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AMA Corporation
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Nantes, le 30 octobre 2024

Rapport mission d'établissement des comptes consolidés

Conformément aux termes de notre lettre de mission en date du 4 décembre 2023, nous avons mis en œuvre les diligences que nous avons contractuellement définies :

L'objectif principal de notre mission est d'établir les états financiers consolidés de votre groupe pour le semestriel au 30 juin 2024. Elle comporte les étapes suivantes :

- Une assistance à la mise en place du process de consolidation.
- L'établissement des comptes consolidés proprement dits (bilan, compte de résultat, tableau de flux de trésorerie et annexes).

Ne réalisant pas de mission d'opinion sur les différentes sociétés du groupe, la responsabilité de la fiabilité de l'information financière reste exclue du champ d'application de cette mission.

Ils comportent 29 pages et se caractérisent par les données suivantes :

Montant des capitaux propres consolidés (part groupe)	5 103	KEUR
Total du bilan	12 342	KEUR
Chiffre d'affaires	1 288	KEUR
Résultat net consolidé	(4 770)	KEUR

Les travaux que nous avons mis en œuvre dans le cadre de cette mission ne constituent ni un audit, ni un examen limité ; en conséquence, nous n'exprimons pas d'opinion sur les comptes de votre entité qui sont joints au présent rapport.


KPMG SA

Aurélien Garel
Expert-comptable



AMA Group

Condensed Consolidated Interim
Financial Statements
June 30, 2024



CONSOLIDATED INCOME STATEMENT

€ 000	Notes	2024.06	2023.06
Revenue	7.1	1 288	1 664
Cost of sales	7.3	(310)	(535)
Other income	7.2	78	232
Other purchases and external expenses	7.3	(1 815)	(1 319)
Personnel expenses	7.4.2.	(2 840)	(3 407)
Amortisation and depreciation of property, plant and equipment and intangible assets	11.1 & 11.2	(468)	(581)
Other expenses	7.3	(83)	(114)
Current operating loss		(4 149)	(4 061)
Non-current operating income			
Non-current operating expenses	7.5	(647)	-
Non-current operating loss		(647)	-
Financial income	8.	128	52
Financial expense	8.	(91)	(92)
Net financial expense		37	(40)
Loss before income tax		(4 759)	(4 101)
Income tax expense		(11)	(14)
Loss for the year		(4 770)	(4 115)
Profit (loss) for the year:			
Attributable to owners of the Group		(4 728)	(4 079)
Attributable to non-controlling interests		(42)	(36)
Earnings per share			
Basic earnings per share (in euros)	10	(0,09)	(0,18)
Diluted earnings per share (in euros)	10	(0,09)	(0,18)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ 000	Notes	2024.06	2023.06
Loss for the year		(4 770)	(4 115)
Remeasurements of the net defined benefit liability (asset) (actuarial gains and losses)	7.4.2	7	(4)
Deferred tax on actuarial gains and losses		(2)	1
Total items that may not be recycled through profit and loss		5	(3)
Foreign currency translation differences		6	(18)
Total items subsequently recycled through profit and loss		6	(18)
Total comprehensive income/(loss), net of tax		11	(21)
Total comprehensive loss		(4 759)	(4 135)
Attributable to:			
Owners of the Group		(4 717)	(4 098)
Non-controlling interests		(42)	(37)

CONSOLIDATED BALANCE SHEET

€ 000		2024.06	2023.12
Intangible assets	11.1.	6	16
Property, plant and equipment	11.2.	201	302
Right-of-use assets	12.	1 113	1 093
Financial assets	13.	169	164
Deferred tax assets		52	51
Non-current assets		1 541	1 626
Inventories	14.	452	495
Research tax credit receivable	15.	173	129
Trade receivables and related accounts	15.	547	676
Other current assets	15.	393	437
Cash and cash equivalents	16.	9 237	9 390
Current assets		10 802	11 126
Total assets		12 342	12 753
Share capital	17.1	7 680	7 680
Share premium and reserves		37 505	37 505
Foreign currency translation reserve		53	47
Retained earnings		(40 136)	(39 524)
Equity attributable to owners of the Group		5 103	5 708
Non-controlling interests		35	76
Total shareholders' equity		5 138	5 784
Non-current loans and borrowings	19.2	1 893	2 152
Lease liabilities	12. & 19.2	707	574
Defined benefit liability		100	132
Deferred tax liabilities		1	2
Non-current liabilities		2 701	2 859
Current tax liabilities		2	1
Current loans and borrowings	19.2	577	700
Lease liabilities	12. & 19.2	424	529
Trade and other payables	20.	1 015	807
Contract liabilities (deferred income)	7.1	1 223	1 308
Current provisions	18.	483	11
Other current liabilities	20.	779	754
Current liabilities		4 504	4 110
Total liabilities		7 205	6 968
Total shareholders' equity and liabilities		12 342	12 753

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ 000	Note	Equity attributable to owners of the Group				Total	Non-controlling interests	Total equity
		Share capital	Share premium	Foreign currency translation reserve	Retained earnings			
Balance at 1st Jan. 2023		3 207	34 161	69	(31 759)	5 679	117	5 796
Profit (loss) for the year					(4 079)	(4 079)	(36)	(4 115)
Other comprehensive income				(17)	(3)	(20)	(1)	(21)
Profit / (loss) and other comprehensive income		-	-	(17)	(4 081)	(4 098)	(37)	(4 135)
Capital increase	17.1	4 473	3 351			7 824		7 824
Capital reduction allocated to Guillemot Brothers' shareholder loan	3.1					-		-
Decrease in non-controlling interests with no change in control	5.2					-	-	-
Increase in non-controlling interests with no change in control	5.2				(4)	(4)	(1)	(6)
Equity-settled share-based payments	7.4				160	160	-	160
Total transactions with owners of the Group		4 473	3 351	-	156	7 980	(1)	7 979
						-		-
Shareholders' equity at 30 Jun. 2023		7 680	37 513	51	(35 684)	9 560	79	9 640
Balance at 1st Jan. 2024		7 680	37 505	47	(39 524)	5 708	76	5 784
Profit (loss) for the year					(4 728)	(4 728)	(42)	(4 770)
Other comprehensive income				6	5	11	0	11
Profit / (loss) and other comprehensive income		-	-	6	(4 723)	(4 717)	(42)	(4 759)
Capital increase		-	-			-		-
Waiver of Guillemot Brothers's shareholder loan					4 000	4 000		4 000
Capital reduction allocated to Guillemot Brothers' shareholder loan	3.1					-		-
Decrease in non-controlling interests with no change in control	5.2					-	-	-
Increase in non-controlling interests with no change in control	5.2				(0)	(0)	1	1
Equity-settled share-based payments	7.4				112	112	-	112
Total transactions with owners of the Group		-	-	-	4 112	4 112	1	4 113
						-		-
Shareholders' equity at 30 Jun. 2024		7 680	37 505	53	(40 136)	5 103	35	5 138

CONSOLIDATED CASH FLOW STATEMENT

€ 000	Notes	2024.06	2023.06
Loss for the year		(4 770)	(4 115)
<i>Adjustments for:</i>			
– Depreciation of right of use assets	12.	330	307
– Depreciation of property, plant and equipment	11.	129	255
– Amortisation of intangible assets	11.2	9	25
– Net financial expense	8	(37)	40
– Loss or gain on sale of property, plant and equipment	11.2	(2)	17
– Cost of share-based payment	7.4.3	112	160
– Income tax expense / (income)	9.1	11	14
– Restructuring provision	18	481	-
– Other non-cash items		(0)	(65)
Total adjustments		1 031	751
Operating cash flow before change in working capital and income tax		(3 739)	(3 363)
<i>Effect of changes in:</i>			
– Inventories	14.	44	175
– Trade receivables and related accounts	15.	117	285
– Contract liabilities	7.1	(92)	(55)
– Advances and downpayments	20.	10	28
– Trade payables and related accounts	20.	219	41
– Provisions and employee benefits		(29)	6
– Other receivables/current liabilities	15 & 20	61	(88)
Total changes		330	391
Operating cash flow before income tax paid		(3 409)	(2 972)
Income tax paid		(57)	(79)
Net cash used in operating activities		(3 466)	(3 051)
Acquisition of property, plant and equipment and intangible assets	11.	(32)	(30)
Disposals of property, plant and equipment and intangible assets	11.	1	(3)
Capitalised development costs	11.	-	-
Investment grants (incl. Research tax credit offsetting capitalised costs)		-	-
Acquisition of financial assets		(4)	(14)
Disposal of financial assets		-	54
Net interest received		120	11
Net cash provided by (used in) investing activities		85	19
Capital increase	17.	-	7 824
Proceeds from new loans and borrowings	19.	4 000	-
Repayment of loans and borrowings	19.	(382)	(368)
Payment of lease liabilities	12.	(327)	(294)
Acquisition of non-controlling interests	5.2.	-	(6)
Interest paid on loans and bank overdrafts	19.	(36)	(45)
Interest paid on lease liabilities	12.	(24)	(12)
Net cash provided by (used in) financing activities		3 231	7 099
Net increase (decrease) in cash and cash equivalents		(150)	4 066
Cash and cash equivalents at January 1		9 390	8 603
Effect of movements in exchange rates on cash held		(2)	(28)
Cash and cash equivalents at 30 Jun		9 237	12 641

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Presentation of the Group

AMA Corporation Plc ("the Company") is domiciled in the United Kingdom. The Company's registered office is located in London. The consolidated financial statements comprise those of the Company and its subsidiaries (together referred to as "the Group").

The Group is a software developer and systems integrator for collaborative work, providing advanced, highly-secure remote solutions for connected devices. The Group's XpertEye suite provides augmented reality, dynamic workflow management, and dynamic online scheduling and planning. Combined with smart glasses or other camera sources (endoscope, microscope, dermatoscope, etc.), these innovative solutions enable experts and on-site technicians to share data and knowledge in real time, making remote support easier and more effective for users. They meet an increasing need for smart workplace transformation in companies seeking to boost productivity and competitiveness in a wide range of areas such as remote support, training, testing and healthcare.

These IFRS condensed consolidated interim financial statements for the 6-month period ending on June 30, 2024 have been approved by the Board of the Company on October 28, 2024.

2. Basis for preparation

2.1. Statement of compliance

These condensed consolidated interim financial statements for the 6-month period ending on June 30, 2024 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union (EU) and should be read in conjunction with the latest Company's annual financial statements for the year ending on December 31, 2024 of the Company (the "latest annual financial statements").

They do not include all the information required for a complete set of financial statements prepared under IFRS. They do, however, include selected notes explaining significant events and transactions in order to understand the changes in the Company's financial position and performance since the last annual financial statements.

The accounting policies used to prepare these unaudited interim condensed consolidated financial statements are identical to those applied by the Group as of December 31, 2023, except for:

- texts whose application is compulsory as from January 1, 2024;
- the specific provisions of IAS 34 used in the preparation of the interim financial statements.

The new texts that are mandatory as of January 1, 2024, are the following:

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants;
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Agreements; and
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback.

The impact of these amendments is not significant.

The standards and interpretations not yet mandatory as of June 30, 2024 are the following:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability whose application is for annual reporting periods beginning on or after January 1, 2025 (not yet approved by the UE);
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments, whose application is for annual reporting periods beginning on or after January 1, 2026 (not yet approved by the EU);
- Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 et IAS 7 as part of the annual improvement process , whose application is for annual reporting periods beginning on or after January 1, 2026 (not yet approved by the EU);
- IFRS 18 Presentation and Disclosure in Financial Statements, whose application is for annual reporting periods beginning on or after January 1, 2027 (not yet approved by the EU);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures, whose application is for annual reporting periods beginning on or after January 1, 2027 (not yet approved by the EU).

These texts have not been early adopted. The expected impacts are not considered significant, except for IFRS 18, for which the Group has not completed its assessment to date.

2.2. Use of judgments and estimates

In preparing these condensed interim financial statements, management has made judgments and estimates that affect the application of the Company's accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual values may differ from estimated values.

2.3. Functional and presentation currency

The consolidated financial statements are presented in euros, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.4. Seasonality of operations

The Group is not subject to significant seasonal fluctuations. The Group activity is linked to the progress of our clients' projects, which are not connected to seasonal events but depend on the internal schedules of each client.

3. Significant events of the period

In 2024:

- In the first half 2024, AMA launched a global savings plan focused on scaling back its workforce by more 20 positions in France and 5 in other countries, with one non-priority commercial business units shut down in China and the management of the customers reassigned to the other subsidiaries. That's the reason why, a restructuring provision of €481k has been recorded in the group financial statements.
- A shareholder loan was granted by Guillemot Brothers Ltd for €4,000k on June 3, 2024. The loan was later fully waived on June 4, 2024.
- On 31 January 2022, AMA granted stock options to employees with an exercise price of €2.03, a vesting period ending on 31 January 2024, and an option exercise period extending until 30 January 2028. On January 8, 2024, the Board of Directors, acting in accordance with section 16.2 of the plan, ratified a revision of the stock options' pricing. This adjustment involved issuing new options to supersede the original ones, aimed at maintaining their motivational value by lowering the exercise price from €2.03 to €0.21. This revision affected 878,500 stock options, which accounted for 1.7% of AMA's share capital. The financial impact recognized in January 2024 under IFRS 2 for this revision is €94 k.

In 2023:

- AMA Corporation Plc has increased its shareholding in AMA Xperteye Inc of €3k.
- On 12 June 2023, AMA launched a capital increase on Euronext Growth of an amount of €7,999k.
- On 27 June 2023, AMA has completed its fund raising of €7,999k by issuing 30,769,230 new ordinary shares with a nominal value of £0.125, at the price of €0.26 per share. GUILLEMOT BROTHERS SAS subscribed to this capital increase in AMA Corporation Plc for a number of 30,682,640 new shares, increasing its stake in AMA from 34.38% before this capital increase to 72.15% after the transaction.
- On 24 March 2023, the company established a stock option plan that represented 5% of AMA's share capital at the time. These stock options had a six-year lifespan and were exercisable at a price of €0.35 two years after their issuance, contingent upon meeting a condition of ongoing employment.
- On 31 December 2023, AMA Corporation Plc waved part of its loan granted within the scope of the loan agreement dated January 1st, 2019 to AMA SA, amounting to €2,247k in order to improve the financial position of AMA SA for the fiscal year 2023.
- The provision for employment safeguard plans has been partially reversed for €27k, of which €18k was used. A provision of €8k has been maintained 31 December 2023 to cover the costs of employees leaving the Group in 2024.

4. Subsequent events

None.

5. Consolidation scope

5.1. Consolidation scope

The consolidated companies are as follows:

Company Name	Country	Business activity	2024.06			2023.12			2023.06		
			Percentage interest	Percentage control	Consolidation method	Percentage interest	Percentage control	Consolidation method	Percentage interest	Percentage control	Consolidation method
AMA CORPORATION	UK	Parent company	Parent company	Parent company	FC	Parent company	Parent company	FC	Parent company	Parent company	FC
AMA SA	France	Distribution & support functions	98,59 %	99,35 %	FC	98,59 %	99,35 %	FC	98,59 %	99,35 %	FC
AMA XPERTEYE INC	USA	Distribution	89,80 %	89,80 %	FC	89,80 %	89,80 %	FC	89,10 %	89,10 %	FC
AMA XPERTEYE SRL	Romania	Distribution	89,11 %	89,11 %	FC	89,11 %	89,11 %	FC	89,11 %	89,11 %	FC
AMA XPERTEYE GMBH	Germany	Distribution	86,20 %	86,20 %	FC	86,20 %	86,20 %	FC	86,20 %	86,20 %	FC
AMA XPERTEYE UK	UK	Distribution	86,20 %	86,20 %	FC	86,20 %	86,20 %	FC	86,20 %	86,20 %	FC
AMA XPERTEYE HK	Hong Kong	Distribution	85,00 %	85,00 %	FC	85,00 %	85,00 %	FC	85,00 %	85,00 %	FC
AMA XPERTEYE SHANGHAI	China	Distribution	100,00 %	100,00 %	FC	100,00 %	100,00 %	FC	100,00 %	100,00 %	FC
AMA OEIL DE L'EXPERT CANADA	Canada	Distribution	69,01 %	70,00 %	FC	69,01 %	70,00 %	FC	69,01 %	70,00 %	FC
AMA JAPAN	Japan	Distribution	85,00 %	85,00 %	FC	85,00 %	85,00 %	FC	85,00 %	85,00 %	FC
AMA SPAIN	Spain	Distribution	100,00 %	85,00 %	FC	100,00 %	100,00 %	FC	100,00 %	100,00 %	FC
AMA ITALY	Italy	Distribution	-	-	NC	100,00 %	100,00 %	FC	100,00 %	100,00 %	FC

* AMA OEIL DE L'EXPERT CANADA is indirectly held through AMA SA.

5.2. Consolidation scope

The impact of changes in non-controlling interests, while retaining control, are recognized in equity as indicated below:

On January 24, 2024, AMA Corporation Plc's wholly-owned Italian subsidiary, AMA Xperteye S.R.L. Italy, underwent liquidation. This action was carried out as part of the group's restructuring strategy initiated in 2022 and had no notable impact on the Group's consolidated financial position.

As a reminder, in 2023, AMA Corporation Plc has increased its shareholding in AMA XPERTEYE Inc for €3k. This operation resulted in an 0,7% increase in its equity interests.

6. Segment information

The Group's chief operating decision maker refers to the members of the Executive Committee and the Board of Directors.

The Group comprises ten distribution subsidiaries, covering three geographic areas corresponding to the following segments:

- Europe, which includes subsidiaries in France, Germany, the UK, Romania and Spain and which primarily invoice customers in Europe;
- North America, which includes subsidiaries in the United States and Canada and which primarily invoice customers in the North American area;
- Asia, which includes subsidiaries in Hong Kong, Shanghai and Japan and which primarily invoice customers in the Asia area.

The subsidiaries in each geographic area correspond to operating segments with similar economic characteristics.

All of the subsidiaries offer similar products and services but are strategically monitored by geographic area.

Information relating to each operating segment is presented below. Operating income and adjusted EBITDA for each segment are used to measure performance as management considers that this information is the most relevant for understanding the earnings of each segment compared with earnings from other entities. Adjusted EBITDA is defined as operating income plus depreciation, amortisation and impairment of property, plant and equipment and intangible assets, share-based payment expenses, and other non-current expenses/income.

The other items in the income statement, including financial income and expenses as well as taxes, are included within "Registered office, support functions and intragroup".

The "Cost of Sales" in the income statement is equal to the sum of "Merchandise purchases" and "Change in inventories" (included in the Profit margin in the segment information table below) and "Inventory impairment" (excluded from the Profit margin).

Period ended June 30, 2024	Europe	Amérique du Nord	Asie	Siège et fonctions supports et Intra-groupe	Total
Revenue	920	295	72	0	1 287
Cost of sales	(144)	(83)	(7)	(10)	(245)
Inventory changes	-	-	(36)	(64)	(99)
Partnership commissions	(22)	-	-	-	(22)
Leased Xperteye Amortisation and rental costs	(0)	-	-	(13)	(13)
Margin excluding inventory depreciation	754	211	29	(87)	908
Reversal / Depreciation of inventory	-	-	14	42	56
Other income	16	3	1	56	76
Other purchases and external expenses	(237)	(181)	(181)	(1 215)	(1 814)
Personnel expenses	(353)	(260)	(186)	(2 040)	(2 840)
Other depreciation of property, plant and equipment and intangible assets	(121)	(37)	(24)	(272)	(454)
Other non-current expenses	(93)	2	(2)	12	(81)
Intersector*	91	273	486	(850)	-
Current operating loss	57	12	137	(4 355)	(4 149)
Other non-current expenses	(21)	-	(119)	(508)	(647)
Other non-current income	-	-	-	-	-
Non-current operating loss	(21)	-	(119)	(508)	(647)
- Depreciation of property, plant and equipment and intangible assets	121	37	24	286	468
- Other non-current expenses/(income)	21	-	119	508	647
- Share-based payments	-	-	-	112	112
Adjusted EBITDA	178	48	161	(3 958)	(3 570)

Six-month period ended June 30, 2023	Europe	Amérique du Nord	Asie	Siège et fonctions supports et Intra-groupe	Total
Revenue	1 274	255	130	5	1 664
Merchandise purchases	(46)	(21)	(55)	(201)	(322)
Inventory changes	-	-	13	(249)	(236)
Partnership commissions	(33)	-	(5)	-	(38)
Leased Xperteye Amortisation and rental costs	(1)	-	-	(47)	(48)
Margin excluding inventory depreciation	1 195	234	82	(491)	1 020
Reversal / Inventory impairment	-	-	(39)	100	61
Other income	19	10	1	202	232
Other purchases and external expenses	(270)	(196)	(198)	(654)	(1 319)
Personnel expenses	(503)	(276)	(238)	(2 391)	(3 407)
Other amortisation and depreciation of property, plant and equipment and intangible assets	(114)	(35)	(35)	(349)	(533)
Other expenses	(423)	33	(8)	283	(114)
Intersector*	191	247	428	(867)	-
Current operating loss	94	17	(6)	(4 166)	(4 061)
Other non-current expenses	-	-	-	-	-
Other non-current income	-	-	-	-	-
Non-current operating loss	-	-	-	-	-
- Amortisation and depreciation of property, plant and equipment and intangible assets	115	35	35	396	581
- Share-based payments	-	-	-	160	160
Other non-current expenses/income	-	-	-	-	-
Adjusted EBITDA	209	52	29	(3 610)	(3 320)

*Reinvoicing between the AMA Corporation Plc parent company or AMA SA and distribution subsidiaries

In 2024, two major events had an impact on the EBITDA of the Group. The events have been restated in the "Adjusted EBITDA" to provide an accurate reflection of the Group's financial performance. The following adjustments were made:

- Non-current expenses of €647k linked to the redundancy plan.
- The revision of the stock options' pricing, recognized in January 2024 under IFRS 2, has a financial impact of €94 k.

7. Operating data

7.1. Revenue

Revenue

Revenue is split as follows:

€ 000	2024.06	2023.06
Software & support services	931	1 075
Equipment sales	288	452
Pilot contracts	2	52
XpertEye solution revenue	1 221	1 579
Other services	67	85
Total revenue	1 288	1 664

The Group experienced a decline in turnover by 23% compared to the previous year.

Revenues linked to its core business, selling the XpertEye software suite, decreased to a lesser extent by 14%. While sales of equipment such as connected equipment, glasses, and smartphones dropped by 37%. These trends continue to reflect the wait-and-see approach observed for clients and prospects facing a deteriorating economic environment.

Contract liabilities

Changes in contract liabilities (prepaid income) is split as follows:

€ 000	2024.06	2023.06
Contract liabilities at 1 January	1 308	1 456
Increase in amounts received, net of revenue recognised for the period	680	769
Revenue recognised for the period included in opening amount	(765)	(839)
Contract liabilities at 30 June	1 223	1 386

7.2. Other income

Other income breaks down as follows:

On June 30, 2024, Other operating income mainly comprises the reversal of the €8k provision for employment safeguard plans and the reversal of the €14k for the depreciation of trade receivables.

On June 30, 2023, Other operating income mainly comprises the reversal of the €73k provision for Google Pixel telephones (see Note 18) and the reversal of the €23k for the depreciation of trade receivables.

	<u>2024.06</u>	<u>2023.06</u>
Operating grants	47	127
Other operating income	31	105
Total other operating income	78	232

7.3. Operating expenses

Operating expenses break down as follows:

		<u>2024.06</u>	<u>2023.06</u>
Equipment purchases		(245)	(322)
Change in inventories		(99)	(236)
Inventory impairment		56	61
Partnership commissions		(22)	(38)
Total cost of sales		(310)	(535)
Total employee benefits	7.4.2.	(2 840)	(3 407)
Non-stock purchases		(31)	(47)
Lease expenses	12.	(24)	(25)
General sub-contracts		(645)	(291)
Professional fees		(412)	(260)
Travel & entertainment		(142)	(240)
Trade fairs & marketing fees		(214)	(164)
Other		(345)	(292)
Total other purchases and external expenses		(1 815)	(1 319)
Total amortisation and depreciation of property, plant and equipment, intangible and right of use assets	11.	(468)	(581)
Taxes		(40)	(41)
Other		(43)	(74)
Total other expenses		(83)	(114)

On June 30, 2024, the increase in "General sub-contracts" (€355k) is related to the increase in sub-contracts of development in AMA SA.

The increase in "Professional fees" (€174k) is linked to the increase in legal and professional fees (€80k), legal audit accounting fees (€18k), accounting and other fees (€70k), and in financial communication fees (€6k).

The decrease in "Travel & entertainment" (€-98k) is linked to the decrease of sales and business in the subsidiaries.

The increase in "Other" caption, under Other purchases and external expenses (51 k€), mainly relates to Guillemot Brothers management fees (€64k), and postal fees (€-14k).

7.4. Personnel and headcount

7.4.1.Headcount

	2024.06	2023.06
Managers	64	69
Others employees	12	14
Average headcount in the period	76	83

7.4.2.Personnel expenses

Personnel expenses break down as follows:

	2024.06	2023.06
Wages and salaries	(2 613)	(3 097)
Post-employment defined contribution expenses	(145)	(145)
Post-employment defined benefit expenses	29	(6)
Equity-settled share-based payments	(112)	(160)
Total	(2 840)	(3 407)

The decrease in personnel expenses mainly reflects the reduction in the number of employees (see Note 7.4.1).

7.4.3. Share-based payment

On June 30, 2023, AMA Corporation plc granted 2 233 000 stock options (SO) to employees and a corporate representative of AMA CORP, AMA SA, AMA US, AMA Germany, AMA Shanghai, AMA Srl, AMA Japan, AMA Italy and AMA UK. The vesting period is two years. The contractual term is on January 30, 2028 for the first plan of 1 115 500 stocks initiated in 2022 and on March 27, 2029 for the second plan of 1 120 500 stocks initiated in 2023.

On January 8, 2024, the Board of Directors, acting in accordance with section 16.2 of the first plan, ratified a revision of the stock options' pricing. This adjustment involved issuing new options to supersede the original ones, aimed at maintaining their motivational value by lowering the exercise price from €2.03 to €0.21. This revision affected 878,500 stock options, which accounted for 1.7% of AMA's share capital.

The fair value of the stock options was measured based on Black-Scholes model. The inputs used to measure the 2022 stock options fair value at grant date are as follows:

	SO 2022	SO 2023
Fair value at grant date	€0,11	€0,15
Share price at grant date	€0,27	€0,35
Exercise price of the option	€0,21	€0,35
Expected volatility (weighted average)	42,32%	53,00%
Expected life span	6 years	6 years
Maturity	4 years - mid-life	4 years - mid-life
Expected dividend	-	-
Risk-free interest rate (based on government bonds)	2,68%	2,53%
	0% for founders and directors	0% for founders and directors
Turnover rate	5% for managers 10% for employees	5% for managers 10% for employees

In 2024 and 2023, changes in the number of stock options were as follows:

Options number	30 Jun. 2024		
	SO 2022	SO 2023	Total
Outstanding as of January 1st,	878 500	1 057 000	1 935 500
Lapsed during the period	- 1 112 500	- 263 500	- 1 376 000
Exercised during the period			-
Granted during the period	1 112 500		1 112 500
Outstanding as of June 30,	878 500	793 500	1 672 000

During the periods ended June 30, 2024, share-based payments of €112k were expensed and June 30, 2023, share-based payments of €160k were expensed.

7.5. Non-current operating income and expenses

On June 30 2024, Non-current operating expenses relates to the Group restructuring plan for €647k. It includes €508k for employment safeguard plans (including a provision for €481k) and €139k of termination benefits costs.

On June 30 2023, there are not non-current operation income and expenses.

8. Net financial income and expense

Group financial income and expense is split as follows:

€ 000	2024.06	2023.06
Interest expense on loans	(60)	(53)
Foreign exchange losses	(24)	(28)
Other interest expense	(6)	(11)
Interest and related expenses	(91)	(92)
Foreign exchange gains	8	41
Other financial income	120	11
Interest and related income	128	52
Total	37	(40)

On June 30, 2024, the "Other financial income" mainly comprises interest on bank savings (€29k) and cash equivalents income (€74k).

9. Taxation

The income tax expense is determined based on the pre-tax profit for the interim period multiplied by management's best estimate of the weighted average annual tax rate expected for the full year. This rate is adjusted for the tax effect of certain items fully recognized in the interim period. Accordingly, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate in the annual financial statements.

For the six-month period ending June 30, 2024, the Group's effective tax rate for continuing operations is 25% (for the six-month period ending June 30, 2023: 19%).

10. Earnings per share

Earnings per share takes into account the June 27th, 2023, operations during which capital increase of 30 769 230 shares.

Earnings attributable to holders of ordinary shares (basic):

	2024.06	2023.06
Net earnings attributable to owners of the Company	(4 728)	(4 079)
Net earnings attributable to holders of ordinary shares	(4 728)	(4 079)

Weighted average number of ordinary shares (basic and diluted):

	2024.06	2023.06
Ordinary shares at 1 January	53 225 045	22 455 815
Capital decrease		
Capital increase		512 821
Weighted average number of ordinary shares at 30 June	53 225 045	22 968 636
Basic earnings per share in €	- 0,09	- 0,18
Diluted earnings per share in €	- 0,09	- 0,18

Weighted average number of ordinary shares at 30 June 2024 does not include the outstanding stock options.

Indeed, as the result of continuing operations is a loss, instruments giving deferred rights to capital such as stock options have an anti-dilutive effect. They are therefore not considered, and basic earnings per share are therefore identical to diluted earnings per share.

11. Intangible assets and property, plant and equipment

11.1. Intangible assets

Intangible assets are split as follows:

€ 000	2023.12	Additions	Disposals	Amortisation for the period	Effects of changes in foreign exchange rates	Reclassifications	2024.06
Development costs	11 039	-	-	-	-	-	11 039
Software	455	-	(72)	-	-	-	383
Intangible assets in progress	1 328	-	-	-	-	-	1 328
Intangible assets (gross)	12 823	-	(72)	-	-	-	12 750
Amortisation of development costs	(11 039)	-	-	-	-	-	(11 039)
Amortisation of software	(439)	-	72	(11)	-	-	(377)
Amortisation of intangible assets in progress	(1 328)	-	-	-	-	-	(1 328)
Amortisation/impairment of intangible assets	(12 806)	-	72	(11)	0	-	(12 745)
Total net value	16	-	-	(11)	0	-	6

€ 000	2022.12	Additions	Disposals	Amortisation for the period	Effects of changes in foreign exchange rates	Reclassifications	2023.06
Development costs	11 039	-	-	-	-	-	11 039
Software	448	-	-	-	-	-	448
Intangible assets in progress	1 328	-	-	-	-	-	1 328
Intangible assets (gross)	12 816	-	-	-	-	-	12 816
Amortisation of development costs	(11 039)	-	-	-	-	-	(11 039)
Amortisation of software	(421)	-	-	(25)	-	-	(445)
Amortisation of intangible assets in progress	(1 328)	-	-	-	-	-	(1 328)
Amortisation/impairment of intangible assets	(12 788)	-	-	(25)	0	-	(12 813)
Total net value	27	-	-	(25)	0	-	3

11.2. Property, plant and equipment

Property, plant and equipment breaks down as follows:

€ 000	2023.12	Additions	Disposals	Depreciation for the period	Effects of changes in foreign exchange rates	Reclassifications	2024.06
XpertEye equipment - rental use	298	1	(71)	-	-	-	227
XpertEye equipment - internal use	567	13	(30)	-	-	-	551
Technical facilities, equipment and tooling	184	0	(5)	-	0	-	178
Transportation equipment	19	-	-	-	-	-	19
Computer equipment	765	18	(41)	-	1	-	743
Plant and equipment in progress	-	-	-	-	-	-	-
Advances and downpayments for a real estate project	-	-	-	-	-	-	-
Other property, plant and equipment	204	-	-	-	1	-	204
Property, plant and equipment (gross value)	2 037	32	(147)	-	1	-	1 923
Dep. XpertEye equipment - rental use	(279)	-	71	(13)	-	-	(221)
Dep. XpertEye equipment - internal use	(530)	-	28	(24)	-	-	(526)
Dep. of technical facilities, equipment and tooling	(202)	-	7	(6)	(0)	-	(201)
Dep. of transportation equipment	(19)	-	-	-	-	-	(19)
Dep. of computer equipment	(560)	-	37	(65)	(1)	-	(588)
Dep. of other PPE	(145)	-	-	(21)	(0)	-	(166)
Depreciation/impairment of property, plant and equipment	(1 735)	-	143	(129)	(1)	-	(1 722)
Total net value	302	32	(4)	(129)	0	-	201

€ 000	2022.12	Additions	Disposals	Depreciation for the period	Effects of changes in foreign exchange rates	Reclassifications	2023.06
XpertEye equipment - rental use	990	11	(86)	-	-	47	961
XpertEye equipment - internal use	942	20	(30)	-	-	99	1 031
Technical facilities, equipment and tooling	148	41	(5)	-	0	9	193
Transportation equipment	37	-	(18)	-	-	-	19
Computer equipment	1 091	88	(62)	-	3	-	1 120
Advances and downpayments for a real estate project	817	3	(817)	-	-	-	3
Other property, plant and equipment	378	45	(7)	-	2	-	418
Property, plant and equipment (gross value)	4 403	217	(1 026)	-	5	146	3 745
Dep. XpertEye equipment - rental use	(718)	-	61	(151)	-	-	(807)
Dep. XpertEye equipment - internal use	(664)	-	27	(118)	-	-	(755)
Dep. of technical facilities, equipment and tooling	(134)	-	10	(6)	(0)	-	(131)
Dep. of transportation equipment	(37)	-	18	-	-	-	(19)
Dep. of computer equipment	(453)	-	61	(135)	(2)	-	(529)
Dep. of other PPE	(176)	-	5	(69)	(0)	-	(241)
Depreciation/impairment of property, plant and equipment	(2 182)	-	181	(478)	(2)	-	(2 481)
Total net value	2 221	217	(845)	(478)	3	146	1 264

Other fixtures, fittings and equipment correspond to work done in AMA offices.

11.3. Impairment tests

During the year 2022, the Group's market capitalization declined by more than 80% which constitutes an indication of impairment. To determine if the carrying amount of R&D at the end of June 2022 exceeded its recoverable amount, the company used the value-in-use method. The value in use method involves estimating the future cash flows that the R&D's cash-generating unit (CGU) will generate over the useful life of 5 years. All assets of the Group being largely dependent, budgets realized and validated by the management for all the Group are the most relevant inputs for estimating the future discounted cash flow generated by this R&D's CGU.

The comparison of this recoverable amount estimated under reasonable and supportable assumptions to the carrying amount of the Group's net assets led to depreciate R&D capitalized costs for their total amount.

In 2024, the underlying assumptions used in 2022 are maintained, and the research & development costs are recognized in expenses.

12. Leases

In the course of its business, the Group leases premises and vehicles and accesses dedicated servers with a lease component.

Right-of-use assets break down as follows:

€ 000	Land and buildings	Vehicles	Servers	Other	TOTAL
Balance at Dec. 31, 2022	331	75	614	4	1 024
Depreciation for the period	(128)	(34)	(143)	(1)	(307)
Additions to right-of-use assets	255	40	7	-	302
Derecognition of right-of-use assets	(116)	(2)	(142)	-	(260)
Foreign currency gains (losses)	(6)	-	-	(0)	(6)
Balance at June 30, 2023	336	80	335	3	754
Balance at Dec. 31, 2023	251	85	756	1	1 093
Depreciation for the period	(131)	(37)	(161)	(1)	(330)
Additions to right-of-use assets	58	74	352	-	483
Derecognition of right-of-use assets	(63)	-	(70)	-	(133)
Foreign currency gains (losses)	(0)	-	-	0	(0)
Balance at June 30, 2024	114	122	877	0	1 113

The related impact on profit and loss and cash flow is as follows:

- Amounts recognised in net profit (loss)

	2024.06	2023.06
	€ 000	€ 000
Interest on lease liabilities	(12)	(11)
Depreciation charge	(330)	(307)

The expense recognised for leases of low-value assets or leases for less than one year is not material.

- Amounts recognised under cash flows:

	2024.06	2023.06
	€ 000	€ 000
Total cash outflows attributable to leases	420	294

13. Financial assets

Financial assets break down as follows:

€ 000	2024.06	2023.12
Non-consolidated equity investments	4	4
Other non-consolidated deposit - non-current	112	112
Loans, guarantees and other receivables - non-current	56	53
Financial assets	172	168
Depreciation loans, guarantees and other receivables - non-current	(3)	(4)
Depreciation of financial assets	(3)	(4)
Total net value	169	164

14. Inventories

€ 000	2024.06	2023.12
Gross amount	722	821
Impairment	(270)	(326)
Net	452	495

Inventories mainly comprise glasses and accessories.

In 2024, a €71k depreciation reversal was recorded on products depreciated in 2021 or 2022.

In 2023, a €64k depreciation reversal was recorded on products depreciated in 2021 or 2022 and sold essentially to brokers in 2023, as obsolete smartphones for example (€ 88 k).

Inventory is regularly reviewed to identify discontinued items or items that pose resale difficulties.

15. Trade and other receivables, other current assets

Trade receivables and other current assets break down as follows:

€ 000	2024.06	2023.12
Trade and other receivables	575	701
Impairment of receivables for expected losses	(28)	(25)
Total trade and other receivables	547	676
Current tax receivables	173	129
Prepaid expenses	237	289
State receivables (excl. income tax) - current	107	75
Staff and social security receivables	24	33
Other current assets	25	41
Total other current assets	393	437

The decrease in trade and other receivables is proportional with the decrease of sales.

16. Cash and cash equivalents

€ 000	2024.06	2023.12
Bank accounts	8 735	2 335
Demand deposits	502	7 054
Cash and cash equivalents reported in the statement of financial position	9 237	9 390
Bank overdrafts repayable on demand and used for cash management purposes	-	-
Cash and cash equivalents reported in the statement of cash flows	9 237	9 390

17. Equity

17.1. Share capital

AMA Corporation Plc's share capital breaks down as follows:

	Shares capital			Share premium	Shares capital			Share premium
	2024.06		2023.12					
	Nb of shares	€ 000	€ 000		Nb of shares	€ 000	€ 000	
Shares outstanding at 1 January	53 225 045	7 680	37 505	22 455 815	3 207	34 161		
Capital reduction								
Capital increase				30 769 230	4 473	3 343		
Shares outstanding at 31 December – fully paid	53 225 045	7 680	37 505	53 225 045	7 680	37 505		

The par value of ordinary shares is €0.144.

On 27 June 2023, AMA Corporation Plc completed an increase in capital of €7,824k, by issuing 30,769,230 new ordinary shares with a nominal value of £0.125, priced at €0.26 per share. This transaction resulted in a nominal capital injection of €4,473k and a share premium of €3,351k..

GUILLEMOT BROTHERS SAS subscribed to this capital increase in AMA Corporation Plc for a number of 30,682,640 new shares, increasing its stake in AMA from 34.38% before this capital increase to 72.15% after the transaction.

18. Provisions and contingent liabilities

€ 000	Provision for replacement Google Pixel telephones	Provision for employment safeguard plans	Others provisions	TOTAL
Balance at Dec. 31, 2022	98	35	-	134
Depreciation for the period	-	-	-	-
Recovery for the period (provision used)	(55)	(19)	-	(73)
Recovery for the period (provision not used)	-	-	-	-
Balance at 30th Jun. 2023	44	17	-	60
Depreciation for the period	-	-	3	3
Recovery for the period (provision used)	(44)	(8)	-	(52)
Recovery for the period (provision not used)	-	-	-	-
Balance at Dec. 31, 2023	-	8	3	11
Depreciation for the period	-	481	-	481
Recovery for the period (provision used)	-	(8)	-	(8)
Recovery for the period (provision not used)	-	-	-	-
Balance at 30th Jun. 2024	-	481	3	483

In 2020, a €538k provision was recognised for the upcoming replacement of Google Pixel telephones purchased by clients. The XpertEye Advanced APK (Android Package Kit), developed in 2020 and slated for release in 2021, were not compatible with the Google Pixel currently embedded in the XpertEye Advanced solution, or compatibility would require overly costly development. This provision has been reversed during the past three years.

In 2022, a €35k provision was recognised for employment safeguard plans (termination benefits). This provision has been completely reversed at June 30, 2024.

In 2024, an additional provision was recognised for employment safeguard plans (€481k). The restructuring plans include termination benefits and personnel expenses.

19. Loans and borrowings

19.1. Main terms and conditions

The terms and conditions of current loans are as follows:

€ 000	Currency	Annual nominal interest rate	Year of maturity	Nominal value	2024.06 Carrying amount	2023.12 Carrying amount
BPI €750 thousand loan	EUR	Fixed rate	2023	750		75
BPO €900 thousand loan	EUR	Fixed rate	2023	900		43
CIC €400 thousand loan	EUR	Fixed rate	2024	400	43	93
CREDIT COOP €600 thousand loan	EUR	Fixed rate	2029	600	600	600
BPI France €2,000 thousand loan	EUR	Fixed rate	2028	2 000	1 800	2 000
Other financial liabilities due within one year and accrued loan interest					28	40
Total bank loans				4 650	2 470	2 852
Arkea credit line	EUR	Floating rate	2025	5 000		
Société Générale credit line	EUR	Floating rate	2027	2 750		
Crédit Agricole credit line	EUR	Floating rate	Undetermined	2 500		
LCL credit line	EUR	Floating rate	Undetermined	1 500		
Total available credit lines				11 750	-	-
Total				16 400	2 470	2 852

Fixed rates range from 0% to 1.9%, while floating rates are EURIBOR 3M +3.587%.

19.2. Change in loans and borrowings distinguishing cash and non-cash flows

Changes to loans and borrowings and lease liabilities in 2024 and 2023 were as follows:

€ 000	2023.12	Cash flows			Changes in non-cash flows					2024.06
		Cash inflows from new debt	Interest paid	Repayment of borrowings	Foreign exchange gains (losses)	Interest expense	Others	Impact of IFRS 16 - Leases	Reclass.	
Bank loans	2 152	-	-	-	-	-	-	-	(258)	1 893
Current account with Guillemot Brothers Ltd	-	-	-	-	-	-	-	-	-	-
Total non-current borrowings and financial liabilities	2 152	-	-	-	-	-	-	-	(258)	1 893
Non-current lease liabilities	574	483		(420)	(1)				71	707
Bank loans	660	-	(60)	(369)	-	60	-	-	258	549
Bonds										
Accrued loan interest	1	-	-	-	-	-	-	-	-	1
Other financial liabilities due within one year	39	-	-	(13)	1	-	-	-	-	27
Current account with Guillemot Brothers Ltd	(0)	-	-	-	-	-	-	-	-	0
Total current borrowings and financial liabilities	700	-	(60)	(382)	1	60	-	-	258	577
Current lease liabilities	529	-	-	(35)	1	-	-	-	(71)	424

€ 000	2022.12	Cash flows			Changes in non-cash flows					2023.06
		Cash inflows from new debt	Interest paid	Repayment of borrowings	Foreign exchange gains (losses)	Interest expense	Others	Impact of IFRS 16 - Leases	Reclass.	
Bank loans	2 813	-	-	-	-	-	-	-	(371)	2 443
Current account with Guillemot Brothers Ltd	-	-	-	-	-	-	-	-	-	-
Total non-current borrowings and financial liabilities	2 813	-	-	-	-	-	-	-	(371)	2 443
Non-current lease liabilities	444	303		(294)	(3)			(267)	17	201
Bank loans	639	-	(53)	(360)	-	53	-	-	371	649
Bonds										
Accrued loan interest	5	-	-	(4)	-	-	-	-	-	1
Other financial liabilities due within one year	47	-	-	(8)	0	-	-	-	-	40
Current account with Guillemot Brothers Ltd	(0)	-	-	-	-	-	-	-	-	(0)
Total current borrowings and financial liabilities	691	-	(53)	(372)	0	53	-	-	371	690
Current lease liabilities	583	-	-	-	(3)	-	-	-	(17)	562

20. Trade accounts payable, other current liabilities

Trade payables and other current liabilities break down as follows:

€ 000	2024.06	2023.12
Total trade payables	1 015	807
Staff and social security payables - current	667	654
Tax payables (excl. income tax)	106	90
Prepaid income (excl. client contracts)	-	-
Other payables - current	6	11
Total other liabilities	779	754
Total	1 794	1 561

The trades payables change, concerns mainly AMA SA with an increase of €147k and AMA Corporation Plc with an increase of €76k.

21. Financial instruments and risk management

21.1. Classification and fair value of financial instruments

€ 000	Accounting category	Fair value level	2024.06		2023.12	
			Carrying amount	Fair value	Carrying amount	Fair value
Loans and guarantees	Amortised cost	Level 2 - Note 2	168	168	165	165
Non-consolidated equity investments	Fair value through P&L	Level 3 - Note 3	4	4	4	4
Total non-current financial assets			172	172	168	168
Trade and other receivables	Amortised cost	Note 1	547	547	676	676
Cash and cash equivalents	Amortised cost	Note 1	9 237	9 237	9 390	9 390
Total current financial assets			9 784	9 784	10 065	10 065
Total assets			9 956	9 956	10 234	10 234
Bank loans and other financial liabilities	Amortised cost	Level 2 - Note 5	1 893	1 839	2 152	2 111
Current account with Guillemot Brothers Ltd	Amortised cost	Level 2 - Note 5	-	-	-	-
Total non-current financial liabilities			1 893	1 839	2 152	2 111
Non-current lease liabilities	Amortised cost	Level 2 - Note 4	707	N/A	574	N/A
Bank loans and other financial liabilities	Amortised cost	Level 2 - Note 5	577	593	700	719
Current account with Guillemot Brothers Ltd	Amortised cost	Level 2 - Note 5	0	0	(0)	(0)
Trade payables	Amortised cost	Note 1	1 015	1 015	807	807
Bank overdraft	Amortised cost	Note 1	-	-	-	-
Total current financial liabilities			1 592	1 608	1 507	1 526
Current lease liabilities	Amortised cost	Level 2 - Note 4	424	N/A	529	N/A
Total liabilities			3 485	3 448	4 761	3 637

Note 1 - The carrying amount of current financial assets and liabilities is deemed to be approximately their fair value.

Note 2 - The difference between the carrying amount and fair value of loans and guarantees is deemed immaterial.

Note 3 - The fair value of unconsolidated equity investments is immaterial.

Note 4 - As allowed for under IFRS, the fair value of lease liabilities and their level in the fair value hierarchy is not presented.

Note 5 - The fair value of loans and borrowings was estimated using future cash flows discounted at a market rate.

22. Risk management

The Group is exposed to interest rate risk, credit risk and liquidity risk. The Group has not identified any significant changes in the identified risks compared to December 31, 2023.

23. Related-party transactions

Since July 12, 2022, Guillemot Brothers SAS is the Group's parent company. The Group has not identified any significant changes in transactions with related parties, except for the waiver of Guillemot Brothers's shareholder loan, as explained in note 3.

24. Off-balance sheet commitments

The Group has not identified any significant changes in off-balance sheet commitments in the first half of 2021, 2022, 2023 and 2024 compared to December 31, 2023, December 31, 2022, December 31, 2021 and December 31, 2020.