ASBISc Enterprises Plc

INTERIM REPORT
FOR THE SIX MONTHS
ENDED 30 JUNE 2023

Limassol, 10 August 2023

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DIRECTORS' REPORT ON THE COMPANY'S AND GROUP'S OPERATIONS

We have prepared this report as required by Paragraph 60 section 2 of the Regulation of the Ministry of Finance dated 29 March 2018 on current and periodic information to be published by issuers of securities and conditions of recognition of information required by the law of non-member country as equal.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this six-month report, all references to the Company apply to ASBISc Enterprises Plc and all references to the Group apply to ASBISc Enterprises Plc and its consolidated subsidiaries. Expressions such as "we", "us", "our" and similar apply generally to the Group (including its particular subsidiaries, depending on the country discussed) unless from the context it is clear that they apply to the Company alone.

Financial and Operating Data

This six-month report contains financial statements of, and financial information relating to the Group. In particular, this six-month report contains our interim consolidated financial statements for the six months ended 30 June 2023. The financial statements appended to this six-month report are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard ("IAS") 34.

The functional currency of the Company is U.S. dollars. Accordingly, transactions in currencies other than our functional currency are translated into U.S. dollars at the exchange rates prevailing on the applicable transaction dates.

Certain arithmetical data contained in this six-month report, including financial and operating information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables contained in this six-month report may not conform exactly to the total figure given for that column or row.

Currency Presentation

Unless otherwise indicated, all references in this six month report to "U.S. $" or "U.S. dollars" are to the lawful currency of the United States; all references to "€" or the "Euro" are to the lawful currency of the member states of the European Union that adopt the single currency in accordance with the EC Treaty, which means the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997) and includes, for this purpose, Council Regulations (EC) No. 1103/97 and No. 974/98; and all references to "PLN" or "Polish Zloty" are to the lawful currency of the Republic of Poland.

All references to U.S. dollars, Polish Zloty, Euro and other currencies are in thousands, except share and per share data, unless otherwise stated.

FORWARD-LOOKING STATEMENTS

This six-month report contains forward-looking statements relating to our business, financial condition and results of operations. You can find many of these statements by looking for words such as "may", "will", "expect", "anticipate", "believe", "estimate" and similar words used in this six-month report. By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties. Accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. We caution you not to place undue reliance on such statements, which speak only as of the date of this six-month report.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. We do not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this six-month report.

Part I Interim Management Report

1. Overview

ASBISc Enterprises Plc is a leading Value Add Distributor, developer and provider of ICT, IoT products, solutions, and services to the markets of Europe, the Middle East, and Africa (EMEA) with local operations in Central and Eastern Europe, the Baltic republics, the former Soviet Union, the Middle East and North Africa, combining a broad geographical reach with a wide range of products distributed on a "one-stop-shop" basis. Our focus is on the following countries: Kazakhstan, Ukraine, Slovakia, Poland, Czech Republic, Romania, Croatia, Slovenia, Bulgaria, Serbia, Hungary, Middle East countries (i.e., United Arab Emirates, Qatar and other Gulf states) and Latvia.

The Group distributes IT components (to assemblers, system integrators, local brands and retail) as well as A-branded finished products like desktop PCs, laptops, servers, and networking to SMB and retail. Our IT product portfolio encompasses a wide range of IT components, blocks and peripherals, and mobile IT systems. We currently purchase most of our products from leading international manufacturers, including Apple, Intel, Advanced Micro Devices ("AMD"), Seagate, Western Digital, Samsung, Microsoft, Toshiba, Dell, Acer, Lenovo and Hitachi. In addition, a part of our revenues is comprised of sales of IT products under our private labels: Prestigio, Prestigio Solutions, Canyon, Perenio, AENO, LORGAR and CRON ROBOTICS.

ASBISc commenced business in 1990 and in 1995 incorporated the parent Company in Cyprus and moved our headquarters to Limassol. Our Cypriot headquarters support, through two master distribution centres (located in the Czech Republic and the United Arab Emirates), our network of 31 warehouses located in 34 countries. This network supplies products to the Group's in-country operations and directly to its customers in approximately 60 countries.

The Company’s registered and principal administrative office is at 1, Iapetou Street, 4101, Agios Athanasios, Limassol, Cyprus.

2. Executive summary for the three- and six-month periods ended June 30th, 2023.

Following the most profitable first quarter ever, we completed Q2 2023 very strongly generating month by month high double-digit sales growth. Thanks to the consistent implementation of our strategy and great determination of our teams, we were able to deliver immense revenue growth, despite the fact that, historically the second quarter is, the weakest quarter of the calendar year in IT industry.

In Q2 2023, we have continued our strategy of investing in prospective markets such as Central Asia countries, Caucasus region and Africa but also in Western Europe, building strong representative teams that could boost dynamically our sales.
We have also continued the strengthening and the development of our portfolio of IT products and services with technologically advanced solutions, including the division related to robotics - ASBIS Robotic Solutions (AROS).

Looking at the results, in Q2 2023, revenues were USD 674.1 million (up 30.5% compared to Q2 2022). The gross profit margin stabilized - to 8.04%. Operating profit (EBIT) increased by 12.2% and reached USD 54.2 million, compared to USD 48.3 million in Q2 2022. The net profit improved and reached USD 11.2 million, up 1.5% over the comparable period last year.

Regarding cash flow, it is worth mentioning that in Q2 2023 ASBIS generated a positive cash from operating activities of USD 59.4 million as compared to outflows of USD 0.5 million in Q2 2022.

In H1 2023, ASBIS generated revenues of USD 1,396.1 million (up 15.3%, compared to H1 2022) and earned a net profit after tax of USD 28.6 million, an increase of 5.6% as compared to the same period of last year.

The quarter-over-quarter increase in sales is reflecting a strong growth in all Company's geographic reportable segments. The Former Soviet Union and Central & Eastern Europe regions traditionally had the largest share in the Group's revenues. The share of the Former Soviet Union in total revenues increased to 48.02% in Q2 2023, as compared to 45.50% in Q2 2022.

In Q2 2023 multiple product lines have recorded an increase. The leader of the Company's sales remained the smartphones followed by CPUs and laptops.

A country-by-country analysis confirms the excellent growth rates the Group was able to achieve in almost all major countries of operations. The important countries with the highest sales growth in Q2 2023 were:

- Ukraine - a growth of 126.5%
- Germany - a growth of 104.0%
- Romania - a growth of 76.7%
- Poland - a growth of 64.2%
- Georgia – a growth of 56.8%

As regards our own brands, we are very pleased with the way they have been developing in recent months:

- **AENO Premium Eco Smart Heater** received the esteemed international Red Dot Award 2023 in simultaneously two nominations "Heating and air conditioning technology" and "Smart products".
- **Canyon** successfully expanded its market share in the Smart Watch category, specifically the Wrist Sport Computer segment and the Kids watch market in Romania.
- **Lorgar** has introduced a new line of gaming devices to the market, offering high-quality products tailored to the gaming community. Lorgar successfully organized the Lorgar Cup, an exhilarating CS: GO tournament that ran alongside the CEE Champions. This tournament provided a platform for local teams from the Czech Republic, Slovakia, Romania, Bulgaria, and Ukraine to showcase their talent on an international stage, attracting attention and participation from gaming enthusiasts. Due to the tournament, Lorgar successfully listed its products with 11 key partners in the Czech Republic, Slovakia, Romania, Bulgaria, and Ukraine.
- **AROS** has expanded their operations to Hungary, Bulgaria, Cyprus and the Middle East keeping on strengthening its engineering and commercial teams and searching for more robotic market experts across EMEA. Currently AROS has local robotic teams residing in Poland, Romania, Czech Republic & Slovakia, Greece, Cyprus, Hungary, Bulgaria & UAE. In Q2 2023 AROS has signed several strategic resellers across CEE. All partners have started the process of AROS solutions trainings and certification. In July 2023 the first beer serving robotic kiosk has been installed in Limassol.

In Q2 2023, the Company experienced other important business events:

- ASBIS has strengthened its Board of Directors appointing two new members: Mr. Constantinos Petrides – who was appointed to the Board of Directors as a Non-Executive Director and Mrs. Hanna Kaplan as an Executive Director

- ASBIS has established six new subsidiaries in following countries: Armenia, Georgia, Azerbaijan, Morocco, Moldova and South Africa.

- ASBIS has opened in the capital of Moldova - Chisinau, the first iSpace store in this country, which will have the status of Apple Authorized Reseller. Including the newly opened iSpace store, the Group currently operates 29 stores across all territories for which acts as an authorized distributor for Apple products.

- ASBIS has been recognized as a Great Employer in 2023. ASBIS has been officially ranked 3rd in Cyprus National Best Workplaces 2023 in the medium companies list, a category that recognizes companies with between 100 and 250 employees, according to the global authority on workplace culture Great Place to Work.

ASBIS continues to share its success with investors. On the 6th of July 2023, ASBIS paid out a final dividend of USD 0.25 per share, which is in line with our dividend policy. Together with the interim dividend paid in December 2022, the amount of total dividend from profits for 2022 amounted to USD 0.45 per share, i.e., the highest dividend paid to shareholders in the history of ASBIS. We wisht to continue our hefty dividend policy always in combination with sufficient cash to support growth.

Summarizing and, given the still ongoing war in Ukraine, our second biggest market, we are very pleased with the Group's achievements in Q2 2023. We look to the forthcoming months of 2023 with confidence and optimism. We have many areas of growth since we are investing further in the development of robotics and in new markets such as Central Asia, Western Europe and Africa.

The principal events of the three-month period ended June 30th, 2023, were as follows:

- In Q2 2023 revenues increased by 30.5% to U.S.$ 674,147 from U.S.$ 516,424 in Q2 2022.

- In Q2 2023 gross profit increased by 12.2% to U.S.$ 54,170 from U.S.$ 48,286 in Q2 2022.

- In Q2 2023 gross profit margin stabilized at 8.04 % as compared to 9.35% in Q2 2022.

- In Q2 2023 selling expenses increased by 12.7% to U.S.$ 19,556 from U.S.$ 17,347 in Q2 2022.

- In Q2 2023 administrative expenses increased by 15.8% to U.S.$ 13,283 from U.S.$ 11,476 in Q2 2022.

- In Q2 2023 EBITDA was positive and reached U.S.$ 23,171 as compared to U.S.$ 20,781 in Q2 2022.

- Despite much higher year-over-year net financial costs (US$ 8.0 million, up 30.4% compared to Q2 2022) the Company finished Q2 2023 with a style, delivering a net profit after tax of U.S.$ 11,245, as compared to U.S.$ 11,079 in Q2 2022.

The following table presents revenues breakdown by regions in the three-month period ended June 30th, 2023, and 2022 respectively (in U.S.$ thousand):

Region	Q2 2023	Q2 2022	Change %
Former Soviet Union	323,757	234,949	37.8%
Central and Eastern Europe	180,343	150,187	20.1%
Middle East and Africa	102,613	87,379	17.4%
Western Europe	58,752	35,567	65.2%
Other	8,683	8,342	4.1%
Total	**674,147**	**516,424**	**30.5%**

The principal events of the six-month period ended June 30th, 2023, were as follows:

- Revenues increased by 15.3% to U.S.$ 1,396,139 from U.S.$ 1,211,035 in H1 2022.
- Gross profit increased by 14.9% to U.S.$ 116,235 from U.S.$ 101,144 in H1 2022.
- Gross profit margin remained relatively stable and reached 8.33% from 8.35% in H1 2022.
- Selling expenses increased by 10.3% to U.S.$ 38,187 from U.S.$ 34,632 in H1 2022.
- Administrative expenses increased by 23.3% to U.S.$ 28,023 from U.S.$ 22.735 in H1 2022. These expenses include USD 2 million for the support of Ukraine.
- EBITDA was positive and reached U.S.$ 53,779 as compared to U.S.$ 46,431 in H1 2022.
- As a result of growth in revenues, gross profit and controlled expenses, in H1 2023 the Company's net profit after tax reached as high as U.S.$ 28,627, as compared to U.S.$ 27,109 in H1 2022. These results considered to be very good for the Group, given the ongoing war in Ukraine, still high inflation, rising interest rates across the globe and weaker demand in many regions of EMEA.

The following table presents revenues breakdown by regions in the six-month periods ended June 30th, 2023, and 2022 respectively (in U.S.$ thousand):

Region	H1 2023	H1 2022	Change %
Former Soviet Union	729,229	618,720	17.9%
Central and Eastern Europe	340,317	316,088	7.7%
Middle East and Africa	194,462	178,101	9.2%
Western Europe	119,498	79,105	51.1%
Other	12,633	19,021	-33.6%
Total	**1,396,139**	**1,211,035**	**15.3%**

Definitions and use of Alternative Performance Measures

Gross profit
Gross profit is the residual profit made after deducting the cost of sales from revenue.

Gross profit margin
Gross profit margin is calculated as the gross profit divided by revenue, presented as a percentage.

EBIT (Earnings Before Interest and Tax) is calculated as the Profit before Tax, Net financial expenses, Other income/loss and Share of profit/loss of equity-accounted investees, all of which are directly identifiable in financial statements.

EBITDA
EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) is calculated as the Profit before Tax, Net financial expenses, Other income/loss, Share of profit/loss of equity-accounted investees, Depreciation, Amortization, all of which are directly identifiable in financial statements.

The use of the above Alternative Performance Measures ("APM") is made for the purpose of providing a more detailed analysis of the financial results.

3. Summary of historical financial data

The following data sets out our summary historical consolidated financial information for the periods presented. You should read the information in conjunction with the interim condensed consolidated financial statements and results of operations contained elsewhere in this interim report.

For your convenience, certain U.S. $ amounts as of and for the three and six months ended 30 June 2023 and 2022, have been converted into Euro and PLN as follows:

- Individual items of the statement of financial position – based at average exchange rates quoted by the National Bank of Poland for a given balance sheet dated December 31st, 2022, that is: 1 US$ = 4.4018 PLN and 1 EUR = 4.6899 PLN and June 30th, 2023, that is: 1 US$ = 4.1066 PLN and 1 EUR = 4.4503 PLN.

- Individual items in the income statement and statement of cash flows – based at exchange rates representing the arithmetic averages of the exchange rates quoted by the National Bank of Poland for the last day of each month in a given period 1 January to 30 June 2023, that is:
  1 US$ = 4.2711 PLN and 1 EUR = 4.6130 PLN and 1 January to 30 June 2022, that is: 1 US$ = 4.2744 PLN and 1 EUR = 4.6427 PLN.

- Individual items in the income statement and statement of cash flows for separate Q2 2023 and Q2 2022 – based at exchange rates representing the arithmetic averages of the exchange rates quoted by the National Bank of Poland for the last day of each month in a given period
  1 April to 30 June 2023, that is: 1 US$ = 4.1793 PLN and 1 EUR = 4.5256 PLN and 1 April to 30 June 2022, that is: 1 US$ = 4.3849 PLN and 1 EUR = 4.6381 PLN.

(In thousands of US$)	Period from 1 January to 30 June 2023			Period from 1 January to 30 June 2022		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Revenue	**1,396,139**	**5,963,073**	**1,292,658**	**1,211,035**	**5,176,387**	**1,114,960**
Cost of sales	(1,279,904)	(5,466,619)	(1,185,038)	(1,109,891)	(4,744,063)	(1,021,840)
Gross profit	**116,235**	**496,453**	**107,620**	**101,144**	**432,325**	**93,120**
Gross profit margin	*8.33%*			*8.35%*		
Selling expenses	(38,187)	(163,101)	(35,357)	(34,632)	(148,029)	(31,885)
Administrative expenses	(28,022)	(119,685)	(25,945)	(22,735)	(97,177)	(20,931)
Profit from operations	**50,026**	**213,667**	**46,318**	**43,777**	**187,118**	**40,304**
Financial expenses	(17,455)	(74,552)	(16,161)	(12,336)	(52,728)	(11,357)
Financial income	1,335	5,702	1,236	1,490	6,369	1,372
Other gains and losses	807	3,447	747	316	1,351	291
Share of loss equity-accounted investees	(282)	(1,204)	(261)	(75)	(321)	(69)
Profit before taxation	**34,431**	**147,059**	**31,879**	**33,172**	**141,789**	**30,540**
Taxation	(5,804)	(24,790)	(5,374)	(6,063)	(25,915)	(5,582)
Profit after taxation	**28,627**	**122,269**	**26,505**	**27,109**	**115,873**	**24,958**
Attributable to:						
Non-controlling interest	(198)	(846)	(183)	(25)	(107)	(23)
Equity holders of the parent	**28,825**	**123,115**	**26,688**	**27,134**	**115,980**	**24,981**

EBIT and EBITDA calculation

	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Profit before tax	34,431	147,059	31,879	33,172	141,789	30,540
Add back:						
Financial expenses/net	16,120	68,850	14,925	10,846	46,360	9,986
Other gains and losses	(807)	(3,447)	(747)	(316)	(1,351)	(291)
Share of profit of equity-accounted investees	282	1,204	261	75	321	69
EBIT for the period	**50,026**	**213,667**	**46,318**	**43,777**	**187,118**	**40,304**
Depreciation	3,300	14,095	3,055	2,080	8,891	1,915
Amortization	453	1,953	419	574	2,453	528
EBITDA for the period	**53,779**	**229,696**	**49,793**	**46,431**	**175,577**	**38,612**

	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	51.89	221.63	48.04	48.89	184.88	40.66

	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Net cash outflows from operating activities	(40,576)	(173,305)	(37,569)	(50,163)	(214,414)	(46,183)
Net cash outflows from investing activities	(9,883)	(42,211)	(9,150)	(4,434)	(18,952)	(4,082)
Net cash outflows from financing activities	(26,639)	(113,778)	(24,665)	(6,210)	(26,544)	(5,717)
Net decrease in cash and cash equivalents	**(77,098)**	**(329,295)**	**(71,384)**	**(60,807)**	**(259,910)**	**(55,983)**
Cash at the beginning of the period	**92,352**	**394,446**	**85,507**	**150,919**	**645,081**	**138,946**
Cash at the end of the period	**15,254**	**65,152**	**14,123**	**90,112**	**385,170**	**82,963**

Balance as at 31 December 2022				Balance as at 30 June 2023		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Current assets	904,681	3,715,163	834,812	1,003,920	4,419,055	942,249
Non-current assets	73,174	300,496	67,523	59,606	262,374	55,944
Total assets	**977,855**	**4,015,659**	**902,335**	**1,063,526**	**4,681,429**	**998,194**
Liabilities	707,528	2,905,534	652,885	819,346	3,606,597	769,014
Equity	270,327	1,110,125	249,449	244,180	1,074,832	229,180

(In thousands of US$)	**Period from 1 April to 30 June 2023**			**Period from 1 April to 30 June 2022**		
	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Revenue	**674,147**	**2,817,440**	**622,556**	**516,424**	**2,264,485**	**488,232**
Cost of sales	(619,977)	(2,591,049)	(572,532)	(468,137)	(2,052,750)	(442,581)
Gross profit	**54,170**	**226,391**	**50,024**	**48,287**	**211,735**	**45,651**
Gross profit margin	*8.04%*			*9.35%*		
Selling expenses	(19,556)	(81,730)	(18,059)	(17,347)	(76,065)	(16,400)
Administrative expenses	(13,283)	(55,513)	(12,266)	(11,476)	(50,321)	(10,850)
Profit from operations	**21,331**	**89,148**	**19,699**	**19,464**	**85,348**	**18,401**
Financial expenses	(8,417)	(35,177)	(7,773)	(6,684)	(29,309)	(6,319)
Financial income	413	1,726	381	544	2,385	514
Other gains and losses	421	1,759	389	297	1,302	281
Share of loss of equity-accounted investees	(214)	(894)	(198)	(53)	(232)	(50)
Profit before taxation	**13,534**	**56,562**	**12,498**	**13,568**	**59,495**	**12,827**
Taxation	(2,289)	(9,566)	(2,114)	(2,490)	(10,918)	(2,354)
Profit after taxation	**11,245**	**46,996**	**10,384**	**11,078**	**48,576**	**10,473**
Attributable to:						
Non-controlling interests	(129)	(539)	(119)	(5)	(22)	(5)
Equity holders of the parent	**11,374**	**47,535**	**10,504**	**11,083**	**48,598**	**10,478**

EBIT and EBITDA calculation

	USD	**PLN**	**EUR**	**USD**	**PLN**	**EUR**
Profit before tax	13,534	56,562	12,498	13,569	59,499	12,828
Add back:						
Financial expenses/net	8,004	33,451	7,391	6,140	26,923	5,805
Other gains and losses	(421)	(1,759)	(389)	(297)	(1,302)	(281)
Share of loss of equity-accounted investees	214	894	198	52	228	49
EBIT for the period	**21,330**	**89,144**	**19,698**	**19,464**	**85,348**	**18,401**
Depreciation	1,706	7,130	1,575	1,049	4,600	992
Amortization	134	560	124	268	1,175	253
EBITDA for the period	**23,171**	**96,838**	**21,398**	**20,781**	**91,123**	**19,647**

	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	20.38	85.17	18.82	19.97	87.57	18.88

	USD	PLN	EUR	USD	PLN	EUR
Net cash inflows/(outflows) from operating activities	59,436	248,399	54,888	(526)	(2,306)	(497)
Net cash outflows from investing activities	(6,044)	(25,259)	(5,581)	(2,747)	(12,045)	(2,597)
Net cash (outflows)/inflows from financing activities	(31,914)	(133,377)	(29,472)	3,172	13,909	2,999
Net increase/(decrease) in cash and cash equivalents	**21,478**	**89,762**	**19,834**	**(100)**	**(438)**	**(95)**
Cash at the beginning of the period	**(6,224)**	**(26,012)**	**(5,748)**	**90,212**	**395,574**	**85,287**
Cash at the end of the period	**15,254**	**63,751**	**14,087**	**90,112**	**395,135**	**85,193**

4. Organization of ASBIS Group

The following table presents our corporate structure as of 30 June 2023:

Company	Consolidation Method
ASBISC Enterprises PLC	**Mother company**
Asbis Ukraine Limited (Kiev, Ukraine)	Full (100%)
Asbis PL Sp.z.o.o (Warsaw, Poland)	Full (100%)
Asbis Poland Sp. z o.o. (Warsaw, Poland)	Full (100%)
Asbis Romania S.R.L (Bucharest, Romania)	Full (100%)
Asbis Cr d.o.o (Zagreb, Croatia)	Full (100%)
Asbis d.o.o Beograd (Belgrade, Serbia)	Full (100%)
Asbis Hungary Commercial Limited (Budapest, Hungary)	Full (100%)
Asbis Bulgaria Limited (Sofia, Bulgaria)	Full (100%)
Asbis CZ,spol.s.r.o (Prague, Czech Republic)	Full (100%)
UAB Asbis Vilnius (Vilnius, Lithuania)	Full (100%)
Asbis Slovenia d.o.o (Trzin, Slovenia)	Full (100%)
Asbis Middle East FZE (Dubai, U.A.E)	Full (100%)
Asbis SK sp.l sr.o (Bratislava, Slovakia)	Full (100%)
ASBC F.P.U.E. (Minsk, Belarus)	Full (100%)
E.M. Euro-Mall Ltd (Limassol, Cyprus)	Full (100%)
OOO ‘Asbis’-Moscow (Moscow, Russia)	Full (100%)
Asbis Morocco Sarl (Casablanca, Morocco)	Full (100%)
Prestigio Plaza Ltd (Limassol, Cyprus)	Full (100%)
Perenio IoT spol. s.r.o. (Prague, Czech Republic)	Full (100%)
Asbis Kypros Ltd (Limassol, Cyprus)	Full (100%)
“ASBIS BALTICS” SIA (Riga, Latvia)	Full (100%)
Asbis d.o.o. (Sarajevo, Bosnia Herzegovina)	Full (90%)
ASBIS Close Joint-Stock Company (Minsk, Belarus)	Full (100%)
ASBIS Kazakhstan LLP (Almaty, Kazakhstan)	Full (100%)
Euro-Mall SRO (Bratislava, Slovakia)	Full (100%)
Asbis China Corp. (former Prestigio China Corp.) (Shenzhen, China)	Full (100%)
ASBIS DE GMBH, (Munchen, Germany)	Full (100%)

EUROMALL BULGARIA EOOD (Sofia, Bulgaria)	Full (100%)
E-Vision Production Unitary Enterprise (Minsk, Belarus)	Full (100%)
iSupport Ltd (Kiev, Ukraine) (former ASBIS SERVIC Ltd)	Full (100%)
I ON LLC (Kiev, Ukraine)	Full (100%)
ASBC MMC LLC (Baku, Azerbaijan)	Full (65.85%)
ASBC KAZAKHSTAN LLP (Almaty, Kazakhstan)	Full (100%)
Atlantech Ltd (Ras Al Khaimah, U.A.E)	Full (100%)
ASBC LLC (Tbilisi, Georgia)	Full (100%)
Real Scientists Limited (London, United Kingdom)	Full (55%)
i-Care LLC (Almaty, Kazakhstan)	Full (100%)
ASBIS IT Solutions Hungary Kft. (Budapest, Hungary)	Full (100%)
Breezy LLC (Minsk, Belarus) (former Café-Connect LLC)	Full (100%)
MakSolutions LLC (Minsk, Belarus)	Full (100%)
Breezy Kazakhstan TOO (Almaty, Kazakhstan) (former TOO “ASNEW”)	Full (100%)
Breezy LLC (Kiev, Ukraine)	Full (100%)
I.O.N. Clinical Trading Ltd (Limassol, Cyprus)	Full (70%)
R.SC. Real Scientists Cyprus Ltd (Limassol, Cyprus)	Full (85%)
ASBIS CA LLC (Tashkent, Uzbekistan)	Full (100%)
Breezy Service LLC (Kiev, Ukraine)	Full (100%)
Breezy Trade-In Ltd (Limassol, Cyprus) (former Redmond Europe Ltd)	Full (91.15%)
I.O. Clinic Latvia SIA (Riga, Latvia)	Full (100%)
SIA Joule Production (Riga, Latvia)	Full (100%)
ASBC LLC (Yerevan, Armenia)	Full (100%)
Breezy Georgia LLC (Tbilisi, Georgia)	Full (100%)
ASBC Entity OOO (Tashkent, Uzbekistan)	Full (100%)
ACEAN.PL Sp. z o.o (Warsaw, Poland)	Full (100%)
Entoliva Ltd (Limassol, Cyprus)	Full (100%)
ASBIS HELLAS SINGLE MEMBER S.A. (Athens, Greece)	Full (100%)
Prestigio Plaza Kft (Budapest, Hungary)	Full (100%)
ASBC SRL (Chisinau, Moldova)	Full (100%)
Breezy-M SRL (Chisinau, Moldova)	Full (100%)
Breezy Poland Sp. z o.o. (Warsaw, Poland)	Full (100%)
ASBIS AM LLC (Yerevan, Armenia)	Full (100%)
ASBIS Georgia LLC (Tbilisi, Georgia)	Full (100%)
ASBIS AZ LLC (Baku, Azerbaijan)	Full (100%)
ASBIS s.r.l. (Chisinau, Moldova)	Full (100%)
Asbis Africa Proprietary Limited (Johannesburg, South Africa)	Full (100%)
ASBC Morocco s.a.r.l. (Morocco, Casablanca)	Full (100%)

5. Changes in the structure of the Company

During the six months ended June 30th, 2023, there have been the following changes in the Group’s structure:

- On May 30th, 2023, the Issuer has acquired the 11.15% shares of the company Breezy Trade-In Ltd (Limassol, Cyprus) for the consideration of USD 130,000. The Issuer holds 91.15% in this subsidiary.
- On June 1st, 2023, the Issuer has acquired the 81% shares of the company Asbis Africa Proprietary Limited (Johannesburg, South Africa) for the consideration of USD 380,000. The Issuer holds 100% in this subsidiary, being equal to share capital of ZAR 1,000 (USD 50). We acquired this entity to distribute IT products.

- On June 2nd, 2023, the Issuer has acquired the 100% shares of the company ASBIS Georgia LLC (Tbilisi, Georgia). The Issuer holds 100% in this subsidiary, being equal to share capital of GEL 650,000 (USD 250,000). We acquired this entity to distribute IT products.
- On June 6th, 2023, the Issuer has acquired the 100% shares of the company ASBIS AM LLC (Yerevan, Armenia). The Issuer holds 100% in this subsidiary, being equal to share capital of AMD 400,000 (USD 1,033). We acquired this entity to distribute IT products.
- On June 16th, 2023, the Issuer has acquired the 100% shares of the company ASBIS s.r.l. (Chisinau, Moldova). The Issuer holds 100% in this subsidiary, being equal to share capital of MDL 185,800 (USD 10,419). We acquired this entity to distribute IT products.
- On June 20th, 2023, the Issuer has acquired the 100% shares of the company ASBIS AZ LLC (Baku, Azerbaijan). The Issuer holds 100% in this subsidiary, being equal to share capital of AZN 17,000 (USD 10,000). We acquired this entity to distribute IT products.
- On June 20th, 2023, the Issuer has acquired the 100% shares of the company ASBC Morocco s.a.r.l. (Morocco, Casablanca). The Issuer holds 100% in this subsidiary, being equal to share capital of MAD 10,000 (USD 1,000). We acquired this entity to distribute IT products.

6. Discussion of the difference of the Company's results and published forecasts

On April 5th, 2023, the Company announced its official financial forecast for 2023 that assumed revenues between USD 3.0 billion and 3.2 billion and net profit after tax between USD 78.0 million and US$ 82.0 million.

Having seen the results for H1 2023, we remain confident that we shall be able to deliver the announced financial forecast for this year.

7. Information on dividend payment

During the six-month period ended 30 June 2023, no dividend was paid.

On July 6th, 2023, following the resolution of the Annual General Meeting of Shareholders, a final dividend of USD 0.25 per share was paid out. The dividend date was set for June 26th, 2023.

Thus, the grant total for dividends from the Company’s 2022 profits (including the interim dividend paid in December 2022) amounted to USD 0.45 per share, making it the highest dividend in the Company’s history.

8. Shareholders possessing more than 5% of the Company's shares as of the date of the publication of the interim report.

The following table presents shareholders possessing more than 5% of the Company’s shares as of the date of publication of this report, according to our best knowledge. The information included in the table is based on the information received from the shareholders pursuant to Art. 69, sec. 1, point 2 of the Act on Public Offering, conditions governing the introduction of financial instruments to organized trading and public companies.

Name	Number of shares	% of share	Number of votes	% of votes
KS Holdings Ltd*	20,448,127	36.84%	20,448,127	36.84%
ASBISc Enterprises Plc (buy-back program)	2,000	0.004%	2,000	0.004%
Free float	35,049,873	63.15%	35,049,873	63.15%
Total	**55,500,000**	**100%**	**55,500,000**	**100%**

*Siarhei Kostevitch holds shares as the ultimate beneficial owner of KS Holdings Ltd.

Information on the disposal program of the treasury shares:

In Q2 2023, the Board of Directors decided that all treasury stock which the Company had purchased during the buy-back programs (i.e., 328,800 shares) will be offered to key, selected employees and the Provident Fund of ASBIS Group for the average price of PLN 15.0 per share. These shares have been purchased on the Warsaw Stock Exchange, on an average of PLN 13.32 per share. The agreements between the Company and employees apply a 12-month lock-up period.

Till the date of publication of this report, based on the agreements between the Company and employees, ASBIS sold almost all treasury stock, representing 0.59% of share capital and giving 328,800 votes (0.59%) at the General Meeting of Shareholders.

The last transaction will be conducted after the announcement of this report.

Besides the above-mentioned sales of the treasury shares, there were no changes in the number of shares possessed by major shareholders during the period between May 11th, 2023 (the date of the publication of the interim report for Q1 2023) and the date of this report.

9. Changes in the number of shares owned by the members of the Board of Directors

During the period between May 11th, 2023 (the date of the publication of the interim report for Q1 2023) and August 10th, 2023 (date of this report) there were the following changes in the number of shares possessed by the members of the Board of Directors:

Name	Number of shares acquired	Number of shares disposed
Marios Christou	17,700	-
Hanna Kaplan	15,000	-

All-above-mentioned changes related to the Company's program of the allocation treasury stock that Company decided to offer to the Company's key employees.

The table below presents the number of shares held by the members of the Board of Directors as of the date of this report. The information included in the table below is based on information received from members of our Management Board**:**

Name	Number of Shares	% of the share capital
Siarhei Kostevitch (directly and indirectly) *	20,448,127	36.84%
Constantinos Tziamalis	556,600	1.00%
Marios Christou	480,761	0.87%
Julia Prihodko	0	0%
Hanna Kaplan	21,000	0.04%
Maria Petridou	0	0%
Tasos A. Panteli	0	0%
Constantinos Petrides	0	0%

*Siarhei Kostevitch holds ASBIS shares as a shareholder of KS Holdings Ltd.

The members of the Board of Directors do not have any rights to the Company's shares.

10. Changes in the members of managing bodies.

During the six-month period ended June 30th, 2023, there were the following changes in the members of the Company's Board of Directors:

- on May 10th, 2023, the Company's Annual General Meeting of Shareholders has re-elected Mr. Siarhei Kostevitch and Mr. Marios Christou to the Board of Directors,

After the six-month period ended June 30th, 2023 two new Directors have been appointed to the Board of Directors, Mr. Constantinos Petrides and Mrs. Hanna Kaplan.

There were no other changes in the members of the Company's Board of Directors during the period between May 11th, 2023 (the date of the publication of the interim report for Q1 2023) and August 10th, 2023 (date of this report).

11. Significant administrative and court proceedings against the Company

Neither the Company nor any of the members of our Group are involved in any significant proceedings before a court, competent body or a body of public administration concerning payables or debt of the Company or its subsidiaries.

12. Related party transactions

During the six months ended June 30th, 2023, neither the Company nor any of the members of our Group have concluded any material related party transaction, other than with market conditions.

13. Information on guarantees granted to third parties.

The total corporate guarantees the Company has issued, as of June 30th, 2023, to support its subsidiaries' local financing, amounted to U.S.$ 158,922 The total bank guarantees and letters of credit raised by the Group (mainly to Group suppliers) as of June 30th, 2023, was U.S. $ 49,009 – as per note number 17 to the financial statements.

14. Information on changes in conditional commitments or conditional assets occurred since the end of the last fiscal year

No changes in conditional commitments or conditional assets have occurred since the end of the last fiscal year.

15. Other information important for the assessment of our personnel, economic and financial position, as well as our financial results

In the three and six month period ended June 30th, 2023, the Company's results of operations have been affected and are expected to continue to be affected by a number of factors. These factors are presented in brief below:

The ongoing war between Russia and Ukraine following the illegal invasion of Russia in Ukraine
The war between Russia and Ukraine (which were, before the war, the two major markets for ASBIS) constituted a major disruption in demand in both countries, the whole region and the globe. The war has created the most unfavorable business environment in both countries. Despite the large geographical presence of the Group, it is not possible to totally weather the impact of a full-scale war between these two countries. The Company considers the situation as critical and it is extremely difficult to assess how this will further evolve. The Company ceased any business development in Russia, following all sanctions imposed by suppliers and other international organizational bodies.

The Group being fully compliant to the directions given by the EU and its suppliers, has undertaken all necessary actions to prevent sales of sanctioned products to sanctioned entities and/or individuals.

Currency fluctuations

The Company's reporting currency is the U.S. dollar. In Q2 2023 a good portion of our revenues was denominated in U.S. dollars, while the balance is denominated in EUR, UAH, KZT, AED, PLN and other currencies, certain of which are linked to the Euro. Our trade payable balances are principally (about 80%) denominated in U.S. dollars. In addition, approximately half of our operating expenses are denominated in U.S. dollars and the other half in Euro or other currencies, certain of which are linked to the Euro.
Therefore, reported results are affected by movements in exchange rates, particularly in the exchange rate of the U.S. dollar against the Euro and other currencies of the countries in which we operate, including the Russian Ruble, the Ukrainian Hryvnia, the Czech Koruna, the Polish Zloty, the Croatian Kuna, the Kazakhstani Tenge and the Hungarian Forint.

In particular, a strengthening of the U.S. dollar against the Euro and other currencies of the countries in which we operate may result in a decrease in revenues and gross profit, as reported in U.S. dollars, and foreign exchange loss relating to trade receivables and payables, which would have a negative impact on our operating and net profit despite a positive impact on our operating expenses.
On the other hand, a devaluation of the U.S. dollar against the Euro and other currencies of the countries in which we operate may have a positive impact on our revenues and gross profit, as reported in U.S. dollars, which would have a positive impact on operating and net profit despite a negative impact on our operating expenses. In addition, foreign exchange fluctuation between the U.S. dollar and the Euro or other currencies of the countries in which we operate may result in translation gains or losses affecting foreign exchange reserve. Furthermore, a major devaluation or depreciation of any such currencies may result in a disruption in the international currency markets and may limit the ability to transfer or to convert such currencies into U.S. dollars and other currencies.

Despite all efforts of the Company, there can be no assurance that fluctuations in the exchange rates of the Euro and/or other currencies of the countries in which we operate against the U.S. dollar will not have a material adverse effect on our business, financial condition and results of operations. Therefore, careful observation of the currency environment remains a crucial factor for our success.

Competition and price pressure

The IT distribution industry is a highly competitive market, particularly with regards to products selection and quality, inventory, price, customer services and credit availability and hence is open to margin pressure from competitors and new entrants.

The Company competes at the international level with a wide variety of distributors of varying sizes, covering different product categories and geographic markets. In particular, in each of the markets in which the Company operates it faces competition from:

1. International IT and CE distributors with presence in all major markets we operate
2. Regional IT and CE distributors who cover mostly a region but are quite strong
3. Local distributors who focus mostly on a single market but are very strong
4. International IT and mobile phone brokers, who sell opportunistically in any region and/or country

Competition and price pressures from market competitors and new market entrants may lead to significant reductions in the Company's sales prices.

Such pressures may also lead to a loss of market share in certain of the Group's markets. Price pressures can have a material adverse effect on the Company's profit margins and its overall profitability, especially since its gross profit margins, like those of most of its competitors, are low and sensitive to sales price fluctuations.

Gross profit margins sustainability

The Company's business is comprised of both a traditional distribution of third-party products and own brands. This allows the Company to deliver healthier gross profit margins when conditions are favorable.
In the traditional distribution business, the Company's gross profit margins, like those of other distributors of IT products, are low and the Company expects that in the distribution arm of its business they will remain low in the foreseeable future.

Increased competition arising from industry consolidation and low demand for certain IT products may hinder the Company’s ability to maintain or improve its gross margins.
A portion of the Company’s operating expenses is relatively fixed, and planned expenditures are based in part on anticipated orders that are forecasted with limited visibility of future demand.
As a result, the Company may not be able to reduce its operating expenses as a percentage of revenue to mitigate any reductions in gross margins in the future.

To increase gross margins, the Company has dynamically developed its own brand business as this allows for higher gross profit margins.
At the end of 2022 we have added to our portfolio a new own brand namely “CRON Robotics” operating under a new business division - AROS - ASBIS Robotic Solutions. The Company is also constantly investing in the VAD business which delivers higher gross profit margins.

Inventory obsolescence and price erosion
The Company is often required to buy components and finished products according to forecasted requirements and orders of its customers and in anticipation of market demand. The market for IT finished products and components is characterized by rapid changes in technology and short product shelf life, and, consequently, inventory may rapidly become obsolete. Due to the fast pace of technological changes, the industry may sometimes face a shortage or, at other times, an oversupply of IT products.
As the Company increases the scope of its business and of inventory management for its customers, there is an increasing need to hold inventory to serve as a buffer in anticipation of the actual needs of the Company’s customers. This increases the risk of inventory becoming devalued or obsolete and could affect the Company’s profits either because prices for obsolete products tend to decline quickly, or because of the need to make provisions or even write-offs.

In an oversupply situation, other distributors may elect to proceed with price reductions to dispose of their existing inventories, forcing the Company to lower its prices to stay competitive. The Company’s ability to manage its inventory and protect its business against price erosion is critical to its success.

Several of the Company’s most significant contracts with its major suppliers contain advantageous contract terms that protect the Company against exposure to price fluctuations, defective products and stock obsolescence.

Credit risk
The Company buys components and finished products from its suppliers on its own account and resells them to its customers. The Company extends credit to some of its customers at terms ranging from 7 to 90 days or, in a few cases, to 120 days.

The Company’s payment obligations towards its suppliers under such agreements are separate and distinct from its customers' obligations to pay for their purchases, except in limited cases where the Company’s arrangements with its suppliers require the Company to resell to certain resellers or distributors. Thus, the Company is liable to pay its suppliers regardless of whether its customers pay for their respective purchases.

As the Company’s profit margin is relatively low compared to the total price of the products sold, in the event where the Company is not able to recover payments from its customers, it is exposed to financial liquidity risk. The Company has in place credit insurance which covers such an eventuality for most of its revenue.
Despite all efforts to secure our revenues, certain countries remained non-insured (Ukraine), therefore it is very important for us to ensure that we find other sources of securities which help us minimize our credit risk. The Board of Directors decided to enhance the Company’s risk management procedures.
These do not guarantee that all issues will be avoided, however, they have granted the Company with confidence that is able to weather any possible major credit issue that may arise.

Worldwide financial environment
The overall financial environment and the economic landscape of each country we operate in, always play a significant role in our performance. The revised strategy and adaptation to the new environment, i.e., by rebuilding our product portfolio, has paid off in terms of profitability and sales in the last three years.

We believe that the Company is much more flexible and better prepared to weather any obstacles that may arise due to the worldwide financial environment, however we can see that a full-scale war in our territories may bring unprecedented consequences.

In addition to the above, it has been recently noticed that multiple raw materials and finished product prices have risen dramatically, and this might significantly impact demand generation. This must be closely monitored and the Company is alerted to manage any market anomalies.

Seasonality

Traditionally the IT distribution industry in which the Company operates experiences high demand during the months prior to and leading up to the Christmas and New Year holiday period. In particular, IT distributors' demand tends to increase in the period starting from September till the end of the year.

Development of own-brand business

The Company's strategy is to focus more on profitability than on revenues, thus we continue to develop the own-brand business that allows for higher gross profit margins.

This includes the development of tablets and other product lines that are sold under Prestigio and Canyon brands in all regions of the Company's operations. The Company has also invested in another own brand, Perenio - which includes sales of smart-home, smart-security sensors and other products.
The results from Perenio brand were not the ones we expected to see; thus, we currently undertake certain corrective actions.

At the end of 2021, the Company launched two new own brands: Lorgar - a brand of ultimate accessories for gamers and AENO - a brand of smart home appliances.

In Q4 2022, the Company has launched a new own brand "CRON Robotics" operating under a new business division – AROS - ASBIS Robotic Solutions. The core business of this division is based on two major segments – the distribution of collaborative robots (cobots) from leading global brands in the sector as well as own robotic platforms under own brand.

In July 2023, ASBIS presented the first draft beer serving robotic kiosk in Limassol.

In order to keep quality under control and achieve the maximum possible gross profit margins, the Company's Directors have decided to operate under a "back-to-back scheme". This implies that orders are placed with ODMs, only if they are in advance confirmed by customers.

The Company is undertaking several quality control measures to mitigate this risk but given the volumes and many factories used to produce these products, these controls might not be sufficient. Moreover, competition has already been intensified and the Company may not be able to sustain its profitability levels.

Despite the Company's efforts, there can be no assurance of a similar development pace in the own-brand business in future periods. This is because there may be a significant change in market trends, customer preferences or technology changes that may affect the development of own-brand business and, therefore, its results.

High cost of debt

The distribution business entails a higher need for cash available to support growth. The Group has managed to raise cash from various financial institutions, however, in certain cases, the cost of this financing is expensive.
The Company has already negotiated improved terms with some of its financiers and is currently undertaking certain extra steps to further lower its cost of financing. Base rates (US Libor, Euribor, other local base rates) have recently shown a significant uptrend and this has significantly increased the Company's WACD.

Environmental and climate changes

In terms of transition risks that arise from the transition to a low-carbon and climate-resilient economy, we may face the following risks: policy and legal risks (there may be laws or policies put in place that may require a more environmentally cautious approach to raw materials and land use), technology risks (changes in technology used to produce IT equipment) – these both may lead to growing prices in terms of IT equipment and solutions.

We may also face market risk with consumers switching to more energy-efficient appliances or making more savvy purchases to limit their own impact on the environment. We will monitor these trends and introduce the latest hardware for our customers.

We may also face reputational risks with difficulties in attracting customers, business partners and employees if we do not take strong enough actions against climate changes. In terms of physical risks resulting from climate changes, we may face both acute and chronic risks.

Acute physical risks may arise from weather-related events in the form of floods, fires or droughts that may damage factories in certain regions, cause factories to limit or temporarily stop their production or disrupt our supply chain in other ways. These may result in temporary limitations in our product offering or rising prices of hardware and components. Chronic physical risks (i.e., risks that may result from long-term changes in the climate) may also affect ASBIS. Growing temperatures worldwide may cause a need for more temperature-resilient hardware and appliances and may also result in more hardware malfunctions that may increase warranty claims.

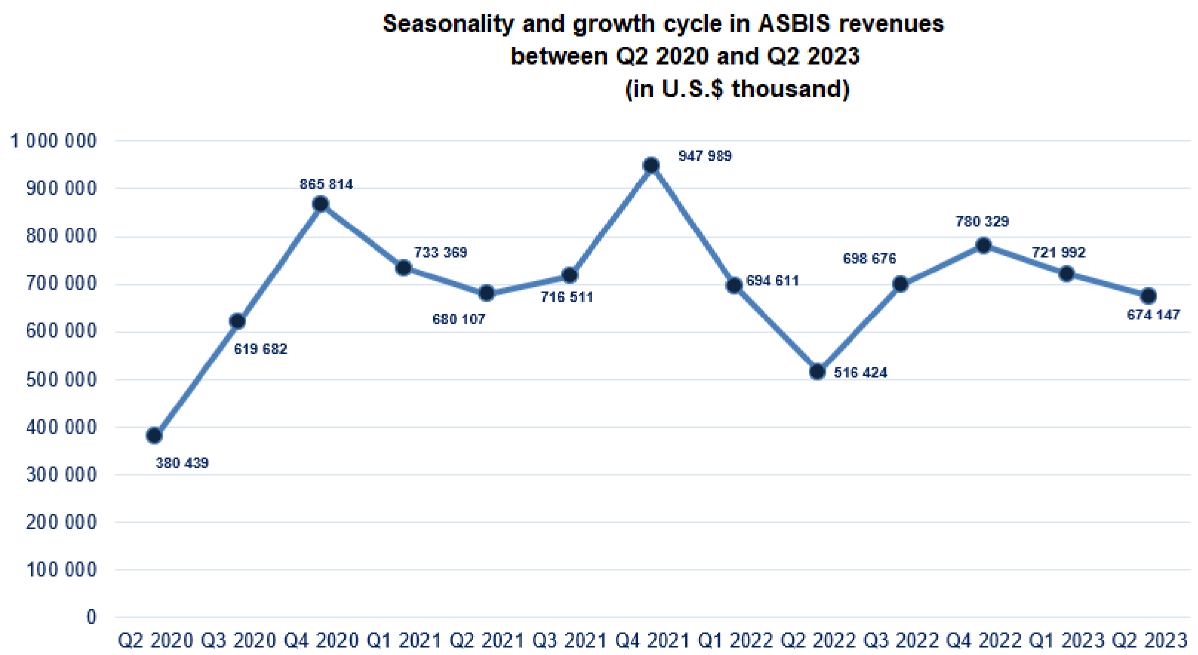
Results of Operations

Three- and six-month periods ended 30 June 2023 compared to the three- and six-month periods ended 30 June 2022

- **Revenues:**

  In Q2 2023 revenues increased by 30.5% to U.S.$ 674,147 from U.S.$ 516,424 in Q2 2022.

  In H1 2023 revenues grew by 15.3% to U.S.$ 1,396,139 from U.S.$ 1,211,035 in H1 2022.



- **Gross profit:**

  In Q2 2023 gross profit increased by 12.2% reaching U.S.$ 54,170 from U.S.$ 48,286 in Q2 2022.

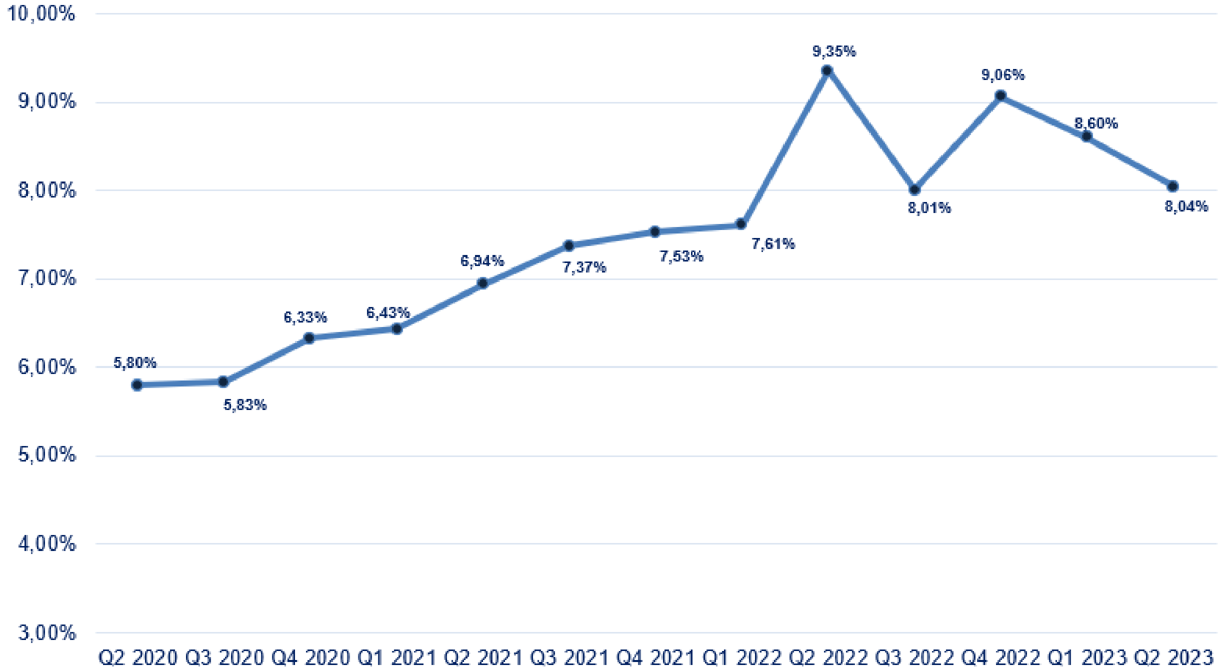
  In H1 2023 gross profit grew by 14.9% to U.S.$ 116,235 from U.S.$ 101,144 in H1 2022.

- **Gross profit margin** decreased and stabilized both in Q2 2023 and H1 2023, as compared to the corresponding periods of 2022.

  In Q2 2023 gross profit margin decreased to 8.04% as compared to extremely high 9.35% in Q2 2022.

  In H1 2023 gross profit margin slightly decreased to 8.33% from 8.35% in H1 2022.

Gross profit margin
between Q2 2020 and Q2 2023
(in U.S.$ thousand)



The decrease in the gross profit margin was expected by the Company since the gross profit margin generated in Q2 2022 was exceptionally high and non-sustainable.

- **Selling expenses** largely comprise of salaries and benefits paid to sales employees (sales, marketing and logistics departments), marketing and advertising fees, commissions, and travelling expenses. Selling expenses usually grow together (but not in-line) with growing sales and, most importantly, gross profit.

  In Q2 2023 selling expenses increased by 12.7% to U.S.$ 19,556 from U.S.$ 17,347 in Q2 2022.

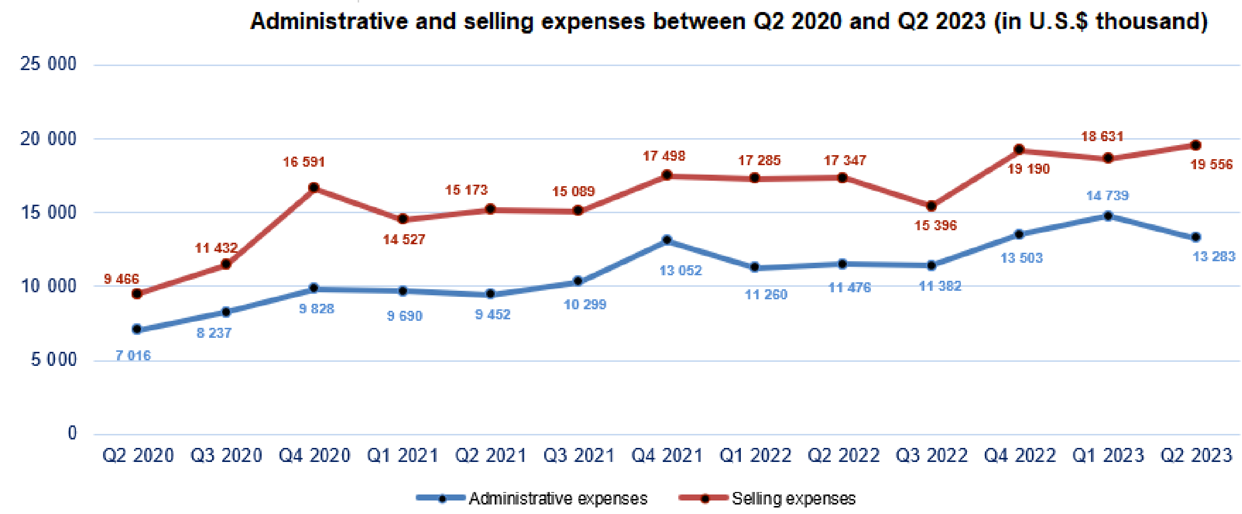
  In H1 2023 selling expenses increased by 10.3% to U.S.$ 38,187 from U.S.$ 34,632 in H1 2022.

- **Administrative expenses** largely comprise of salaries and wages of administration personnel.

  In Q2 2023 administrative expenses increased by 15.8% to U.S.$ 13,283 from U.S.$ 11,476 in Q2 2022.

  In H1 2023 administrative expenses increased by 23.3% to U.S.$ 28,023 from U.S.$ 22,735 in H1 2022.

In H1 2023 administrative expenses have included an amount of US dollars 2 million dedicated to support Ukraine.



- **EBITDA:**

  In Q2 2023 EBITDA was positive, reaching U.S.$ 23,171, as compared to U.S.$ 20,781 in Q2 2022 (an increase of 11.5%)

  In H1 2023 EBITDA increased by 15.8% to U.S.$ 53,779, as compared to U.S.$ 46,431 in H1 2022.

- **Net profit:** The Company recorded both in Q2 2023 and H1 2023 a net profit, which is considered to be remarkable for the Group given the ongoing war in Ukraine – our second largest market, still high inflation, high interest rates and weak demand.

  In Q2 2023 net profit after tax increased and reached U.S.$ 11,245, as compared to U.S.$ 11,079 in Q2 2022.

  In H1 2023 net profit after tax increased by 5.6% and reached U.S.$ 28,627 as compared to U.S.$ 27,109 in H1 2022.

Sales by regions and countries

Traditionally and throughout the Company's operations, the F.S.U. and the CEE regions contribute the most of our revenues. This has not changed in Q2 2023 and H1 2023.

In Q2 2023 and H1 2023 sales in the F.S.U. significantly increased by 37.8% and 17.9% respectively. The same positive trend we have observed in the CEE (an increase by 20.1% in Q2 2023 and 7.7% in H1 2023).

As a result of the above-mentioned facts, the contribution of certain regions – like the CEE region, in total revenues of the Company for Q2 2023 and H1 2023 has changed compared to corresponding periods of 2022. Central and Eastern Europe contribution has decreased both in Q2 2023 and H1 2023 at the expense of the growth of the F.S.U. and Western Europe. Contribution of the F.S.U. region has increased in Q2 2023 to 48.02% (from 45.50% in Q2 2022) and to 52.23% in H1 2023 (from 51.09% in H1 2022).

Middle East and Africa contribution has decreased both in Q2 2023 and H1 2023 to 15.22% (from 16.92% in Q2 2022) and 13.93% (from 14.71% in H1 2022) respectively.

Country-by-country analysis shows a continuously strong growth in Kazakhstan - our biggest market, where our sales have increased by 31.7% in Q2 2023 and 36.1% in H1 2023, compared to corresponding periods of 2022. Our business in Ukraine – the second biggest market of our operations and one directly affected by the war, due to incredible efforts of the Group, has significantly increased by 126.5% in Q2 2023 and 62.7% in H1 2023, as compared to corresponding periods of 2022.

United Arab Emirates – our third biggest market delivered revenues of USD 143.3 million in H1 2023 which represents an increase of 6.6% on year-over-year basis.

Poland generated a super strong growth both in Q2 2023 (+64.2%) and H1 2023 (+34.5%) as compared to the corresponding periods of 2022. The best-selling product categories in Poland were processors, video cards and accessories.

The tables below provide a geographical breakdown of sales for the three- and six-month periods ended June 30th, 2023, and 2022.

	Q2 2023		Q2 2022	
	U.S. $ thousand	**% Of total revenues**	**U.S. $ thousand**	**% Of total revenues**
Former Soviet Union	323,757	48.02%	234,949	45.50%
Central and Eastern Europe	180,343	26.75%	150,187	29.08%
Middle East and Africa	102,613	15.22%	87,379	16.92%
Western Europe	58,752	8.71%	35,567	6.89%
Other	8,683	1.29%	8,342	1.62%
Total	**674,147**	**100%**	**516,424**	**100%**

	H1 2023		H1 2022	
	U.S. $ thousand	**% Of total revenues**	**U.S. $ thousand**	**% Of total revenues**
Former Soviet Union	729,229	52.23%	618,720	51.09%
Central and Eastern Europe	340,317	24.38%	316,088	26.10%
Middle East and Africa	194,462	13.93%	178,101	14.71%
Western Europe	119,498	8.56%	79,105	6.53%
Other	12,633	0.90%	19,021	1.57%
Total	**1,396,139**	**100%**	**1,211,035**	**100%**

Revenue breakdown – Top 10 countries in Q2 2023 and Q2 2022 (in U.S. Dollar thousand)

	Q2 2023 Country	Sales	Q2 2022 Country	Sales
1.	Kazakhstan	146,637	Kazakhstan	111,335
2.	Ukraine	85,023	United Arab Emirates	71,656
3.	United Arab Emirates	75,834	Slovakia	56,096
4.	Slovakia	67,094	Ukraine	37,539
5.	Germany	35,113	Czech Republic	27,756
6.	Poland	27,649	Azerbaijan	20,365
7.	Czech Republic	26,806	Germany	17,215
8.	Georgia	26,120	Poland	16,842
9.	Azerbaijan	25,308	Georgia	16,656
10.	Romania	18,321	Armenia	15,002
	TOTAL	**674,147**	TOTAL	**516,424**

Revenue breakdown – Top 10 countries in H1 2023 and H1 2022 (in U.S. Dollar thousand)

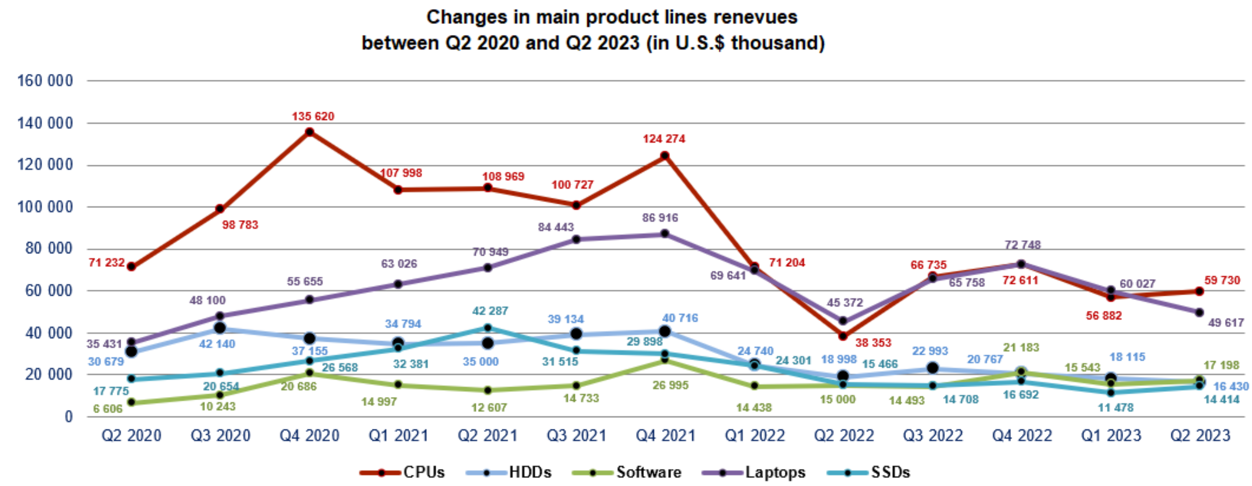
	H1 2023 Country	Sales	H1 2022 Country	Sales
1.	Kazakhstan	321,995	Kazakhstan	236,536
2.	Ukraine	187,107	United Arab Emirates	134,473
3.	United Arab Emirates	143,310	Ukraine	114,970
4.	Slovakia	119,614	Slovakia	110,786
5.	Germany	70,152	Russia	107,157
6.	Azerbaijan	60,847	Czech Republic	53,242
7.	Georgia	56,687	Belarus	47,124
8.	Poland	53,546	Poland	39,797
9.	Czech Republic	46,775	Azerbaijan	37,924
10.	Romania	33,001	Georgia	30,617
	TOTAL	**1,396,139**	TOTAL	**1,211,035**

Sales by product lines

In H1 2023 despite a difficult period relating to high inflation, ongoing full-scale war in Ukraine, deterioration in the broad IT distribution market, we managed to find opportunities, grow our business on many products and further strengthen cooperation with our leading partners. This shows that ASBIS is reliable, strong and flexible to weather difficulties that arise in our markets.

In Q2 2023 revenues from our main product lines (except HDDs and SSDs) have increased, as compared to Q2 2022.

The chart below indicates the trends in sales per product line:

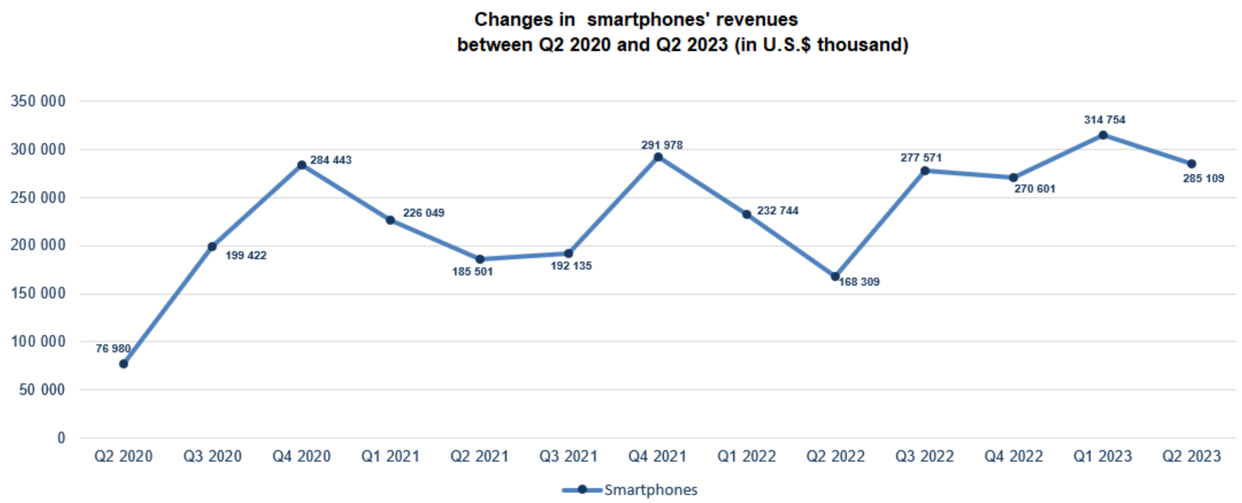


In Q2 2023 and H1 2023, sales were mainly driven by smartphones, CPUs and laptops.

Revenues from CPUs increased by 55.7% in Q2 2023 and 6.4% in H1 2023. The business of laptops increased by 9.4% in Q2 2023 but decreased by 4.7% in H1 2023. Sales from HDDs and SSDs both declined by 13.5% and 6.8% in Q2 2023 and 21.0% and 34.9% in H1 2023, on a year-on-year basis. Revenues from software increased by 14.7% in Q2 2023 and 11.2% in H1 2023, on a year-on-year basis.

From "Other" product lines, the Company has noticed a positive trend in H1 2023 in accessories (+125.0%), tablets (+33.9%) and display products (+17.3%), on a year-on-year basis.

The chart below indicates the trends in smartphones sales:



Both in Q2 2023 and H1 2023 sales of smartphones, which contribute to the majority of our revenues, significantly increased by 69.4% and 49.6%, as compared to the corrresponding periods of 2022. This was the result of high demand for a different mix of Apple iPhone models.

The table below sets a breakdown of revenues, by product lines, for Q2 2023 and Q2 2022:

	Q2 2023		Q2 2022	
	U.S. $ thousand	**% of total revenues**	**U.S. $ thousand**	**% of total revenues**
Smartphones	285,109	42.29%	168,309	32.59%
Central processing units (CPUs)	59,730	8.86%	38,353	7.43%
PC mobile (laptops)	49,617	7.36%	45,372	8.79%
Peripherals	27,555	4.09%	31,669	6.13%
Audio devices	25,356	3.76%	21,376	4.14%
Servers & server blocks	24,887	3.69%	22,207	4.30%
Smart devices	17,972	2.67%	12,876	2.49%
Software	17,198	2.55%	15,000	2.90%
Networking products	16,535	2.45%	17,972	3.48%
Hard disk drives (HDDs)	16,430	2.44%	18,998	3.68%
Multimedia	15,624	2.32%	14,478	2.80%
Display products	15,341	2.28%	14,086	2.73%
Accessories	15,263	2.26%	6,583	1.27%
Solid-state drives (SSDs)	14,414	2.14%	15,466	2.99%
PC desktop	13,780	2.04%	12,143	2.35%
Tablets	9,623	1.43%	7,835	1.52%
Consumables	7,200	1.07%	5,757	1.11%
Video cards and GPUs	6,606	0.98%	7,636	1.48%
Other	35,906	5.33%	40,304	7.80%
Total revenue	**674,147**	**100%**	**516,424**	**100%**

The table below sets a breakdown of revenues, by product lines, for H1 2023 and H1 2022:

	H1 2023		H1 2022	
	U.S. $ thousand	% of total revenues	U.S. $ thousand	% of total revenues
Smartphones	599,863	42.97%	401,054	33.12%
Central processing units (CPUs)	116,611	8.35%	109,557	9.05%
PC mobile (laptops)	109,644	7.85%	115,014	9.50%
Peripherals	60,358	4.32%	69,025	5.70%
Servers & server blocks	56,426	4.04%	57,500	4.75%
Audio devices	48,300	3.46%	48,615	4.01%
Smart devices	35,527	2.54%	32,874	2.71%
Hard disk drives (HDDs)	34,544	2.47%	43,737	3.61%
Display products	34,204	2.45%	29,166	2.41%
Networking products	34,112	2.44%	32,080	2.65%
Accessories	32,790	2.35%	14,576	1.20%
Software	32,742	2.35%	29,438	2.43%
Multimedia	31,820	2.28%	29,540	2.44%
PC desktop	27,252	1.95%	28,964	2.39%
Solid-state drives (SSDs)	25,892	1.85%	39,767	3.28%
Tablets	24,390	1.75%	18,215	1.50%
Consumables	14,282	1.02%	12,371	1.02%
Video cards and GPUs	12,510	0.90%	18,114	1.50%
Other	64,872	4.65%	81,427	6.72%
Total revenue	**1,396,139**	**100%**	**1,211,035**	**100%**

Liquidity and Capital Resources

The Company has in the past funded its liquidity requirements, including ongoing operating expenses, capital expenditures and investments, for the most part, through operating cash flows, debt financing and equity financing. Cash flow in Q2 2023 and H1 2023 has been impacted by increased working capital utilization, though Q2 2023 has shown an improvement. We do aim to generate a positive cash flow from operating activities for 2023.

The following table presents a summary of cash flows for the six months ended June 30th, 2023, and 2022:

	Six months ended June 30th	
	2023	2022
	U.S. $	
Net cash outflows from operating activities	(40,576)	(50,163)
Net cash outflows from investing activities	(9,883)	(4,434)
Net cash outflows from financing activities	(26,639)	(6,210)
Net decrease in cash and cash equivalents	**(77,098)**	**(60,807)**

Net cash outflows from operations

Net cash outflows from operations amounted to U.S. $ 40,576 for the six months ended June 30th, 2023, as compared to outflows of U.S. $ 50,163 in the corresponding period of 2022. The Company expects cash from operations to turn positive for the year 2023 and improve its cash position at year-end.

Net cash outflows from investing activities

Net cash outflows from investing activities were U.S. $ 9,883 for the six months ended June 30th, 2023, as compared to outflows of U.S. $ 4,434 in the corresponding period of 2022.

Net cash outflows from financing activities

Net cash outflows from financing activities were U.S. $ 26,639 for the six months ended June 30th, 2023, as compared to outflows of U.S.$ 6,210 for the corresponding period of 2022.

Net decrease in cash and cash equivalents

As a result of increased working capital utilization, cash and cash equivalents have decreased by US$ 77,098 as compared to decrease of US$ 60,807 in the corresponding period of 2022.

Factors which may affect our results in the future.

War between Russia and Ukraine and sanctions imposed on Russia and Belarus

The war between Russia and Ukraine (the two major markets for ASBIS before the war) is a key factor which has affected our results. Despite the large geographical presence of the Group, it would not be possible to totally weather the impact of this war. The Company is well prepared to defend its position considering its exit from Russia; however, the Company considers the situation as critical and difficult to assess as to how it will evolve. We are strictly abiding with all sanctions that the EU imposed, and we are making the utmost to support our Ukrainian colleagues and operations.

Political and economic stability in Europe and our regions and trade wars across the globe

The markets the Group operates into have traditionally shown vulnerability in the political and economic environment. The volatile economies in the F.S.U. region and certain politically driven events in all markets are considered by the management as a crucial external factor, which might adversely affect our results, in the short term.

Additionally, we currently develop more markets in our regions with new product lines and our revenues and profitability have already shown positive results. We will continue this strategy and focus more on our core regions and strengths, to maximize profits and take advantage of market changes. It is of high importance to follow all developments and swiftly adapt to any significant changes arising.

Growing inflation and interest rates and decreased purchasing power of consumers are of extreme importance and the Company is working hard to find mechanisms to overcome the obstacles currently faced.

The Group's ability to increase revenues and market share while focusing on profits.

The very well diversified geographic coverage of the Group's revenues ensures that we do mitigate the risk of lower sales in a particular country with the possibility of higher sales in a few other countries. Since the F.S.U. and CEE regions are the biggest contributors to the Company's revenues, it is very important to adapt to any market changes that might arise in these geographies. This is especially important while facing the war in Ukraine also affecting nearby countries. Therefore, we have decided to enter new markets in Africa and Western Europe and expand our product portfolio by launching ASBIS Robotic Solutions (AROS) division.

In 2023 the primary target for the Group remains unchanged, it is profitability but always with a strong cash flow.

Despite all measures undertaken by the Company, the possibility of a decrease in demand and sales in a particular country or region remains quite high. Such a situation may limit overall growth.

It is of extreme importance for the Company to best prepare its structure to offset such a situation with higher sales in other markets. This means both a constant upgrade of the product portfolio and close relations with customers to gain an increased market share from weaker competitors and weather any unforeseen issues that may appear in the future.

The Group's ability to increase gross profit margins.

The Group's ability to increase its gross profit margin is of a huge importance.

The pace of growth in gross profit margins is hard to estimate, as the margins may remain under pressure, due to enhanced competition together with lower demand in several markets we trade in. It is quite important for the Group to manage its stock levels and refine its product portfolio to achieve optimum gross profit margins.

Currency volatilities

The multi-currency environment that the Group operates in exposes its financial results to steep currency fluctuations. We have been successfully shielded by our hedging policy in Q1 2023. Therefore, the hedging strategy should be followed and further improved without any exception in the course of 2023 and going forward.

Ability of the Group to control expenses.

Selling and administrative expenses increased in H1 2023 and Q2 2023 by 15.4% and 13.9% respectively as compared to corresponding periods of 2022.

This was mostly due to investments made by the Company in the development of new business lines and geographical expansion. In H1 2023 we continued our support, assigning another USD 2 million to help Ukraine.

We consider cost control to be a significant factor towards delivering improved results going forward and it is very important that the Group is undertaking all necessary actions to scale down its expenses should there is a decrease in revenues and gross profit.

<u>Ability to further develop the Group's product portfolio, both third party and own brands</u>

Because of its size, geographical coverage and good relationship with vendors, the Company has managed to build an extensive product portfolio.

It is crucial for the Company to continue refining its product mix by adding new product lines with higher gross (and net) profit margins to boost profitability. Such additions like VAD products and Electronic Distribution (ESD) give a new stream of income with improved gross margin for the Group.

17. Information about important events that occurred after the period ended on June 30th, 2023, and before this report release

According to our best knowledge, in the period between May 11th, 2023, and August 10th, 2023, no events have occurred that could affect either the Company's operations or its financial stability.

Part II Financial Information

The financial information of ASBISc Enterprises Plc presented as a part of this report is as follows:

Report and Condensed Consolidated Interim Financial Statements
for the period ended 30 June 2023

ASBISC ENTERPRISES PLC

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

ASBISC ENTERPRISES PLC

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

CONTENTS

BOARD OF DIRECTORS REPRESENTATIONS

In accordance with the requirements of the Ordinance of the Minister of Finance dated March 29th, 2018 on current and periodical information published by issuers of securities and on the conditions of recognizing as equivalent the information required by the laws of non-EU Member States, the Board of Directors of ASBISC ENTERPRISES PLC hereby represents that:

- to its best knowledge, the semi-annual condensed consolidated financial statements and the comparative data have been prepared in accordance with the applicable accounting policies and that they give a true, fair and clear reflection of the group's financial position and its financial result, and that the semi-annual Director's Report on operations gives a true view of the group's development, achievements, and position, including description of basic risks and threats.

Limassol, August 9th, 2023

DECLARATION BY THE MEMBERS OF THE BOARD OF DIRECTORS AND THE COMPANY OFFICIALS RESPONSIBLE FOR THE DRAFTING OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(In accordance with the provisions of Law 190(I)/2007 on Transparency Requirements)

In accordance with Article 10, sections (3c) and (7), of the Transparency Requirements (Traded Securities in Regulated Markets) Law 190 (1) / 2007 we, the members of the Board of Directors and the company officials responsible for the drafting of the condensed consolidated interim financial statements of ASBISC Enterprises Plc (the "Company") and its subsidiaries (the "Group") for the six months period ended 30 June 2023, confirm to the best of our knowledge that:

a) the condensed consolidated interim financial statements for the six months period ended 30 June 2023 which are presented on pages 4 to 26:

(i) have been prepared in accordance with the International Accounting Standard 34 "Interim financial reporting" as adopted by the European Union and the provisions of subsection (4) of Article 10 of the Law, and

(ii) give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the Company, and

b) the interim management report includes a fair review of the development and performance of the information required by subsection (6) of Article 10 of the Law.

Members of the Board of Directors:

Siarhei Kostevitch
Chairman and Chief Executive Officer ....

Marios Christou
Executive Director ....

Constantinos Tziamalis
Executive Director ....

Julia Prihodko
Executive Director ....

Hanna Kaplan
Executive Director ....

Tasos A.Panteli
Non-Executive Director ....

Maria Petridou
Non-Executive Director ....

Constantinos Petrides
Non-Executive Director ....

Financial Controller

Loizos Papavassiliou ....

Limassol, 9th August 2023

INDEPENDENT AUDITORS' REPORT ON THE REVIEW OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

TO THE BOARD OF DIRECTORS OF ASBISC ENTERPRISES PLC

Introduction
We have reviewed the accompanying condensed consolidated interim financial statements of Asbisc Enterprises PLC and its subsidiaries (the "group") on pages 4 to 26 which comprise the condensed consolidated interim statement of financial position of the group as at 30 June 2023, and the condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows of the group for the six month period then ended and notes to the interim financial information (the "Condensed Consolidated Interim Financial Information"). Management is responsible for the preparation and fair presentation of this Condensed Consolidated Interim Financial Information in accordance with the International Accounting Standard 34 *"Interim Financial Reporting"*. Our responsibility is to express a conclusion on this Condensed Consolidated Interim Financial Information based on our review.

Scope of review
We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, 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 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.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial Information as at 30 June 2023 is not prepared, in all material respects, in accordance with IAS 34 *"Interim Financial Reporting".*

Certified Public Accountants and Registered Auditors
KPMG Center,
No.11, 16th June 1943 Street,
3022 Limassol,
Cyprus.

Limassol, 9th August 2023

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 30 JUNE 2023
(in thousands of US$)

	Note	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Revenue	4,24	1,396,139	1,211,035
Cost of sales		(1,279,904)	(1,109,891)
Gross profit		116,235	101,144
Selling expenses		(38,187)	(34,632)
Administrative expenses		(28,022)	(22,735)
Profit from operations		50,026	43,777
Financial income	7	1,335	1,490
Financial expenses	7	(17,455)	(12,336)
Net finance costs		(16,120)	(10,846)
Other gains and losses	5	807	316
Share of loss of equity-accounted investees	12	(282)	(75)
Profit before tax	6	34,431	33,172
Taxation	8	(5,804)	(6,063)
Profit for the period		28,627	27,109
Attributable to:			
Equity holders of the parent		28,825	27,134
Non-controlling interests		(198)	(25)
		28,627	27,109
		US$ cents	US$ cents
Earnings per share			
Basic and diluted from continuing operations		51,89	48.89

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2023

(in thousands of US$)

	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Profit for the period	28,627	27,109
Other comprehensive (loss)/profit		
Exchange difference on translating foreign operations	(2,350)	4,008
Other comprehensive (loss)/profit for the period	(2,350)	4,008
Total comprehensive income for the period	26,277	31,117
Total comprehensive income attributable to:		
Equity holders of the parent	26,486	31,164
Non-controlling interests	(209)	(47)
	26,277	31,117

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

(in thousands of US$)

	Notes	As at 30 June 2023 US$	As at 31 December 2022 US$
ASSETS			
Non-current assets			
Property, plant and equipment	9	62,965	50,313
Intangible assets	10	1,163	1,077
Investment property	11	4,374	4,404
Equity-accounted investees	12	1,358	1,640
Goodwill	28	597	372
Financial assets at fair value through other comprehensive income	30	2,376	1,515
Deferred tax assets	21	341	285
Total non-current assets		73,174	59,606
Current assets			
Inventories	13	494,168	514,804
Trade receivables	14	319,337	328,931
Other current assets	15	23,207	23,586
Derivative financial assets	26	216	413
Current taxation	8	1,512	1,588
Cash at bank and in hand	27	66,241	134,598
Total current assets		904,681	1,003,920
Total assets		977,855	1,063,526
EQUITY AND LIABILITIES			
Equity			
Share capital	16	11,100	11,100
Share premium		23,721	23,721
Retained earnings and other components of equity		235,037	208,650
Equity attributable to owners of the parent		269,858	243,471
Non-controlling interests		469	709
Total equity		270,327	244,180
Non-current liabilities			
Long-term borrowings	18	13,297	9,183
Other long-term liabilities	19	925	859
Deferred tax liabilities	21	120	120
Total non-current liabilities		14,342	10,162
Current liabilities			
Trade payables and prepayments	23	358,397	417,976
Trade payables factoring facilities		33,199	18,024
Other current liabilities	22	132,041	164,023
Short term borrowings	17	166,483	205,296
Derivative financial liabilities	25	176	263
Current taxation	8	2,890	3,602
Total current liabilities		693,186	809,184
Total liabilities		707,528	819,346
Total equity and liabilities		977,855	1,063,526

The financial statements were approved by the Board of Directors on 9th of August 2023.

………………………………	………………………………
Siarhei Kostevitch	**Marios Christou**
Director	**Director**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 June 2023

(in thousands of US$)

	Attributable to the owners of the parent							
	Share capital US$	**Share premium US$**	**Treasury stock US$**	**Translation of foreign operations US$**	**Retained earnings US$**	**Total US$**	**Non-controlling interests US$**	**Total US$**
Balance at 1 January 2022	11,100	23,721	-	(12,431)	166,520	188,910	554	189,464
Profit/(loss) for the period 1 January 2022 to 30 June 2022	-	-	-	-	27,134	27,134	(25)	27,109
Other comprehensive profit/(loss) for the period 1 January 2022 to 30 June 2022	-	-	-	4,030	-	4,030	(22)	4,008
Increase of share capital of subsidiary with minority interest	-	-	-	-	-	-	170	170
Acquisition of treasury shares	-	-	(736)	-	-	(736)	-	(736)
Payment of final dividend	-	-	-	-	(5,537)	(5,537)	-	(5,537)
Balance at 30 June 2022	11,100	23,721	(736)	(8,401)	188,117	213,801	677	214,478
Profit for the period 1 July 2022 to 31 December 2022	-	-	-	-	48,733	48,733	28	48,761
Other comprehensive (loss)/profit for the period 1 July 2022 to 31 December 2022	-	-	-	(7,769)	-	(7,769)	4	(7,765)
Payment of final dividend	-	-	-	-	(11,034)	(11,034)	-	(11,034)
Acquisition of treasury shares	-	-	(260)	-	-	(260)	-	(260)
Balance at 31 December 2022	11,100	23,721	(996)	(16,170)	225,816	243,471	709	244,180
Profit/(loss) for the period 1 January 2023 to 30 June 2023	-	-	-	-	28,825	28,825	(198)	28,627
Other comprehensive loss for the period 1 January 2023 to 30 June 2023	-	-	-	(2,339)	-	(2,339)	(11)	(2,350)
Acquisition of non-controlling interest without a change in control	-	-	-	-	(99)	(99)	(31)	(130)
Balance at 30 June 2023	11,100	23,721	(996)	(18,509)	254,542	269,858	469	270,327

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 June 2023

(in thousands of US$)

	Note	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Profit for the period before tax and minority interest		34,431	33,172
Adjustments for:			
Exchange difference arising on consolidation		(2,410)	3,512
Depreciation of property, plant and equipment and right-of-use assets	9	3,300	2,080
Amortization of intangible assets	10	453	574
Depreciation of investment property	11	30	-
(Profit)/loss from the sale of property, plant and equipment and intangible assets	5	(38)	5
Provision for bad debts and receivables written off		535	1,520
Bad debts recovered	5	(1)	(2)
Provision for slow moving and obsolete stock		2,540	1,906
Share of loss of equity-accounted investees	12	282	75
Interest received	7	(320)	(311)
Interest paid		8,798	5,013
Operating profit before working capital changes		47,600	47,544
Decrease/(increase) in inventories		18,829	(145)
Decrease in trade receivables		10,899	123,666
Decrease/(increase) in other current assets		726	(2,308)
Decrease in trade payables and prepayments		(59,918)	(133,057)
Increase/(decrease) in trade payables factoring facilities		15,176	(22,637)
(Decrease)/increase in other current liabilities		(35,819)	4,113
Increase in other non-current liabilities		66	46
Decrease in factoring creditors		(23,087)	(55,475)
Cash outflows from operations		(25,528)	(38,253)
Interest paid	7	(8,321)	(4,809)
Taxation paid, net	8	(6,727)	(7,101)
Net cash outflows from operating activities		(40,576)	(50,163)
Cash flows from investing activities			
Purchase of intangible assets	10	(536)	(211)
Purchase of property, plant and equipment		(10,848)	(4,653)
Proceeds from sale of property, plant and equipment and intangible assets		861	2
Net cash acquired from acquisition of subsidiaries		1,213	-
Payments for purchase of investments in associates		(862)	(53)
(Decrease)/increase of share capital of subsidiary with minority interest		(31)	170
Interest received	7	320	311
Net cash outflows from investing activities		(9,883)	(4,434)
Cash flows from financing activities			
Acquisition of treasury shares		-	(736)
Payment of final dividend		-	(5,537)
Repayments of long-term loans and non-current lease liabilities		(614)	(1,255)
(Repayments)/proceeds of short-term borrowings and current lease liabilities		(25,895)	1,318
Acquisition of non-controlling interest		(130)	-
Net cash outflows from financing activities		(26,639)	(6,210)
Net decrease in cash and cash equivalents		(77,098)	(60,807)
Cash and cash equivalents at beginning of the year		92,352	150,919
Cash and cash equivalents at end of the period	27	15,254	90,112

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

(in thousands of US$)

1. Incorporation and principal activities

Asbisc Enterprises Plc (the "Company or "the parent Company") was incorporated in Cyprus on 9 November 1995 with limited liability. The Group's and the Company's principal activity is the trading and distribution of computer hardware and software in a number of geographical regions as disclosed in note 23. The main shareholder of the Company is K.S. Holdings Limited, a Company incorporated in Cyprus.

The Company is listed on the Warsaw Stock Exchange since the 30th of October 2007.

2. Basis of preparation

(a) Statement of compliance

These interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all the information required for a complete set of IFRS financial statements and they should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2022. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2022.

These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on the 9th of August 2023.

(b) Use of the judgments and estimates

Preparing the interim financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

3. Significant accounting policies

The accounting policies adopted for the preparation of the condensed consolidated interim financial statements for the six months ended 30 June 2023 are consistent with those followed for the preparation of the annual consolidated financial statements for the year 2022 except for the adoption by the Group of all the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for annual periods beginning on 1 January 2023. The Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

(in thousands of US$)

4. Revenue

	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Sales of goods	1,382,038	1,197,271
Sales of licenses	10,079	10,771
Rendering of services	3,544	2,933
Sales of optional warranty	478	60
	1,396,139	1,211,035

Effect of seasonality

The Group's revenue and consequently its profitability are significantly lower during the first half of the year. The seasonality is driven by increased household expenditure during the Christmas period as well as the commencement of the academic period during the second half of the year resulting in a positive effect on demand for the Group's products.

5. Other gains and losses

	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Profit/(loss) on disposal of property, plant and equipment	38	(5)
Other income	563	243
Bad debts recovered	1	2
Rental income	205	76
	807	316

6. Profit before tax

	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Profit before tax is stated after charging:		
(a) Amortization of intangible assets (Note 10)	453	574
(b) Depreciation of property, plant and equipment and right-of-use assets (Note 9)	3,300	2,080
(c) Depreciation of investment property	30	-
(d) Auditors' remuneration	267	292
(e) Directors' remuneration – executive (Note 29)	949	906
(f) Directors' remuneration – non-executive (Note 29)	26	13

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023
(in thousands of US$)

7. Financial expense, net

	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Financial income		
Interest income	320	311
Other financial income	1,015	1, 179
	1,335	1,490
Financial expense		
Bank interest	8,321	4,809
Bank charges	2,499	2,290
Derivative charges	367	370
Factoring interest	4,501	3,391
Factoring charges	178	150
Other financial expenses	45	72
Interest on lease liabilities	477	203
Other interest	988	601
Net exchange loss	79	450
	17,455	12,336
Net	(16,120)	(10,846)

8. Tax

	As at 30 June 2023 US$	As at 31 December 2022 US$
Payable balance 1 January	2,014	3,464
Provision for the period/year	5,841	15,223
Over provision of prior periods/year	(1)	(51)
Exchange difference on retranslation	251	(221)
Amounts paid, net	(6,727)	(16,401)
Net payable balance 30 June/31 December	1,378	2,014

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023
(in thousands of US$)

8. Tax (continued)

	As at 30 June 2023 US$	**As at 31 December 2022 US$**
Tax receivable	(1,512)	(1,588)
Tax payable	2,890	3,602
Net	1,378	2,014

The consolidated taxation charge for the period consists of the following:

	For the six months ended 30 June 2023 US$	**For the six months ended 30 June 2022 US$**
Provision for the period	5,841	5,983
(Over)/under provision of prior years	(1)	52
Deferred tax (credit)/charge (Note 21)	(36)	28
Charge for the period	5,804	6,063

The taxation charge of the Group comprises corporation tax charge in Cyprus on the taxable profits of the Company and those of its subsidiaries which are subject to tax in Cyprus and corporation tax in other jurisdictions on the results of the foreign subsidiary companies.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023
(in thousands of US$)

9. Property, plant and equipment

	Land and buildings US$	Assets under construction US$	Computer hardware US$	Warehouse machinery US$	Motor vehicles US$	Furniture and fittings US$	Office equipment US$	Total US$
Cost								
At 1 January 2022	35,850	7,249	8,800	795	4,485	3,830	4,600	65,609
Additions	8,923	2,992	1,368	52	726	1,617	1,784	17,462
Disposals/write-offs	(382)	-	(2,672)	(3)	(695)	(867)	(848)	(5,467)
Transfers	4,125	(9,926)	-	-	-	-	-	(5,801)
Foreign exchange difference on retranslation	(430)	-	(258)	(1)	(77)	(330)	(211)	(1,307)
At 31 December 2022	48,086	315	7,238	843	4,439	4,250	5,325	70,496
Additions	11,160	-	1,121	225	799	1,359	1,851	16,515
Disposals/write-offs	(327)	-	(783)	(10)	(184)	(707)	(412)	(2,423)
Transfers	112	(112)	-	-	-	-	-	-
Foreign exchange difference on retranslation	259	-	26	2	14	52	91	444
At 30 June 2023	59,290	203	7,602	1,060	5,068	4,954	6,855	85,032
Accumulated depreciation								
At 1 January 2022	7,710	-	6,173	488	2,167	2,381	2,966	21,885
Charge for the year	1,999	-	811	84	734	461	465	4,554
Disposals/write-offs	(99)	-	(2,604)	(1)	(434)	(804)	(848)	(4,790)
Transfers	(1,367)	-	-	-	-	-	-	(1,367)
Foreign exchange difference on retranslation	(173)	-	108	(1)	(71)	161	(123)	(99)
At 31 December 2022	8,070	-	4,488	570	2,396	2,199	2,460	20,183
Charge for the period	1,705	-	551	50	364	251	379	3,300
Disposals/write-offs	(240)	-	(770)	(10)	(129)	(346)	(105)	(1,600)
Foreign exchange difference on retranslation	58	-	18	10	14	31	53	184
At 30 June 2023	9,593	-	4,287	620	2,645	2,135	2,787	22,067
Net book value								
At 30 June 2023	49,697	203	3,315	440	2,423	2,819	4,068	62,965
At 31 December 2022	40,016	315	2,750	273	2,043	2,051	2,865	50,313

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

(in thousands of US$)

9. Property, plant and equipment (continued)

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

	Land and buildings US$	Warehouse machinery US$	Motor vehicles US$	Total US$
Balance at 1 January 2022	8,287	26	1,099	9,412
Depreciation charge for the year	(1,625)	(6)	(400)	(2,031)
Additions to right of use assets	6,155	-	234	6,389
Derecognition of right of use assets	(36)	-	-	(36)
Foreign exchange difference on retranslation	(99)	(2)	(118)	(219)
Balance at 31 December 2022	12,682	18	815	13,515
Depreciation charge for the period	(1,418)	(3)	(198)	(1,619)
Additions to right of use assets	5,365	-	302	5,667
Foreign exchange difference on retranslation	39	1	(17)	23
Balance at 30 June 2023	16,668	16	902	17,586

The Group leases offices, warehouses and stores in various locations throughout the countries of operation. In addition, the Group leases motor vehicles for business use and employee commuting, as well as some warehouse machinery for warehouse operations.

The total cash outflows for the leases related to the above right-of-use assets were US$ 1,597 (2022: US$ 2,252).

10. Intangible assets

	Computer software US$	Patents and licenses US$	Total US$
Cost			
At 1 January 2022	11,008	1,690	12,698
Additions	335	65	400
Disposals/write-offs	(2,198)	(338)	(2,536)
Foreign exchange difference on retranslation	(37)	46	9
At 31 December 2022	9,108	1,463	10,571
Additions	99	437	536
Disposals/write-offs	(1)	(4)	(5)
Foreign exchange difference on retranslation	55	(4)	51
At 30 June 2023	9,261	1,892	11,153
Accumulated amortization			
At 1 January 2022	9,554	1,241	10,795
Charge for the year	1,050	153	1,203
Disposals/write-offs	(2,198)	(336)	(2,534)
Foreign exchange difference on retranslation	(11)	41	30
At 31 December 2022	8,395	1,099	9,494
Charge for the period	401	52	453
Disposals/write-offs	(1)	(4)	(5)
Foreign exchange difference on retranslation	50	(2)	48
At 30 June 2023	8,845	1,145	9,990
Net book value			
At 30 June 2023	416	747	1,163
At 31 December 2022	713	364	1,077

(in thousands of US$)

11. Investment Property

	Land and buildings US$
Cost	
At 1 January 2022	-
Transfer	5,801
At 31 December 2022	5,801
At 30 June 2023	5,801
Accumulated amortization	
At 1 January 2022	-
Charge for the year	30
Transfers	1,367
At 31 December 2022	1,397
Charge for the period	30
At 30 June 2023	1,427
Net book value	
At 30 June 2023	4,374
At 31 December 2022	4,404

During the year ended 31 December 2022, the Group decided to change the use of two properties from owner-occupied to investment property. The properties are leased to third parties under operating leases with rentals payable monthly.

12. Equity-accounted investees

	As at 30 June 2023 US$	**As at 31 December 2022 US$**
Cost		
At 1 January	1,843	1,790
Additions (i), (ii)	-	53
At 30 June/31 December	1,843	1,843
Accumulated share of loss from equity-accounted investees		
At 1 January	(203)	(41)
Share of loss from equity-accounted investees during the period/year	(282)	(162)
At 30 June/31 December	(485)	(203)
Carrying amount of equity-accounted investees	1,358	1,640

(i) In May 2022, the Company acquired 20% shareholding in Displayforce Global Ltd (Cyprus), for the consideration of US$ 53. The investment is accounted for as an associate.

(ii) The loan granted to associate LLC Clevetura, borne interest of 4% p.a. and has been repaid during 2022. In addition, the Group, for the period ending 30 June 2023, acquired services for the total amount of US$ 250 (2022: US$ 532) from this associate.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

(in thousands of US$)

13. Inventories

	As at 30 June 2023 US$	As at 31 December 2022 US$
Trading goods (i)	492,223	513,418
Land development (ii)	1,945	1,386
	494,168	514,804

(i) Trading goods

	As at 30 June 2023 US$	As at 31 December 2022 US$
Goods held for resale	452,292	449,733
Goods in transit	49,884	71,069
Provision for slow moving and obsolete stock	(9,953)	(7,384)
	492,223	513,418

As at 30 June 2023, inventories pledged as security for financing purposes amounted to US$ 55,992 (2022: US$ 82,547).

Movement in provision for slow moving and obsolete stock:

	For the six months ended 30 June 2023 US$	For the year ended 31 December 2022 US$
On 1 January	7,384	4,746
Provisions for the period/year	2,820	3,294
Provided stock written off	(280)	(554)
Foreign exchange difference on retranslation	29	(102)
On 30 June/31 December	9,953	7,384

(ii) Land development

	As at 30 June 2023 US$	As at 31 December 2022 US$
Land - Not under development yet	1,412	1,386
Buildings - work in progress	533	-
	1,945	1,386

During the year ended 31 December 2022, the Group acquired two plots of land in Cyprus, where a complex of houses is going to be built in the near future.

(in thousands of US$)

14. Trade receivables

	As at 30 June 2023 US$	As at 31 December 2022 US$
Trade receivables	313,373	313,503
Prepayments to trade vendors	9,762	18,759
Allowance for doubtful debts	(3,798)	(3,331)
	319,337	328,931

Movement in provision for doubtful debts:

	For the six months ended 30 June 2023 US$	For the year ended 31 December 2022 US$
On 1 January	3,331	2,379
Provisions for the period/year	715	1,269
Amount written-off as uncollectible	(179)	(240)
Bad debts recovered	(1)	(7)
Foreign exchange difference	(68)	(70)
On 30 June/31 December	3,798	3,331

As at 30 June 2023, the receivables of the Group that have been assigned as security for financing purposes amounted to US$ 63,811 (2022: US$ 80,040).

15. Other current assets

	As at 30 June 2023 US$	As at 31 December 2022 US$
VAT and other taxes refundable	12,710	16,253
Other debtors and prepayments	9,509	6,780
Deposits and advances to service providers	301	386
Employee floats	687	167
	23,207	23,586

16. Share capital

	As at 30 June 2023 US$	As at 31 December 2022 US$
Authorized		
63,000,000 (2022: 63,000,000) shares of US$ 0.20 each	12,600	12,600
Issued and fully paid		
55,500,000 (2022: 55,500,000) ordinary shares of US$ 0.20 each	11,100	11,100

(in thousands of US$)

16. Share capital (continued)

Following an extraordinary general meeting of the shareholders on 28th March 2022, a share buyback program with the following conditions was approved:

- the maximum amount of money that can be used to realize the program is US$ 1,000,000
- the maximum number of shares that can be bought within the program is 2,000,000 shares
- the program's time frame is 12 months from the resolution date
- the shares purchased within the program could be held for a maximum of two years from acquisition
- the minimum price for transaction of purchase of shares within the program is PLN 1.0 per share with the maximum price of PLN 30.0 per share

At the end of the period 30 June 2023 the Company held a total of 328,800 (2022: 328,800) shares purchased for a total consideration of US$ 996 (2022: US$ 996).

17. Short term borrowings

	As at 30 June 2023 US$	As at 31 December 2022 US$
Bank overdrafts (Note 27)	50,987	42,246
Current portion of long-term loans	109	224
Bank short-term loans	73,300	98,146
Current lease liabilities (Note 20)	2,888	2,393
Total short-term debt	127,284	143,009
Factoring creditors	39,199	62,287
	166,483	205,296

Summary of borrowings and overdraft arrangements

As at 30 June 2023 the Group had factoring facilities of US$ 184,175 (2022: US$ 199,952).

In addition, the Group as at 30 June 2023 had the following financing facilities with banks in the countries that the Company and its subsidiaries operate:

- overdraft lines of US$ 100,248 (2022: US$ 100,237)
- short-term loans/revolving facilities of US$ 137,563 (2022: US$ 133,686)
- bank guarantee and letters of credit lines of US$ 49,009 (2022: US$ 41,960)

The Group had for the period ended 30th June 2023 cash lines (overdrafts, loans and revolving facilities) and factoring lines.

The Weighted Average Cost of Debt (cash lines and factoring lines) for the period is 11.7% (2022: 10,5%).

The factoring, overdraft and revolving facilities as well as the loans granted to the Company and its subsidiaries by their bankers are secured by:

- Floating charges over all assets of the Company
- Mortgage on land and buildings that the Group owns in Cyprus, Czech Republic, Belarus, Middle East, Bulgaria, Slovakia and Ukraine
- Charge over receivables and inventories
- Corporate guarantees
- Assignment of insurance policies
- Pledged deposits of US$ 20,659 (2022: US$ 20,822).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

(in thousands of US$)

18. Long term borrowings

	As at 30 June 2023 US$	As at 31 December 2022 US$
Bank loans	801	553
Non-current lease liabilities (Note 20)	12,496	8,630
	13,297	9,183

19. Other long-term liabilities

	As at 30 June 2023 US$	As at 31 December 2022 US$
Other long-term liabilities	925	859

20. Lease liabilities

	As at 30 June 2023 US$	As at 31 December 2022 US$
Current lease liabilities (Note 17)	2,888	2,393
Non-current lease liabilities (Note 18)	12,496	8,630
	15,384	11,023

21. Deferred tax

	For the six months ended 30 June 2023 US$	For the year ended 31 December 2022 US$
Debit balance on 1 January	(165)	(127)
Deferred tax (charge)/credit for the period/year (Note 8)	(36)	4
Foreign exchange difference on retranslation	(20)	(42)
At 30 June/31 December	(221)	(165)

	As at 30 June 2023 US$	As at 31 December 2022 US$
Deferred tax assets	(341)	(285)
Deferred tax liabilities	120	120
Net deferred tax assets	(221)	(165)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

(in thousands of US$)

22. Other current liabilities

	As at 30 June 2023 US$	As at 31 December 2022 US$
Salaries payable and related costs	4,696	4,305
VAT payable	5,485	8,854
Provision for warranties	7,791	7,465
Accruals, deferred income and other provisions	78,960	107,213
Provision for marketing	26,166	30,182
Non-trade accounts payable	8,943	6,004
	132,041	164,023

23. Trade payables and prepayments

	As at 30 June 2023 US$	As at 31 December 2022 US$
Trade payables	342,354	400,283
Prepayments from customers	16,043	17.693
	358,397	417,976

24. Operating segments

1.1 Reportable segments

The Group mainly operates in a single industry segment as a distributor of IT products. The Group's operating segments are based on geographic location, and the measure of segment profit is profit from operations. The Group operates in four principal geographical areas – Former Soviet Union, Central Eastern Europe, Western Europe and Middle East & Africa.

In presenting the geographic information of capital expenditure (1.4) and depreciation and amortization (1.5), Cyprus segment has been added due to its significant value representation compared to Group's total amounts.

1.2 Segment revenues

	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Former Soviet Union	729,229	618,720
Central Eastern Europe	340,317	316,088
Middle East & Africa	194,462	178,101
Western Europe	119,498	79,105
Other	12,633	19,021
	1,396,139	1,211,035

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

(in thousands of US$)

24. Operating segments (continued)

1.3 Segment results

	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Former Soviet Union	22,708	19,159
Central Eastern Europe	15,059	13,974
Middle East & Africa	8,775	7,537
Western Europe	3,209	2,604
Other	275	503
Profit from operations	50,026	43,777
Net financial expenses	(16,120)	(10,846)
Other gains and losses	807	316
Share of loss from associates	(282)	(75)
Profit before taxation	34,431	33,172

1.4 Segment capital expenditure (CAPEX)

	As at 30 June 2023 US$	As at 31 December 2022 US$
Cyprus	28,558	27,541
Former Soviet Union	11,526	10,407
Central Eastern Europe	16,896	14,510
Middle East & Africa	11,441	3,677
Western Europe	434	3
Unallocated	244	28
	69,099	56,166

1.5 Segment depreciation and amortization

	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Cyprus	1,550	990
Former Soviet Union	1,114	794
Central Eastern Europe	960	766
Middle East & Africa	133	98
Western Europe	23	-
Other	3	6
	3,783	2,654

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

(in thousands of US$)

24. Operating segments (continued)

1.6 Segment assets

	As at 30 June 2023 US$	As at 31 December 2022 US$
Former Soviet Union	441,625	408,154
Central Eastern Europe	127,138	118,280
Western Europe	191,900	210,638
Middle East & Africa	125,781	227,291
Total	886,444	964,363
Assets allocated in capital expenditure (1.4)	69,099	56,166
Other unallocated assets	22,312	42,997
Consolidated assets	977,855	1,063,526

For the purposes of monitoring segment performance and allocating resources between segments only assets were allocated to the reportable segments. As the Group liabilities are mainly used jointly by the reportable segments, these were not allocated to each segment.

1.7 Geographical information

Since the Group's operating segments are based on geographical location and this information has been provided above (1.2-1.6) no further analysis is included.

25. Derivative financial liability

	As at 30 June 2023 US$	As at 31 December 2022 US$
Derivative financial liabilities carried at fair value through profit or loss		
Foreign currency derivative contracts	176	263

26. Derivative financial asset

	As at 30 June 2023 US$	As at 31 December 2022 US$
Derivative financial assets carried at fair value through profit or loss		
Foreign currency derivative contracts	216	413

27. Cash and cash equivalents

	As at 30 June 2023 US$	As at 31 December 2022 US$
Cash at bank and in hand	66,241	134,598
Bank overdrafts (Note 17)	(50,987)	(42,246)
	15,254	92,352

The cash at bank and in hand balance includes an amount of US$ 20,659 (2022: US$ 20,822) which represents pledged deposits against financial facilities granted and margin accounts for foreign exchange hedging.

(in thousands of US$)

28. Goodwill

1.a. Acquired assets and liabilities

The net carrying value of underlying separately identifiable assets and liabilities transferred to the Group at the date of acquisition was as follows:

	As at 30 June 2023 US$	**As at 31 December 2022 US$**
Tangible and intangible assets	1	-
Inventories	733	-
Receivables	1,839	-
Other receivables	150	-
Short-term loans	(10)	-
Payables	(340)	-
Other payables and accruals	(3,369)	-
Cash and cash equivalents	1,213	-
Net identifiable assets	**217**	**-**
Group's interest in net assets acquired	**176**	**-**
Total purchase consideration	(380)	-
Goodwill capitalized in statement of financial position	**204**	**-**

1.b. Goodwill arising on acquisitions

	As at 30 June 2023 US$	**As at 31 December 2022 US$**
At 1 January	372	595
Additions (i)	204	-
Disposals	-	(201)
Foreign exchange difference on retranslation	21	(22)
At 30 June/31 December	597	372

(i) During the period, goodwill of US$ 204 recognized from the acquisition of ASBIS Africa Proprietary Limited.

The capitalized goodwill arose from the business combinations of the following subsidiaries:

	As at 30 June 2023 US$	**As at 31 December 2022 US$**
ASBIS d.o.o. (BA)	382	372
ASBIS Africa Proprietary Limited	215	-
	597	372

(in thousands of US$)

29. Transactions and balances of key management

	For the six months ended 30 June 2023 US$	For the six months ended 30 June 2022 US$
Directors' remuneration - executive (Note 6)	949	906
Directors' remuneration - non-executive (Note 6)	26	13
	975	919

30. Financial assets at fair value through other comprehensive income

Name	Country of incorporation	Participation %	Cost US$	Impairment US$	As at 30 June 2023 US$	As at 31 December 2022 US$
Promed Bioscience Ltd	Cyprus	16%	808	-	808	808
RSL Revolutionary Labs Ltd	Cyprus	15.5%	707	-	707	707
Theramir Ltd	Cyprus	4.5%	861	-	861	-
			2,376	-	2,376	1,515

31. Business combinations

1. Incorporations and acquisitions

Incorporations and acquisitions of subsidiaries to 30 June 2023

1.1 Acquisitions of subsidiaries to 30 June 2023

During the period the Group has acquired the 81% shareholding of ASBIS Africa Proprietary Limited and the 100% share capital of ASBIS AM LLC, ASBIS Georgia LLC, ASBIS AZ LLC, ASBIS s.r.l. and ASBC Morocco. Also, the Group has acquired additional 11.15% shareholding of Breezy Trade-In Ltd.

Name of entity	Type of operations	Date acquired	% acquired	% owned
Breezy Trade-In Ltd (Cyprus)	Information Technology	30 May 2023	11.15%	91.15%
ASBIS Africa Proprietary Limited (South Africa)	Information Technology	01 June 2023	81%	100%
ASBIS Georgia LLC (Georgia)	Information Technology	02 June 2023	100%	100%
ASBIS AM LLC (Armenia)	Information Technology	06 June 2023	100%	100%
ASBIS s.r.l. (Moldova)	Information Technology	16 June 2023	100%	100%
ASBIS AZ LLC (Azerbaijan)	Information Technology	20 June 2023	100%	100%
ASBC Morocco (Morocco)	Information Technology	20 June 2023	100%	100%

(in thousands of US$)

31. Business combinations (continued)

Incorporations and acquisitions of subsidiaries to 31 December 2022

During the year the Group has incorporated the following subsidiaries:

Name of entity	Type of operations	Date acquired/ incorporated	% acquired/ incorporated	% owned
ACEAN.PL Sp. z.o.o (Poland)	Information Technology	12 April 2022	100%	100%
Entoliva Ltd (Cyprus)	Land Development	8 August 2022	100%	100%
ASBC SRL (Moldova)	Information Technology	8 November 2022	100%	100%
Breezy Poland (Poland)	Information Technology	18 November 2022	100%	100%
ASBIS Hellas Single Member S.A. (Greece)	Information Technology	18 November 2022	100%	100%
Prestigio Plaza Kft. (Hungary)	Information Technology	24 November 2022	100%	100%
Breezy-M SRL (Moldova)	Information Technology	8 December 2022	100%	100%

2. Liquidations and disposals

Liquidations and disposals of subsidiaries to 30 June 2023

During the period the Group had no liquidations nor disposals of subsidiaries.

Liquidations and disposals of subsidiaries to 31 December 2022

During the year, the following subsidiaries have been liquidated and disposed of and gain of US$ 1 arose on the event.

Name of disposed entity	Type of operations	Date liquidated	% liquidated
Private Educational Institution "Center of excellence in Education for executives and specialists in Information Technology (Belarus)	Information Technology	19 May 2022	100%

Name of disposed entity	Type of operations	Date disposed	% sold
LLC Must (Russia)	Information Technology	29 July 2022	100%

32. Commitments and contingencies

As at 30 June 2023 the Group was committed in respect of purchases of inventories of a total cost value of US$ 29,312 (2022: US$ 32,603) which were in transit at 30 June 2023 and delivered in July 2023. Such inventories and the corresponding liability towards the suppliers have not been included in these financial statements since, according to the terms of purchase, title of the goods has not passed to the Group at the period end.

As at 30 June 2023 the Group was contingently liable to banks in respect of bank guarantees and letters of credit lines of US$ 49,009 (2022: US$ 41,960) (note 17) which the Group has extended to its suppliers and other counterparties.

As at the 30th of June 2023 the Group had no other capital or legal commitments and contingencies.

33. Fair values

Financial instruments comprise financial assets and financial liabilities. Financial assets mainly consist of bank balances, receivables, investments and financial assets at fair value through other comprehensive income. Financial liabilities mainly consist of trade payables, factoring balances, bank overdrafts and loans. The Directors consider that the carrying amount of the Group's financial instruments approximate their fair value at the reporting date. Financial assets and financial liabilities carried at fair value through profit or loss represent foreign currency derivative contracts categorized as a Level 2 (inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).