Sandpiper Digital Payments AG

Interim Financial Statements

as per 30 June 2023

SANDPIPER
DIGITAL PAYMENTS

Financial review

Environment

Sandpiper Digital Payments AG ("Group", "SDP" or "SANDPIPER"), www.sandpiper.ch, is a stock-listed technology holding company based in St. Gallen, Switzerland. SANDPIPER is focused on the consolidation of the fragmented payment landscape in Europe in the area of digital payments, software engineering and security technologies. Sandpiper Digital Payments AG's shares are listed on Berne Stock Exchange (BX Swiss).

SANDPIPER offers forward thinking IT-solutions. SDP focuses on:

- Software engineering
- Security consulting
- Security products

SANDPIPER's security consulting covers the identification, assessment and remediation of corporate IT risks, weaknesses and vulnerabilities. Further SANDPIPER resells and integrates own products as well as security solutions of established vendors.

Business year

Ergonomic AG achieved revenues of EUR 1.7 million which is 12.8% below prior year. Security Product and Consulting developed well and revenues increased to over EUR 0.5 million (+EUR 0.2 million). Software engineering decreased by overall EUR 0.3 million, especially in the export market.

In a challenging environment, Ergonomics profitability remained at prior year level. Holding costs could be reduced by almost EUR 0.1 million which led to the improved result of a net loss of EUR 0.2 million.

The balance sheet total of SANDPIPER Group is further reduced from EUR 4.1 million to EUR 2.4 million. The reduction mainly results from the payment of trade payables (EUR 1.3 million) and the loss of EUR 0.2 million.

Key figures:

EUR	30.06.2023	31.12.2022	Change
Total assets	2'449'023	4'107'955	-40.4%
Shareholders equity attributable to SDPN shareholder	-395'674	-171'642	-130.5%
Shares outstanding	208'325'028	208'325'028	0.0%
NAV per share	0.00	0.00	-130.5%

EUR	01.01.2023 30.06.2023	01.01.2022 30.06.2022	Change
Operating income	1'720'207	1'973'538	-12.8%
Earnings before interests and taxes (EBIT)	-215'466	-330'340	34.8%
Earnings before interests, taxes, depreciation and amortization (EBITDA)	-86'469	-143'778	39.9%
Net result attributable to SDPN shareholder	-220'211	-334'079	34.1%
Basic earnings per share	0.00	0.00	
Diluted earnings per share	0.00	0.00	

Shareholders' equity attributable to SDPN shareholder decreased due to the current period loss to EUR -0.4 million.

The number of shares issued is unchanged 211'695'028. The treasury shares reduce the shares outstanding to 208'325'028.

Outlook

For Ergonomics AG's operating business, management expects slightly declining sales of c. EUR 4.6 million for 2023. The contribution from Software Engineering is expected to continue to be the main sales and margin contributor. The management has participated in tenders from various companies in- and outside Switzerland which are still open. Management expects personnel and operating costs to remain at the same level as in 2022.

Sandpiper still has a receivable in an estimated amount of EUR 0.1 million from the insolvency proceeding of the Payment Solutions Group. The amount of this claim cannot be stated exactly, as the insolvency proceedings have not yet been completed. However, it is expected that the insolvency proceedings will be terminated in 2024 and that the final receivable will be received by the Company in part accordingly.

The company is still trying to initiate a transaction similar to the negotiations from the previous year. In this context, Sandpiper is in discussions with investment companies that are interested in a cooperation with Sandpiper. Such a cooperation is still being sought in 2023.

Consolidated balance sheet of Sandpiper Digital Payments AG

Assets

EUR	30.06.2023	31.12.2022	Change
Cash and cash equivalents	803’789	1’399’323	-42.6%
Trade receivables	675’898	1’411’190	-52.1%
Other short term receivables	105’123	108’410	-3.0%
Inventories	1	194’256	-100.0%
Prepayments and accrued income	31’027	35’661	-13.0%
Total current assets	**1’615’837**	**3’148’840**	**-48.7%**
Property, plant and equipment	103’844	112’823	-8.0%
Financial assets	410’395	410’773	-0.1%
Intangible assets	273’859	384’829	-28.8%
Other non-current assets	45’088	50’691	-11.1%
Total non-current assets	**833’186**	**959’115**	**-13.1%**
TOTAL ASSETS	**2’449’023**	**4’107’955**	**-40.4%**

Equity and liabilities

EUR	Notes	30.06.2023	31.12.2022	Change
Financial debts		84’410	84’644	-0.3%
Trade payables		155’916	1’416’686	-89.0%
Other liabilities		108’005	232’985	-53.6%
Provisions		112’889	227’987	-50.5%
Accrued expenses		551’826	602’568	-8.4%
Total current liabilities		1’013’046	2’564’872	-60.5%
Financial debts		1’831’651	1’714’725	6.8%
Total non-current liabilities		1’831’651	1’714’725	6.8%
Total liabilities		**2’844’697**	**4’279’596**	**-33.5%**
Share capital		1’661’554	1’661’554	0.0%
Capital reserves		-169’479	-167’138	-1.4%
Treasury shares		-448’731	-448’731	0.0%
Retained earnings and translation differences		-1’218’807	-968’308	-25.9%
Net result		-220’211	-249’019	11.6%
Total equity		**-395’674**	**-171’642**	**-130.5%**
Total equity and liabilities		**2’449’023**	**4’107’955**	**-40.4%**

Consolidated income statement of Sandpiper Digital Payments AG

EUR	Notes	01.01.2023 30.06.2023	01.01.2022 30.06.2022	Change
Net Revenue		1’720’207	1’967’107	-12.6%
Other operating income		0	6’431	-100.0%
Total operating income		1’720’207	1’973’538	-12.8%
Change in inventories		-193’968	34’453	-663.0%
Material expenses		-111’311	-374’971	70.3%
Personnel expense		-1’076’268	-1’275’935	15.6%
Depreciation and impairment on tangible assets		-19’002	-24’052	21.0%
Amortization and impairment of intangible assets		-109’995	-162’510	32.3%
Other operating expenses		-425’292	-495’900	14.2%
Total operating expenses		-1’935’837	-2’298’914	15.8%
Operating result		**-215’630**	**-325’377**	**33.7%**
Financial expense		-7’448	-18’278	59.2%
Financial income		4’430	16’050	-72.4%
Financial result		-3’018	-2’228	-35.4%
Ordinary result		**-218’648**	**-327’605**	**33.3%**
Non-operating income		164	0	100.0%
Non-operating expense		0	-4’963	100.0%
Non-operating result		164	-4’963	103.3%
Profit before taxes		**-218’484**	**-332’568**	**34.3%**
Income taxes		-1’727	-1’511	-14.3%
Net result		**-220’211**	**-334’079**	**34.1%**
Attributable to:				
Shareholders of Sandpiper Digital Payments AG		-220’211	-334’079	34.1%
Non-controlling interests		0	0	0.0%
Earnings per share (EPS) – expressed in EUR per share:				
Basic earnings per share		0.00	0.00	
Diluted earnings per share		0.00	0.00	
Shares outstanding as per 30 June		208'325'028	208'325'028	

Consolidated statement of cash flows of Sandpiper Digital Payments AG

EUR	Notes	01.01.2023 30.06.2023	01.01.2022 30.06.2022	Change
Net result		-220'211	-334'079	34.1%
Depreciation and amortization of non-current assets		128'998	186'562	-30.9%
Non-cash income		8'857	-150'139	105.9%
Share-based compensation		-2'341	-1'104	-112.1%
Changes in provisions		-115'099	-2'483	-4534.6%
Changes in trade receivables		735'292	430'175	70.9%
Changes in inventories		194'255	-31'006	726.5%
Changes in other receivables and and accrued income		7'922	3'225	145.6%
Changes in trade payables		-1'260'770	-795'002	-58.6%
Changes in other liabilities and accrued expenses		-175'722	15'692	-1219.9%
Cash flows from operating activities		-698'820	-678'161	-3.0%
Investments in property, plant and equipment		-10'329	0	100.0%
Investments in intangible assets		0	-110'545	100.0%
Cash flow from investing activities		-10'329	-110'545	90.7%
Repayment of financial debts		-41'678	-271'040	84.6%
Borrowing of current financial debts		155'493	193'477	-19.6%
Cash flow from financing activities		113'815	-77'563	246.7%
Net impact of foreign exchange rate differences on cash		-200	7'121	-102.8%
Change in cash and cash equivalents		**-595'534**	**-859'148**	**30.7%**
Verification:				
At beginning of year		1'399'323	1'248'359	12.1%
At end of year		803'789	389'211	106.5%
Change in cash and cash equivalents		**-595'534**	**-859'148**	**30.7%**

Consolidated statement of changes in equity of Sandpiper Digital Payments AG

EUR	Share capital	Capital reserves	Treasury shares	Retained earnings	Total equity
Balance at 31.12.2021	1'661'554	-171'323	-448'731	-983'314	58'186
Net income	0	0	0	-334'079	-334'079
Share-based compensation	0	-1'104	0	0	-1'104
Currency translation	0	0	0	-1'381	-1'381
Balance at 30.06.2022	1'661'554	-172'427	-448'731	-1'318'774	-278'378
Net income	0	0	0	85'060	85'060
Share-based compensation	0	5'289	0	0	5'289
Currency translation	0	0	0	16'387	16'387
Balance at 31.12.2022	1'661'554	-167'138	-448'731	-1'217'327	-171'642
Net income	0	0	0	-220'211	-220'211
Share-based compensation	0	-2'341	0	0	-2'341
Currency translation	0	0	0	-1'480	-1'480
Balance at 30.06.2023	1'661'554	-169'479	-448'731	-1'439'018	-395'674

Share capital of Sandpiper Digital Payments AG consists of 211'695'028 registered shares with a nominal value of CHF 0.01 (prior year CHF 0.01) each.

There are no non-distributable, statutory or legal reserves (prior year EUR 0).

The shareholders decided on the shareholders' meeting on 25 June 2021 to extend the deadline for an authorized capital increase by two years. The authorized capital expired on 25 June 2023.

The conditional capital remains unchanged:		
Conditional capital increase, maximum	CHF	344'006
thereof used	CHF	0

Notes to the consolidated interim financial statements of Sandpiper Digital Payments AG as per 30 June 2023

Summary of significant accounting policies

Basis of preparation

The financial statements provide a true and fair view of the assets, financial position and earnings of Sandpiper Digital Payments AG's and its subsidiaries ("Group" or "SANDPIPER") and have been prepared in accordance with all of the existing guidelines of the accounting and reporting recommendations of Swiss GAAP FER 31. Swiss GAAP FER 31 permits condensations in presentation and disclosure compared to an annual financial statement.

The interim financial statements of the Group are based upon the financial statements of the Group companies as at 30 June and are established in accordance with the standardized reporting and accounting policies. The financial statements are based on the principle of historical acquisition costs (except for securities and derivative financial instruments recognized at fair value) and on the going concern principle. The statements are presented in Euro (EUR).

Consolidation policies

The Group includes all companies that are directly or indirectly controlled by Sandpiper Digital Payments AG. In this respect, control is defined as the power to control the financial and operating activities of the respective company, so as to obtain benefits from its operations. This control is normally evidenced by the holding of more than half of the voting rights of the share capital of an entity. Group companies are consolidated from the date on which control is transferred to the Group. Subsidiaries intended for disposal are excluded from the consolidation from the date on which control ceases.

Companies acquired over the course of the year are revalued and consolidated in accordance with Group principles upon the date of acquisition. The difference between the acquisition costs and the proportional revalued net assets is referred to as goodwill. Within the scope of acquisitions, potentially existing but until now not capitalized intangible assets such as brands, usage rights and client lists are not recognized separately, but instead remain part of goodwill. Goodwill may also arise from investments in associated companies and is defined as the difference between the acquisition costs of the investment and its proportional revalued net assets. The goodwill resulting from acquisitions is recognized directly in the Group's equity. The notes to the financial statements disclose the effects that a theoretical capitalization and amortization of the acquired goodwill would have.

In the event that shares of the Group companies or associated companies are sold, the difference between the proceeds from the sale and the proportional book value, including historical goodwill, is recognized as a gain or loss in the income statement. Non-controlling interests in equity and in net income are disclosed separately in the consolidated balance sheet and the consolidated income statement. Changes in ownership interests in subsidiaries are recognized as equity transactions, provided that control continues. Intercompany transactions, balances and unrealized gains and losses from transactions between group companies are eliminated in full.

Associates are all companies on which the Group exerts significant influence, but does not control. This is generally evidenced when the Group holds voting rights of 20% to 50% of a company. Representation on the board of directors or access to the current financial information of a company are also indicators of significant influence. Investments in associated companies are accounted for using the equity method and are initially recognized at cost. Unrealized gains and losses from transactions with associated companies are eliminated to the extent of the Group's participation in the associated company. The accounting policies of associated companies are adjusted where necessary in order to ensure consistency with the policies observed by the Group.

Proportionate consolidation is applied for participations in joint ventures.

Participations in companies where the Group has no significant influence nor control are carried at costs less impairment, if needed.

Foreign currency translation

The financial statements of the Group are presented in the reporting currency of Euro (EUR). The financial statements of the individual companies to be consolidated are translated into the Group's currency at the effective date with the current rate method. This currency translation is carried out

- for the assets and liabilities at the year-end exchange rates,
- for equity at historical exchange rates,
- and for the income statement and statement of cash flows at average annual exchange rates.
- Any translation differences are recognized in equity without affecting the income statement.

In the event that a foreign entity is sold, the cumulative translation differences recognized in equity, which are a result of the translation of the financial statements and intercompany loans, are reversed from the equity and reported in the income statement as part of the gain or loss on the sale.

Rounding differences

The tables disclosed in these financial statements may contain rounding differences.

Accounting principles

The financial statements are based on the principle of historical acquisition costs. The following accounting policies were applied for the assets and liabilities included in the consolidated financial statements.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise petty cash, cash at banks and short-term deposits with an original maturity of three months or less. They are recorded at their nominal value.

Marketable securities

Purchases and sales of securities are recognized in accordance with the settlement date principle. The securities are initially measured at cost, and the transaction costs are charged to the income statement. Subsequently, the listed securities are recorded in the balance sheet at market value on the balance sheet date. All realized and unrealized gains and losses resulting from variations in market values and foreign currencies are recorded in the income statement.

Trade receivables

Trade receivables are recognized and carried at the original net invoice amount less an allowance for any specifically impaired receivables. Provision is made for balances overdue more than 12 months or for receivables where specific risks have been identified. Bad debts are written off when there is objective evidence that the Group will not be able to collect the receivables.

Other receivables

Other receivables are recognized and carried at nominal value less an allowance for any specifically impaired receivables.

Inventories

Inventories are valued at the lower of cost or net realizable value. Any discounts received are treated as cost reductions. Manufacturing costs comprise all costs directly attributable to material and production, as well as overhead costs incurred in building up the inventory at its current location and/or to its current condition. Acquisition costs are determined according to the weighted average method. Inventories with unsatisfactory inventory turnover are revalued accordingly.

Property, plant and equipment

Property, plant and equipment are recorded in the balance sheet at historical cost less accumulated depreciation and any impairments. Acquisition costs comprise the purchase price as well as the costs directly attributable to the utilization of the property, plant and equipment. Investments in existing property, plant and equipment are only capitalized if their value in use is sustainably increased or their useful life is extended considerably. Self-constructed assets are only capitalized if they are clearly identifiable and the costs can be reliably determined, and if the assets generate measurable benefits for the Group over a period of several years. Maintenance and repair costs that do not add value are charged directly to the result for the period.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, as follows:

- Land — no depreciation
- Buildings — 30-35 years
- Technical equipment, machines — 8–12 years

Other fixed assets:

- Furniture — 3-5 years
- IT equipment — 3-5 years
- Vehicles — 3-5 years

The Group does not capitalize any interest expenses incurred during the construction period.

Financial assets

Non-current financial loans to associates or third parties are recorded at historical costs less allowance for any specifically impaired loan. Investments in associated companies are accounted for using the equity method. Participations in companies where the Group does not have significant influence are carried at costs less impairment, if needed.

Derivative financial instruments

Derivative financial instruments are used for hedging risks from fluctuations in interest rates or foreign exchange rates. The valuation of derivative financial instruments is according the same principles like the hedged items. Derivatives without hedging purpose are carried at fair market value.

Intangible assets

Intangible assets comprise acquired licenses, capitalized development cost and trademarks. Intangible assets are recorded in the balance sheet at historical cost less accumulated amortization and any impairment. They are amortized on straight-line basis over their useful life (max. 6 years).

Internally generated intangible assets are capitalized if all the following criteria are met:

- The self-generated intangible asset must be separately identifiable and is controlled by the Group.
- It is probable that the expected future economic benefits that are attributable to the asset will flow to the Group.
- The cost of the asset can be measured reliably.

Goodwill

The difference between the acquisition costs and the actual value of the net identifiable assets of the acquired company at the time of the purchase represents goodwill from business combinations. The goodwill resulting from acquisitions is recognized in Group equity at the time of the acquisition. The Notes to the financial statements disclose the effects that a theoretical capitalization and amortization of the goodwill would have. Goodwill may also arise from investments in associated companies, calculated as the difference between the acquisition costs of the investment and its proportional revalued net assets.

In the case of a sale of a company, an acquired goodwill previously offset against equity must be recognized at its original cost in order to determine the gain or loss recognized in profit or loss.

Impairment of assets
The recoverable value of non-current assets (including goodwill recognized in equity) is verified on every balance sheet date. If there are indications of a sustained impairment, the recoverable amount of the respective assets will be determined. The recoverable amount is the higher of the net selling price and value in use. If the recoverable amount of an individual asset cannot be determined, the Group estimates the recoverable amount of the smallest group of assets to which the individual asset belongs. If the book value of an asset exceeds the recoverable amount, an impairment loss is recognized separately in the income statement. As the goodwill is already recognized in equity at the time at which it was acquired, a goodwill impairment would not result in a charge being recorded in the income statement but leads to a disclosure in the Notes to the financial statements. In the event that a Group company is sold, any goodwill acquired at an earlier point in time and recognized in equity is taken into consideration when determining the gain or loss in the income statement.

Liabilities
Liabilities are recognized at nominal values.

Provisions
Provisions are recognized:

- when the Group has a present legal or constructive obligation as a result of past events
- when it is probable that an outflow of resources will be required to settle the obligation, and
- when a reliable estimate of the amount of the obligation can be made.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate receivable, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted, using a current discount rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision in function of time is recognized as interest expense.

Taxes
The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity. In this case, the tax is also recognized directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date.

Deferred tax is recognized in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax regulations and rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply.

Deferred tax assets are recognized for all deductible temporary differences and tax credits to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax is recognized on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is not intended that the temporary difference will reverse in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Pension obligations

Group companies participate in various pension schemes, which conform to the legal regulations and provisions in force in the respective countries. The actual economic effects of pension schemes on the Group are calculated at balance sheet date. An economic obligation is recognized as a liability if the requirements for the recognition of a provision are met. An economic benefit is capitalized provided that this can be used for future Group pension expenses. Freely available employer contribution reserves are capitalized.

Employees of the Swiss group companies are insured as part of the Swisscanto Sammelstiftung, which is a separate legal entity and is financed by contributions from both employers and employees. Surpluses or deficits are calculated based on the Pension Fund's financial statements, which have been drawn up in accordance with Swiss GAAP FER 26. The Group's pension costs include the employer contributions accrued in the period as well as any economic effects from the excess/shortfall and the change in employer contribution reserves.

There are subsidiaries outside Switzerland which participate in pension schemes. These funds are treated in the same way as the Swiss plan in terms of accounting, i.e. paid contributions as well as any effects from the excess/shortfall are recorded as expenses. In some countries, there are also pension plans that do not have own assets, whereby the corresponding benefit provisions are recognized directly in the balance sheet and any changes are recognized in the income statement.

Treasury shares

Own equity instruments that are reacquired (treasury shares) are deducted from equity. No gain or loss is recognized in the income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments. In the event of a resale at a later point in time, a gain or loss is recognized as an addition to or reduction of capital reserves.

Annotations to the consolidated financial statements

1. Business combinations and disposals

During the first half year 2023 there were neither business combinations nor any disposals.

2. Financial assets

EUR	30.06.2023	31.12.2022	Change
Other non-current financial receivables from third parties	410’395	410’773	-0.1%
Total	410’395	410’773	-0.1%

Other non-current financial receivables from third parties contain the positive fair value of derivatives of KEUR 309 (prior year: KEUR 309) and deposits of KEUR 101 (prior year: KEUR 101).

3. Property, plant and equipment

EUR	Land and buildings	Technical equipment and machinery	Other fixed assets	Total
Historical cost 31.12.2021 / 1.1.2022	351’051	365’513	-43’914	672’650
Translation differences	17’226	17’814	0	35’040
Historical cost 31.12.2022	368’277	383’328	-43’914	707’691
Additions	0	10’329	0	10’329
Translation differences	-1’088	-1’125	0	-2’213
Historical cost 30.06.2023	367’189	392’531	-43’914	715’806
Accumulated depreciation 31.12.2021 / 1.1.2022	-263’931	-299’593	43’914	-519’609
Annual depreciation	-17’915	-28’863	0	-46’778
Translation differences	-13’315	-15’165	0	-28’480
Accumulated depreciation 31.12.2022	-295’161	-343’621	43’914	-594’868
Annual depreciation	-9’126	-9’876	0	-19’002
Translation differences	885	1’022	0	1’908
Accumulated depreciation 30.06.2023	-303’402	-352’475	43’914	-611’962
Net book value 31.12.2021	87’120	65’921	0	153’041
Net book value 31.12.2022	73’116	39’707	0	112’823
Net book value 30.06.2023	63’787	40’056	0	103’844

4. Intangible Assets

EUR	Licenses	Development Costs	Total
Historical cost 31.12.2021 / 1.1.2022	0	2’815’713	2’815’713
Additions	0	114’360	114’360
Translation differences	0	139’159	139’159
Historical cost 31.12.2022	0	3’069’231	3’069’231
Translation differences	0	-8’987	-8’987
Historical cost 30.06.2023	0	3’060’244	3’060’244
Accumulated amortization 31.12.2021 / 1.1.2022	0	-2’233’094	-2’233’094
Annual amortization	0	-336’236	-336’236
Translation differences	0	-115’072	-115’072
Accumulated amortization 31.12.2022	0	-2’684’403	-2’684’403
Annual amortization	0	-109’995	-109’995
Translation differences	0	8’013	8’013
Accumulated amortization 30.06.2023	0	-2’786’385	-2’786’385
Net book value 31.12.2021	0	582’619	582’619
Net book value 31.12.2022	0	384’829	384’829
Net book value 30.06.2023	0	273’859	273’859

The goodwill resulting from acquisitions is recognized directly in the Group’s equity. The notes to the financial statements disclose the effects that a theoretical capitalization and amortization of the acquired goodwill would have (see note 5).

5. Goodwill accounting

Goodwill is recognized in equity at the time of purchase of a subsidiary or an investment in an associated company. The theoretical capitalization of goodwill, based on a useful life up to 5 years, would have the following impact:

Balance sheet in EUR	30.06.2023	31.12.2022
Reported equity including minority shareholders	-395'674	-171'642
Equity financing	n/a	n/a
Historical cost goodwill		
At the beginning of the financial year	2'827'493	2'827'493
Disposals (recycled in equity)	0	0
At the end of the financial year	2'827'493	2'827'493
Accumulated amortization		
At the beginning of the financial year	2'827'493	2'827'493
Additions	0	0
Disposals	0	0
At the end of the financial year	2'827'493	2'827'493
Theoretical net book value of goodwill	0	0
Theoretical equity including minority shareholders and goodwill	-395'674	-171'642
Theoretical equity financing	-16.2%	-4.2%
Impact of the theoretical amortization of goodwill on net income:		

Income statement in EUR	01.01.2023 30.06.2023	01.01.2022 30.06.2022
Reported net income	-220'211	-334'079
Theoretical amortization of goodwill	0	0
Net loss after amortization/impairment of goodwill	-220'211	-334'079
Disposals (recycled)	0	0
Net gain/loss after amortization/impairment and disposals of goodwill	-220'211	-334'079

Goodwill was already fully amortized in prior year. There were no additions or disposals in 2023.

6. Financial debts

EUR	30.06.2023	31.12.2022	Change
Bank debts	34	19	82.9%
Covid-19 Loans	84'376	84'626	-0.3%
Total current financial liabilities	84'410	84'644	-0.3%

EUR	30.06.2023	31.12.2022	Change
Loans from related parties	806'946	646'341	24.8%
Covid-19 loans	381'446	423'124	-9.9%
Other financial liabilities from related parties	643'259	645'259	-0.3%
Total non-current financial debts	1'831'651	1'714'725	6.8%

There are no non-current financial liabilities with a duration of more than 5 years.

Ergonomics AG obtained a Covid-19 loan of total KEUR 507 (KCHF 500), whereof KEUR 84 are considered short-term. The first tranche for amortization was paid in 2023. The loan was bearing interest at a rate of 0.0%. The interest conditions can be adjusted to market developments on 31 March each year based on the requirements of the Federal Department of Finance. From 1 April 2023, an interest rate of 1.5 percent is due.

For the duration of the utilisation of the COVID 19 credit, the Ergonomics AG may not distribute any dividends and may not make any repayments of capital contributions. In addition, there are further restrictions concerning the granting and redemption of loans to Group companies.

7. Segment information

Net revenue in the operating segments (in EUR):

01.01.2023 30.06.2023	Security & Services	Investing activities	Elimination	Total
Third parties	1'720'207	0	0	1'720'207
Group	5'070	0	-5'070	0
Net Sales	1'725'277	0	-5'070	1'720'207
Net income	-46'086	-174'125	0	-220'211

01.01.2022 30.06.2022	Security & Services	Investing activities	Elimination	Total
Third parties	1’967’107	0	0	1’967’107
Group	0	0	0	0
Net Sales	1’967’107	0	0	1’967’107
Net income	-98’014	-236’065	0	-334’079

Net revenue in the regional markets:

EUR	01.01.2023 30.06.2023	01.01.2022 30.06.2022	Change
Switzerland	1’579’332	1’127’980	40.0%
Germany	77’204	683’333	-88.7%
United Kingdom	68’741	138’789	-50.5%
Other	0	17’005	-100.0%
Eliminations	-5’070	0	100.0%
Total	1’720’207	1’967’107	-12.6%

8. Earnings per share

Basic earnings per share

EUR	01.01.2023 31.06.2022	01.01.2022 31.06.2022
Net income attributable to shareholders of SANDPIPER	-220’211	-334’079
Number of shares outstanding	208’325’028	208’325’028
Basic earnings per share	0.00	0.00

Diluted earnings per share

EUR	01.01.2023 31.06.2022	01.01.2022 31.06.2022
Net income attributable to shareholders of SANDPIPER	-220’211	-334’079
Interest on convertible loans	0	0
Adjusted net income	-220’211	-334’079

EUR	30.06.2023	30.06.2022
Number of shares issued	211'695'028	211'695'028
Treasury shares	-3'370'000	-3'370'000
Potential number of shares from convertible loans	0	0
Potential number of shares outstanding	208'325'028	208'325'028
Diluted earnings per share	0.00	0.00

9. Treasury shares

During 2022 and in 2023 no treasury shares were traded. SANDPIPER still holds 3'370'000 shares at a valuation of EUR 448'731.

10. Events after the balance sheet date

There were no other subsequent events with effect on the financial statements as per 30 June 2023.

The interim financial statements as per 30 June 2023 were approved by the board of directors on 31 August 2023.

11. Subsidiaries and participations

Company name	Country	Registered Office	Segment	Share capital in 1'000	Share of capital in %	Share of voting rights in %	Method
E24 AG	Switzerland	Zurich	SS	CHF 250	100	100	V
Ergonomics AG	Switzerland	Zurich	SS	CHF 800	100	100	V

Consolidation method		Segments	
V Full consolidation	E Equity Method	IA Investing activities	SE Sport & Events
Q Proportionate consolidation	B Current Value	CC Corporate & Campus	SS Security & Services