease liabilities	326	275
III. Trade payables	654	827
IV. Other provisions	333	441
V. Tax liabilities	308	664
VI. Other liabilities	3,188	3,218
VII. Liabilities associated with assets held for sale	389	253
<b>Total creditors</b>	<b>13,948</b>	<b>14,429</b>
<b>Total equity and liabilities</b>	<b>13,693</b>	<b>14,358</b>

## Consolidated Statement of income (IFRS, unaudited)

TELES-Group, Berlin

Consolidated profit and loss account for January 01 - June 30, 2023 (IFRS, not audited)

TELES Group in thousand Euro	2nd Quarter		Half-year	
	2023	2022	2023	2022
<b>Sales revenues</b>	<b>15,404</b>	<b>19,558</b>	<b>30,150</b>	<b>38,572</b>
Cost of materials	14,573	18,514	28,638	36,553
<b>Gross profit</b>	<b>831</b>	<b>1,044</b>	<b>1,512</b>	<b>2,019</b>
Personnel expenses	549	595	1,106	1,169
Depreciation	134	153	268	338
of this depreciation for rights of use for Leasing	92	113	184	226
Other income	4	20	54	63
Other expenses	381	388	754	653
<b>Operating result/EBIT</b>	<b>-229</b>	<b>-72</b>	<b>-562</b>	<b>-77</b>
Other interest receivable and similar income	0	0	1	1
Interest payable and similar charges	129	50	267	102
Financial income	-129	-50	-266	-101
Earnings before tax (EBT)	-358	-122	-828	-178
Taxes on income	0	81	5	163
Earnings after taxes from continued business units	-358	-203	-833	-341
Earnings after taxes from discontinued operations	38	27	73	72
<b>Group result</b>	<b>-320</b>	<b>-175</b>	<b>-760</b>	<b>-269</b>
Number of shares	6,233,418	6,233,418	6,233,418	6,233,418
Result per share (in EURO) - undiluted	-0.05	-0.03	-0.12	-0.04
Result per share (in EURO) - diluted	-0.05	-0.03	-0.12	-0.04

## Statement of comprehensive income (IFRS, unaudited)

TELES-Group, Berlin

Development of consolidated equity January 01 - June 30, 2023 (IFRS, not audited)

	Nominal value of the shares	Capital reserve	Revenue reser- ves	Total Equity	
	k EUR	k EUR	k EUR	k EUR	
December 31, 2021	6,233	242	-4,906	1,569	
Capital increase 2021		-15		-15	
Takeover of pharma		12,394		12,394	
Net profit/loss for the period		0	0	-269	-
					269
June 30, 2022	6,233	12,621	-5,175	13,680	
December 31, 2022	6,233	13,085	-21,543	-2,224	
Net profit/loss for the period				-760	-
					760
June 30, 2023	6,233	13,085	-22,303	-2,984	

## Consolidated cash flow statement (IFRS, unaudited)

TELES Group	01.01.2023 -	01.01.2022 -
in EUR	30.06.2023	30.06.2022
<b>Cash flow from operating activities</b>		
Net profit/loss for the financial year	-760	-269
+ Depreciation	268	338
+/- Changes to provisions	-108	-126
-/+ Other Non-cash expenses and income	160	0
-/+ Changes to Stocks and Trade Receivables	1,921	1,413
+/- Changes to Trade Payables and Other liabilities	-203	-157
-/+ Profit and loss from the disposal of fixed assets	0	0
+ Interest expenses	267	102
- Interest income	-1	-1
- Other expense / income of extraordinary amounts and meaning	0	0
+/- Income-tax expense/income	5	163
	<b>1,188</b>	<b>1,324</b>
<b>Cash flow from investing activities</b>		
- Investments in intangible assets	-42	-11
- Investments in fixed assets	-116	-751
- Investments in financial assets	66	-5
	<b>-33</b>	<b>-779</b>
<b>Cash flow from financing activities</b>		
+ Cash received from capital contributions	0	14
+ Cash received from loans	-65	-201
- Repayment of leasing liabilities	-236	-221
+ Interest expenses	-267	-102
	<b>-567</b>	<b>-525</b>
<b>Net change in cash and cash equivalents</b>	<b>588</b>	<b>20</b>
+ Changes in cash and cash equivalents due to consolidation group	0	871
+ Cash and cash equivalents at beginning of period	1,492	391
<b>Cash and cash equivalents at end of period</b>	<b>2,080</b>	<b>1,283</b>



## Summary of Significant Financial Reporting Policies and Standards

### Presentation Basis

The consolidated financial statements of TELES as of December 31, 2022, were prepared in accordance with the regulations of the International Accounting Standards Board (IASB) in force on the balance sheet date. The interim report as of June 30, 2023, was prepared based on International Accounting Standard (IAS) 34 "Interim Reporting". In principle, the same accounting and valuation methods are followed as in the consolidated financial statements for the 2022 financial year. Standards and interpretations that are mandatory from January 1, 2023, have not led to any different accounting and valuation methods.

All IAS and IFRS binding as of June 30, 2023, as well as interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standing Interpretations Committee (SIC), were applied.

### Audit Review

The interim financial statements and the interim management report were neither audited nor reviewed by the auditor.

### Responsibility Statement by the Company Officers (Management)

To the best of our knowledge, we assure you that, in accordance with the applicable accounting principles for interim reporting, the interim consolidated financial statements give a true and fair view of the group's net assets, financial position and results of operations, and the interim group management report gives a true picture of the course of business including the business result and the position of the group are presented in such a way that a picture is given that corresponds to the actual circumstances, and the main opportunities and risks of the probable development of the group in the remaining financial year are described.