



LOGICOM PUBLIC LIMITED

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
Period ended 30 September 2021

LOGICOM PUBLIC LIMITED

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Period from 1 January 2021 to 30 September 2021

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BOARD OF DIRECTORS AND PROFESSIONAL ADVISERS**DIRECTORS**

Takis Klerides, Chairman
Varnavas Irinarchos, Vice Chairman and Managing Director
Anthoulis Papachristoforou, Deputy Managing Director
George Papaioannou, Director
Anastasios Athanasiades, Director
Andreas Constantinides, Director
Christoforos Hadjikyprianou, Director

GROUP CHIEF FINANCIAL OFFICER

Anthoulis Papachristoforou

SECRETARY

Adaminco Secretarial Limited
 Zenonos Sozou 3,
 1st floor
 3105 Limassol

REGISTERED OFFICE

Zenonos Sozou 3,
 1st floor
 3105 Limassol

MANAGEMENT OFFICE

26 Stasinou Street, Ayia Paraskevi
 2003 Strovolos, Nicosia

INDEPENDENT AUDITORS

KPMG Limited
 14 Esperidon street
 1087 Nicosia

LEGAL ADVISERS

Scordis, Papapetrou & Co LLC
 Zenonos Sozou 3,
 1st floor
 3105 Limassol

BANKERS

Hellenic Bank Public Company Limited
 Bank of Cyprus Public Company Limited
 Eurobank EFG
 Alpha Bank Cyprus Ltd
 AstroBank Limited
 Societe Generale Bank - Cyprus Limited
 The Cyprus Development Bank Public Company Limited
 FIMBank PLC
 Ancoria Bank Limited
 National Bank of Greece (Cyprus) Ltd

BANKERS

National Bank of Greece S.A
 Alpha Bank S.A.
 Piraeus Bank S.A.
 Eurobank Ergasias S.A.
 HSBC Bank Middle East Limited (Dubai)
 HSBC Bank Middle East Limited (Kuwait)
 Standard Chartered Bank (Dubai)
 National Bank of Fujairah PSC
 Mashreqbank PSC
 HSBC Bank of Oman SA OG
 National Bank of Kuwait SAK
 Emirates NBD Bank PJSC
 Standard Chartered Bank (Bahrain)
 The Commercial Bank of Qatar (Q.S.C.)
 Standard Chartered Bank (Qatar)
 Bank of Bahrain and Kuwait BSC
 Bank of Beirut (Oman)
 Vista Bank (Romania) SA
 Banca Transilvania SA
 Alpha Bank Romania SA
 Albaraka Turk Katilim Bankasi A.S.
 Turkiye Garanti Bankasi A.S
 QNB Finansbank A.S.
 Arab Bank PLC Jordan
 Credito Valtellinese spa
 Banco BPM S.p.A.
 Unicredit Bank AG
 Saudi British Bank
 Emirates NBD (KSA)
 Abu Dhabi Commercial Bank
 First Abu Dhabi Bank
 Bank Audi S.A.L
 Societe Generale de Banque au Liban
 Banque Marocaine Pour Le Commerce et L' Industrie
 Emirates NBD (Egypt)

LOGICOM PUBLIC LIMITED**STATEMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE OFFICIALS OF THE COMPANY RESPONSIBLE FOR THE FINANCIAL STATEMENTS**

According to the provisions of the Conditions for Transparency (Movable Securities for Trading in Controlled Market) Law of 2007 (“Law”), we the members of the Board of Directors and Anthoulis Papachristoforou, BA (Hons) FCCA, Group Financial Controller responsible for the preparation of the financial statements, of the Group and the Company Logicom Public Ltd, for the period ended 30 September 2021, we confirm that to the best of our knowledge:

(a) The Interim Consolidated Financial Statements which are presented on pages 8 to 57,

(i) were prepared in accordance with the International Financial Reporting Standard (IAS) 34 Interim Financial Statements. The Interim Consolidated Financial Statements have not been audited by the Group external auditors, and

(ii) give a true and fair view of the assets and liabilities, of the financial position and of the profit or losses of Logicom Public Limited and the businesses that are included in the Interim Consolidated Financial Statements as a whole, and

b) the management's report gives a fair review of the developments and the performance of the business as well as the position of Logicom Public Limited and the businesses that are included in the Interim Consolidated Financial Statements as a whole, together with a description of the main risks and uncertainties which are faced.

Members of the Board of Directors:

Takis Klerides, Chairman

Varnavas Irinarchos, Vice Chairman and Managing Director

Anthoulis Papachristoforou, Deputy Managing Director

George Papaioannou

Anastasios Athanasiades

Andreas Constantinides

Christoforos Hadjikyprianou

Responsible for drafting the financial statements

Anthoulis Papachristoforou (Group Chief Financial Officer)

Nicosia, 6 December 2021

LOGICOM PUBLIC LIMITED

BOARD OF DIRECTORS' INTERIM REPORT

ACCOUNTING STANDARDS FOR THE PREPARATION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The Interim Consolidated Financial Statements were prepared according to the International Accounting Standard (IAS) No. 34 Interim Financial Reporting. The Interim Consolidated Financial Statements have not been audited by the statutory Group auditors.

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S ACTIVITIES AND POSITION

1. **The turnover** increased by 7,3% in relation to the corresponding period in 2020. The Turnover of the Distribution Sector increased by 7,4%, mainly due to the increased sales in the markets of Greece, Romania, Cyprus and Gulf region compared to the nine month period of 2020. The turnover of the Software and Integrated Solutions Sector also increased by 5,3%, mainly due to the launch of new projects in the Greek market. The Coronavirus pandemic (COVID-19) continues to affect markets and to limit the potential for further increase in the turnover.
2. **The percentage of gross profit margin** decreased to 7,9% compared to 8,1% in the corresponding period of 2020 (2021: Gross profit: €52.942.396 to Sales: €674.140.311, 2020: Gross profit: €50.856.979 to Sales: €628.277.400 as reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income), mainly due to the achievement of sales with an increased profit margin during the nine month period of 2020.
3. **Other Income** mainly relates to contributions from suppliers for the promotion of their products and income from collaborations with third parties. The decrease in Other Income mainly relates to the one-off state provision of a tax deduction on the repayment of tax liabilities by a foreign subsidiary in the context of financial measures taken to address the economic consequences of the Coronavirus pandemic (COVID-19), during the nine month period of 2020.
4. **The Group's Expected Credit Losses** are reduced compared to the nine month period of 2020 and amounted to €240.315 from €1.553.356 in the corresponding period last year. The Expected Credit Losses of the nine month period of 2020 include a provision for Cash and Cash Equivalents of €1.200.000 which derives entirely from the subsidiary company Logicom (Middle East) SAL in Lebanon, as a result of the prolonged political and economic instability that had a severe negative impact on the country. The Expected Credit Losses were recognised in the results in accordance with the provisions of IFRS9.
5. The **Administration Expenses** increased by €1.380.375 and by 4,5% in percentage terms compared to the nine month period of 2020, mainly due to the increase of personnel expenses. Administration expenses include an amount of €209.661 concerning expenditures on prevention and hygiene measures directly related to the Coronavirus pandemic (COVID-19) (nine month period of 2020: €256.088). The term 'Administration Expenses' encompasses all the operating expenses of the Group, including Administrative, Distribution and Operational expenses.
6. **The Profit from Operating Activities** increased by 8,3% compared to the corresponding period of 2020 and amounts to €20.935.992 compared to €19.338.815 in the nine month period of 2020, mainly due to the increase in turnover, despite the decrease in Gross Profit Margin, as well as, due to the decrease of the Expected Credit Losses. The term 'Operating Activities' encompasses all the activities of the Group.
7. **The Net Bank Finance Cost**, including Interest Receivable and Payable, and related Bank Charges resulting from the banking facilities used for the execution of the Group's operations, decreased to €3.352.942 compared to €4.214.881 during the corresponding period of 2020 and by 20,4%, in percentage terms, due to the decrease in the net debt used in the nine month period of 2021 compared to the corresponding period last year, as well as, due to the decrease of the borrowing rates in US Dollars compared to the nine month period of 2020.

LOGICOM PUBLIC LIMITED

BOARD OF DIRECTORS' INTERIM REPORT

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

8. **The Foreign Exchange Difference** resulting mainly from the exchange rate fluctuation between the US Dollar and the Euro, had a negative impact on the Group's Results amounting to a loss of €918.628 (nine month period of 2020 profit: €185.633). It is clarified that the provisions of IFRS 9 in relation to Hedge Accounting have been adopted, with the aim to reduce the effects of the exchange rate fluctuations between the US Dollar and the Euro in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

According to the directives of the IAS21, the increase in the value of the Company's long term investments in its foreign subsidiaries, due to foreign exchange differences, amounting to €525.846, is transferred to the Reserves until the date of liquidation, where any result will be transferred in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

9. References to the **Share of Profit/loss from associated companies after tax** refer to the share of profit of €2.147.824 for the nine month period of 2021 compared to share of profit of €1.894.467 for the prior year's corresponding period from the associated company Demetra Holdings Plc ('Demetra'). The financial results of Demetra include 21,01% of the results of Hellenic Bank Public Company Ltd ('Hellenic') in which Demetra acquired in 2019 a corresponding cumulative percentage of the shares and evaluated, based on the provisions of the International Financial Reporting Standards, that it exercises significant influence, which recognised the investment using the equity accounting method. References to the **Share of Profit from joint ventures and to the Profit attributable to Non-controlling Interest** refer to the net operating profit of the investments in the Desalination Plants in Larnaca and Episkopi.
10. **The Profit attributable to the Company's shareholders** increased by 12,6% compared to the corresponding period of 2020, from €15.196.658 to €17.104.252, mainly due to the increase in turnover, the decrease of the Expected Credit Losses, despite the increase of the net financing costs due to the foreign exchange loss, in relation to the nine month period of 2020.
11. **The Group's Cash and Cash Equivalent** compared to the bank overdrafts present a credit balance of €2.841.755 at the end of the nine month period of 2021 compared to a debit balance of €19.617.545 at the end of 2020. **The short term loans** increased to €62.919.824 from €50.268.209. **The long term loans** decreased to €16.003.778 from €17.348.558.
12. Verendrya Ventures Limited, of which the Company holds 60% of its share capital, in a joint venture with a 50% share:
- Completed the construction of the Desalination plant in Episkopi based on the agreement with the Water Development Department dated 7 August 2009. As announced, as per the agreement dated 20 July 2011 Demetra Holdings Plc, participates indirectly to the execution and operation of the desalination project in Episkopi as a result of the indirect 40% share in Verendrya Ventures Limited. The construction of the project was completed in June 2012 and the desalination unit remained in standby mode from 1 July 2012 until 27 April 2014. The desalination unit started production on the 28th of April 2014. As of today, claims are pending in regards to the execution of this contract.
 - On 26 January 2012, signed an agreement with the Water Development Department for the renovation and operation of the existing desalination unit in Larnaca. Demetra Holdings Plc participates indirectly in the implementation and operation of the desalination project in Larnaca with 40% share in Verendrya Ventures Limited. The renovation of the unit was completed in June 2015 and started operations on the 4th of July 2015. As of today, claims are pending in regards to the execution of this contract.
13. During the nine month period of 2021, the Turnover and the Profit from Operations are increased, despite the increase of the net financing costs due to the foreign exchange loss, and in connection with the increase in the share of profit from associated companies and the reduction of taxation, resulted in the Profit attributable to the Shareholders to be significantly increased in comparison to the corresponding period of 2020.
14. During the nine month period of 2021 there was not any income from non-recurring or extraordinary activities.
15. The economic performance measurement indicators used in the above report for the performance and position of the Group serve a better analysis and understanding of these results.

LOGICOM PUBLIC LIMITED**BOARD OF DIRECTORS' INTERIM REPORT****DEVELOPMENT AND PERFORMANCE OF THE GROUP'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES** *(continued)*

16. The results are within the estimations of the Board of Directors.

RISKS AND UNCERTAINTIES

The main risks consist of credit risk, market risk which includes the interest rate risk, foreign exchange risk, and the other price market risks, liquidity risk, fair value risk and risk of capital management. These risks are analysed and the procedures of monitoring them are described in note 14 to the Interim Consolidated Financial Statements.

OPERATIONS OF THE COMPANY AND ITS SUBSIDIARY COMPANIES

During the nine month period of 2021, the Group continued the distribution of high technology products, the supply of services and integrated information technology, telecommunication and software solutions, and the participation in large infrastructure projects in the water sector.

IMPACT OF THE CORONAVIRUS PANDEMIC AND FORESEEABLE DEVELOPMENT OF THE COMPANY

The slowdown in the growth of the global economy, which is further exacerbated with the escalation of the Coronavirus Pandemic (COVID-19) with consequent effects on the production, combined with geopolitical developments, as well as, the observed instability in areas in which the Group operates, in 2020 and during the nine month period of 2021, have affected the activities of the Group, and have led to a reduction in turnover growth.

The Coronavirus pandemic, the restrictive measures that continue to be implemented by the Governments of some of the countries in which the Group operates and the slowdown of the already aggravated economic climate, as well as, the negative and prolonged impact on the supply chain, resulted in the reduction of the Group's turnover growth.

The Management of the Group, evaluating the challenges and the possible effects, proceeded to take counter-effect measures to limit the operating expenses, and to protect the employees. With the cooperation of the vendors and banks, the safeguarding of liquidity was achieved and, at the same time, the support to the customers and business associates of the Group.

The Cyprus Government, by participating in the vaccination program of the European Union, has vaccinated a significant percentage of the population. However, the significant losses in revenues from important sectors of the economy such as tourism, for the second consecutive year, as well as the support measures by the State for both companies and employees that were, and continue to be affected by the restrictive measures, are expected to further burden the economic climate.

As an outbreak of the pandemic is observed, the governments of the countries in which the Group operates have begun to restore a number of restrictive measures in an effort to control the outbreak. The uncertainty over the evolution of the pandemic affects to a great extent the efforts to restart the markets and the real economy.

During the nine month period of 2021, the Group's profitability from the ordinary activities (excluding the share of profit/loss from associated company and joint ventures) increased compared to the corresponding period last year. Due to the decrease in net debt used in the nine month period of 2021 compared to the corresponding period last year, as well as due to the decrease in the US Dollars borrowing rates, borrowing costs are significantly decreased compared to the nine month period of 2020.

The Management of the Group is closely monitoring the developments, in order to maintain and strengthen growth prospects without affecting the viability and strong financial position of the Group. The planning for 2021 has been formed on the basis of continuous effort for growth both in existing, but also in new markets, and by taking advantage of the opportunities offered by the market.

LOGICOM PUBLIC LIMITED**BOARD OF DIRECTORS' INTERIM REPORT****RESEARCH AND DEVELOPMENT ACTIVITIES**

There were no significant activities in the sector of research and development from the Group's companies.

RELATED PARTIES TRANSACTIONS AND BALANCES

The related parties' transactions and balances are analysed in the notes 19 and 20.

FOREIGN OPERATIONS - BRANCHES

The Group operates through subsidiary companies in United Arab Emirates, Saudi Arabia, Lebanon, Jordan, Greece, Italy, Romania, Germany, Qatar, Kuwait, Oman, Bahrain, Egypt and Morocco. The Group operates a branch in Malta.

USE OF FINANCIAL INSTRUMENTS

The derivative financial instruments of the Group and the Company relate to foreign exchange hedging products to hedge the risk of fluctuations in foreign currencies. The Group's and the Company's management follow a policy to minimize the risk arising from the fluctuation in foreign exchange differences, as stated in the significant accounting policies.

The profit arising from the change in the fair value of derivative financial instruments for the period, that was recognised in the Group's results amounted to €1.656.669 (nine month period off 2020, loss: €771.353).

SHARE CAPITAL

There was no change in the issued share capital of the company during the nine month period of 2021.

All shares are listed and traded in the Cyprus Stock Exchange, have the same and equal rights and have no limitations in their transfer. Detailed information in relation to the Company's share capital is presented in note 11.

COMPOSITION, SEGRAGATION OF DUTIES AND REIMBURSEMENT OF THE BOARD OF DIRECTORS - SHARE CAPITAL PARTICIPATION - REELECTION

The members of the Board of Directors as at 30 September 2021 and at the date of the present report are presented on page 2.

The percentages of participation in the Company's share capital that was held directly or indirectly by the members of the Board of Directors of the Company on 30 September 2021 and on 6 December 2021 are presented in notes 15 and 16 to the Interim Consolidated Financial Statements.

The remuneration of the executive directors is presented in note 17 to the Interim Consolidated Financial Statements.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The significant events after the reporting date that have a bearing on the understanding of the Interim Consolidated Financial Statements are presented in note 21.

LOGICOM PUBLIC LIMITED**BOARD OF DIRECTORS' INTERIM REPORT****PUBLICATION**

1. The Interim Financial Report will not be sent to the shareholders but the Consolidated Statement of Profit or loss and Other Comprehensive Income will be published in the newspapers 'Politis' on 08/12/2021 and 'o Phileleftheros' on 09/12/2021.
2. The whole content of the Interim Financial Report, is available, free of charge, from the Registered Office of the Company (Zenonos Sozou 3, 1st Floor, 3105 Limassol. P.O Box : 51094,3501 Limassol. Tel.: +357 25 818444, Fax: +357 25 372282, E mail: (log@adamides.com) and from the Head Offices of the Company (Stasinou 26, Agia Paraskevi, 2003 Strovolos, Nicosia. P.O. Box.: 23472, 1683 Nicosia. Tel.: +357 22 551000, Fax: +357 22 514294) and it is uploaded in the Company's websites (www.logicom.net) and of the Cyprus Stock Exchange(www.cse.com.cy).

THE BOARD OF DIRECTORS

6 December 2021

LOGICOM PUBLIC LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Period ended 30 September 2021

	Note	Period ended 30 September 2021	Period ended 30 September 2020	Year ended 31 December 2020
		€	€	€
Revenue		674.140.311	628.277.400	862.017.413
Cost of sales		(621.197.915)	(577.420.421)	(790.969.747)
Gross profit		52.942.396	50.856.979	71.047.666
Other income		308.929	729.835	2.107.324
Expected credit losses	14.1	(240.315)	(1.553.356)	(2.247.873)
Administrative expenses		(32.075.018)	(30.694.643)	(41.619.856)
Profit from operations		20.935.992	19.338.815	29.287.261
Net foreign exchange (loss)/profit		(918.628)	185.633	536.531
Interest receivable		411.547	471.137	659.208
Interest payable and bank charges		(3.764.489)	(4.686.018)	(6.027.924)
Net finance costs		(4.271.570)	(4.029.248)	(4.832.185)
Net share of profit from associated companies after tax	9	2.147.824	1.894.467	2.709.416
Net share of profit/(loss) from joint ventures after tax	9	22.797	(149.674)	(195.548)
Profit before tax		18.835.043	17.054.360	26.968.944
Tax		(1.724.954)	(1.917.629)	(3.782.573)
Profit for the period/year		17.110.089	15.136.731	23.186.371
Other comprehensive income that will not be reclassified to profit or loss in future periods				
Increase/(decrease) from revaluation of investments at fair value through other comprehensive income		720.715	(1.509.849)	(205.182)
Deferred taxation arising from revaluation of land and buildings		(443)	(129.590)	(591)
Adjustment on remeasurement of obligation		-	-	(271.163)
Deferred taxation arising from the remeasurement of obligation		-	-	5.943
		720.272	(1.639.439)	(470.993)
Other comprehensive income that will be reclassified to profit or loss in future periods				
Exchange difference from translation and consolidation of financial statements from foreign operations		6.739.755	(1.712.219)	(8.785.101)
Exchange difference in relation to hedge of a net investment in a foreign operation		(1.764.979)	1.441.522	3.009.015
Share of profit/(loss) from associated company	9	29.933	(174.249)	147.738
		5.004.709	(444.946)	(5.628.348)
Other comprehensive income/(expenses) for the period/year		5.724.981	(2.084.385)	(6.099.341)
Total comprehensive income for the period/year		22.835.070	13.052.346	17.087.030
Profit for the period/year attributable to:				
Company's shareholders		17.104.252	15.196.658	23.260.480
Non-controlling interest		5.837	(59.927)	(74.109)
Profit for the period/year		17.110.089	15.136.731	23.186.371
Total comprehensive income for the period/year attributable to:				
Company's shareholders		22.829.233	13.112.273	17.161.139
Non-controlling interest		5.837	(59.927)	(74.109)
Total comprehensive income		22.835.070	13.052.346	17.087.030
Basic earnings per share (cent)	5	23,09	20,51	31,40
Diluted earnings per share (cent)	5	23,09	20,51	31,40

The notes on pages 13 to 57 are an integral part of these consolidated interim financial statements.

LOGICOM PUBLIC LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONAs at 30 September 2021

	Note	30 September 2021 €	31 December 2020 €
ASSETS			
Property, plant and equipment	6	22.596.113	22.288.295
Right-of-use assets	7	4.827.899	5.193.533
Intangible assets and goodwill		8.448.579	8.859.491
Investments in associated companies and joint ventures	9	81.892.132	79.422.663
Investments at fair value through other comprehensive income		11.532.951	6.985.960
Trade and other receivables		23.116.225	24.055.226
Deferred taxation		1.718.218	1.197.053
Total non-current assets		<u>154.132.117</u>	<u>148.002.221</u>
Inventories		70.203.420	51.046.991
Trade and other receivables		197.566.677	191.031.564
Investments at fair value through profit or loss		12.881	12.881
Current tax assets		693.535	822.003
Cash and cash equivalents	10	<u>27.759.086</u>	<u>55.643.856</u>
Total current assets		<u>296.235.599</u>	<u>298.557.295</u>
Total assets		<u>450.367.716</u>	<u>446.559.516</u>
Equity			
Share capital	11	25.187.064	25.187.064
Reserves		<u>168.548.846</u>	<u>151.543.735</u>
Equity attributable to shareholders of the Company		193.735.910	176.730.799
Non-controlling interest		<u>(2.491.526)</u>	<u>(2.497.363)</u>
Total equity		<u>191.244.384</u>	<u>174.233.436</u>
Liabilities			
Long-term loans	12	12.323.455	13.842.401
Obligations under finance leases		3.944.943	4.144.363
Trade and other payables		11.819.381	11.690.929
Deferred taxation		908.374	908.374
Provision for other liabilities and termination of employment		<u>3.541.866</u>	<u>3.268.831</u>
Total non-current liabilities		<u>32.538.019</u>	<u>33.854.898</u>
Trade and other payables		124.651.288	141.706.797
Bank overdrafts	12	30.600.841	36.026.311
Short term loans	12	62.919.824	50.268.209
Current portion of long-term loans	12	3.680.323	3.506.157
Obligations under finance leases		1.091.216	1.114.669
Promissory notes		1.587.578	1.939.027
Derivative financial instruments		1.099.306	2.733.095
Current tax liabilities		954.937	1.176.917
Total current liabilities		<u>226.585.313</u>	<u>238.471.182</u>
Total liabilities		<u>259.123.332</u>	<u>272.326.080</u>
Total equity and liabilities		<u>450.367.716</u>	<u>446.559.516</u>

The notes on pages 13 to 57 are an integral part of these consolidated interim financial statements.

LOGICOM PUBLIC LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Period ended 30 September 2021

	Share capital	Share Premium Reserve	Revaluation Reserve	Difference arising on the conversion the share capital to Euro	Hedge reserve	Statutory reserve	Translation reserve	Retained earnings	Total	Non-controlling interest	Total
	€	€	€	€	€	€	€	€	€	€	€
Balance at 1 January 2020	25.187.064	10.443.375	6.385.831	116.818	(9.690.897)	2.435.557	(652.294)	129.153.173	163.378.627	(2.423.254)	160.955.373
Other comprehensive income											
Profit for the period	-	-	-	-	-	-	-	15.196.658	15.196.658	(59.927)	15.136.731
Other comprehensive income	-	-	(129.590)	-	1.441.522	-	(1.712.219)	(1.684.098)	(2.084.385)	-	(2.084.385)
Transactions with owners recognized directly in equity											
Proposed dividend for 2019 that was paid in 2020	-	-	-	-	-	-	-	(3.703.980)	(3.703.980)	-	(3.703.980)
Share of other transactions with owners from an associated company	-	-	-	-	-	-	-	(747)	(747)	-	(747)
Other movements											
Transfer to retained earnings	-	-	-	-	-	139.396	-	(139.396)	-	-	-
Balance at 30 September 2020	<u>25.187.064</u>	<u>10.443.375</u>	<u>6.256.241</u>	<u>116.818</u>	<u>(8.249.375)</u>	<u>2.574.953</u>	<u>(2.364.513)</u>	<u>138.821.610</u>	<u>172.786.173</u>	<u>(2.483.181)</u>	<u>170.302.992</u>
Balance at 1 January 2021	25.187.064	10.443.375	6.385.240	116.818	(6.681.882)	2.774.277	(9.437.395)	147.943.302	176.730.799	(2.497.363)	174.233.436
Other comprehensive income											
Profit for the period	-	-	-	-	-	-	-	17.104.252	17.104.252	5.837	17.110.089
Other comprehensive income	-	-	(443)	-	(1.764.979)	-	6.739.755	750.648	5.724.981	-	5.724.981
Transactions with owners recognized directly in equity											
Proposed dividend for 2020 that was paid in 2021	-	-	-	-	-	-	-	(5.926.368)	(5.926.368)	-	(5.926.368)
Share of other transactions with owners from an associated company	-	-	-	-	-	-	-	102.246	102.246	-	102.246
Other movements											
Transfer to retained earnings	-	-	-	-	-	75.361	-	(75.361)	-	-	-
Balance at 30 September 2021	<u>25.187.064</u>	<u>10.443.375</u>	<u>6.384.797</u>	<u>116.818</u>	<u>(8.446.861)</u>	<u>2.849.638</u>	<u>(2.697.640)</u>	<u>159.898.719</u>	<u>193.735.910</u>	<u>(2.491.526)</u>	<u>191.244.384</u>

Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31st of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31st of December of the second year for the year the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, from 2019 (deemed dividend distribution of year 2017 profits), the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution rate of 2,65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile. Retained earnings is the only reserve that is available for distribution

The notes on pages 13 to 57 are an integral part of these consolidated interim financial statements.

LOGICOM PUBLIC LIMITED

CONSOLIDATED CASH FLOW STATEMENT
Period ended 30 September 2021

	Note	Period ended 30 September 2021 €	Period ended 30 September 2020 €
Cash flows from/(used in) operations			
Profit for the period		17.110.089	15.136.731
Adjustments for:			
Exchange differences		4.115.800	(1.768.318)
Depreciation	6	1.128.946	1.010.362
Depreciation on leased property, plant and equipment	6	159.444	182.200
Depreciation on right of use assets	7	1.191.498	1.197.348
Interest payable		2.914.931	3.922.077
Interest receivable		(411.547)	(471.137)
Expected credit losses		240.315	1.553.356
Provision for the decrease in the value of inventories		197.425	208.728
Share of profit from investments in associated companies	9	(2.147.824)	(1.894.467)
Share of (profit) /loss from joint ventures		(22.797)	149.674
Change in fair value of derivative financial instruments		(1.633.789)	433.175
Profit from the disposal of property, plant and equipment		(19.266)	(17.181)
Amortisation of research and development		404.540	180.419
Charge to profit or loss for provisions for other liabilities and termination of employment		427.902	380.869
Tax		1.724.954	1.917.629
		<u>25.380.621</u>	<u>22.121.465</u>
(Increase)/decrease in inventories		(19.353.854)	17.526.536
Increase in trade and other receivables		(5.836.427)	(25.075.316)
(Decrease)/increase in trade and other payables		(16.927.057)	56.526.881
(Decrease)/Increase in promissory notes		(351.449)	564.440
Benefits paid for termination of employment		(206.289)	(362.603)
		<u>(17.294.455)</u>	<u>71.301.403</u>
Interest paid		(2.710.482)	(3.676.827)
Tax paid		(1.818.466)	(2.687.245)
		<u>(21.823.403)</u>	<u>64.937.331</u>
Net cash flows (used in)/from operations			
Cash flows used in investing activities			
Proceeds from disposal of property, plant and equipment		36.031	932.664
Payment to acquire right-of-use assets	7	(87.168)	-
Payments to acquire investments at fair value through other comprehensive income		(3.826.277)	(1.000.800)
Increase in provisions		-	37.838
Payments to acquire property, plant and equipment	6	(1.346.926)	(1.651.598)
Interest received		411.547	471.137
		<u>411.547</u>	<u>471.137</u>
Net cash flows used in investing activities		<u>(4.725.625)</u>	<u>(1.210.759)</u>
Net cash flow from/(used in) financing activities			
Proceeds from issue of new loans		93.832.010	73.651.236
Repayment of loans		(82.525.175)	(107.488.039)
Repayments of obligations under finance leases		(1.290.739)	(1.431.586)
Dividends paid		(5.926.368)	(3.703.980)
		<u>4.089.728</u>	<u>(38.972.369)</u>
Net cash flows from/(used in) financing activities			
Net flow in cash and cash equivalents		(22.459.300)	24.754.203
Cash and cash equivalents at beginning of the period		<u>19.617.545</u>	<u>(21.111.933)</u>
Cash and cash equivalents at end of the period	10	<u>(2.841.755)</u>	<u>3.642.270</u>

The notes on pages 13 to 57 are an integral part of these consolidated interim financial statements.

LOGICOM PUBLIC LIMITED

STATEMENT OF FINANCIAL POSITIONAs at 30 September 2021

	Note	30 September 2021 €	31 December 2020 €
ASSETS			
Property, plant and equipment	6	4.478.941	4.561.550
Right of use assets	7	415.403	468.989
Investments in subsidiary companies	8	53.331.217	53.331.217
Long-term loans to subsidiary companies	19	27.270.372	26.390.617
Deferred taxation		<u>277.310</u>	<u>277.310</u>
Total non-current assets		<u>85.773.243</u>	<u>85.029.683</u>
Inventories		1.239.899	988.735
Trade and other receivables		17.663.764	18.125.489
Receivables from subsidiary companies	19	12.173.717	30.029.151
Investments at fair value through profit or loss		6.758	6.758
Cash and cash equivalents	10	<u>1.258.062</u>	<u>4.194.690</u>
Total current assets		<u>32.342.200</u>	<u>53.344.823</u>
Total assets		<u>118.115.443</u>	<u>138.374.506</u>
Equity			
Share capital	11	25.187.064	25.187.064
Reserves		<u>16.119.387</u>	<u>22.358.180</u>
Total equity		<u>41.306.451</u>	<u>47.545.244</u>
Liabilities			
Long-term loans	12	6.837.237	8.603.174
Obligations under finance leases		311.696	375.382
Deferred taxation		<u>466.316</u>	<u>466.316</u>
Total non-current liabilities		<u>7.615.249</u>	<u>9.444.872</u>
Trade and other payables		17.184.453	24.174.671
Bank overdrafts	12	21.447.158	22.710.003
Short term loans	12	24.987.161	27.372.729
Current portion of long-term loans	12	2.711.686	2.718.412
Obligations under finance leases		127.916	115.272
Promissory notes		1.587.578	1.939.027
Derivative financial instruments		1.144.764	2.351.275
Current tax liabilities		<u>3.027</u>	<u>3.001</u>
Total current liabilities		<u>69.193.743</u>	<u>81.384.390</u>
Total liabilities		<u>76.808.992</u>	<u>90.829.262</u>
Total equity and liabilities		<u>118.115.443</u>	<u>138.374.506</u>

The notes on pages 13 to 57 are an integral part of these consolidated interim financial statements.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

1. UNAUDITED FINANCIAL STATEMENTS

The interim consolidated financial statements for the nine months ended on 30 September 2021 and 30 September 2020 respectively, have not been audited by the statutory auditors of the Company.

2. EFFECT OF CORONAVIRUS PANDEMIC (COVID-19) ON THE INTERIM FINANCIAL STATEMENTS

The Group assessed the main impacts of the pandemic on its financial statements and operations as follows: The Coronavirus pandemic, the restrictive measures that continue to be implemented by the Governments of some of the countries in which the Group operates and the slowdown of the already aggravated economic climate, as well as, the negative and prolonged impact on the supply chain, resulted in the reduction of the Group's turnover growth.

The administration expenses include an amount of €209.661 concerning expenditures on prevention and hygiene measures directly related to the Coronavirus pandemic (COVID 19) (nine month period of 2020: €256.088).

In the context of safeguarding the safety and health of the employees, but also in the context of compliance with the regulations of the countries against the Coronavirus pandemic (COVID 19), the Group implemented the extensive use of work from home utilizing its technological infrastructure thus maintaining its business readiness in full.

No substantial adjustments were made to contracts recognised as right of use assets as a result of the pandemic.

No discrepancies in the fair value of assets due to Coronavirus pandemic (COVID 19) have been identified.

The preparation of the consolidated and separate financial statements in conformity with the International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements, which are presented in Euro, have been prepared in accordance with the International Financial Reporting Standards, including IAS 34 "Interim Financial Reporting".

The accounting policies used in the preparation of the interim financial statements are in accordance with those used in the annual financial statements for the year ended 31 December 2020. During the current period, the Group assesses the effect of the new and revised International Financial Reporting Standards (IFRSs) and Interpretations that refer to accounting periods beginning on or after 1 January 2021, on the consolidated financial statements. The new standards and interpretations that are relevant to the Group operations will be adopted in accordance with the relevant IFRSs guidelines.

The results are presented in Euro. Transactions in foreign currencies are translated using the exchange rates prevailing at the date of the transaction. Amounts receivable and payable denominated in foreign currencies are translated to the functional currency at the exchange rate prevailing at the date of the Statement of Financial Position and the Foreign currency differences arising on translation are recognised in the Statement of Profit or Loss and Other Comprehensive Income. From 1st of January 2006 and according to the latest amendment of IAS 21, all exchange differences arising from the translation of long-term loans granted to foreign subsidiaries are transferred to the Exchange Differences Reserve in the financial statements of the Group irrespective of the currency in which the loan has been granted.

The Company has chosen to implement the provisions of IFRS 9 for the hedging of the foreign exchange risk. According to the provisions of IFRS 9, the net investments in foreign operations can be defined as 'hedged item' and the long term bank borrowings, of a corresponding value, denominated in the same currency as the net investments, which is different from the parent Company's functional currency, can be defined as 'hedging instrument', resulting to the hedging of exchange differences arising from the translation of net investments and long term bank borrowings, in the consolidated financial statements of the parent Company with its subsidiaries, and their transfer to the Hedge Reserve in the Group's financial statements, provided that the hedging is considered 'effective'.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The Taxation has been calculated on the taxable profits for the period based on the Company's dividend policy and the applicable tax legislation.

4. OPERATING SEGMENTS

The Group can be divided into two important segments, the distribution segment and the services segment. The distribution segment that mainly operates in the distribution of high technology products is divided in three main geographical segments as described below. The services segment operates mainly in the provision of solutions and services for networks and telecommunications and the provision of solutions and services for software to customers in Cyprus and abroad. The following summary describes the operations in each of the Group's reportable segments:

- European markets distribution segment – This segment operates mainly in the distribution of high technology products in Cyprus, Greece and Italy.
- UAE and Saudi Arabia distribution segment – This segment operates mainly in the distribution of high technology products in United Arab Emirates and Saudi Arabia.
- Other markets distribution segment – This segment operates mainly in the distribution of high technology products in countries that the Group operates in other than the countries mentioned above.
- Services segment – This segment operates in the provision of solutions and services for networks and telecommunications and the provision of solutions and services for software to customers in Cyprus and abroad.

The companies of the Group buy and sell goods and services according to their needs from other group companies. The transactions are made in the context of commercial practices related to intra group transactions in the relevant sections of operations.

Logicom Public Limited and Logicom FZE charge its subsidiary companies with a fee for administration services and financing cost.

Information regarding the results of each reportable segment is presented below. The information is used for the preparation of the consolidated and separate financial statements. The performance is evaluated based on the profit before taxation of each segment, as presented in management reports which are examined by the Board of Directors. For this reason, the taxation of each reporting segment is not presented in the note. The profit of each segment is used for the evaluation of the performance since the management believes that the below information are the most appropriate for the evaluation of the results of all segments that are reported. The accounting policies of the operating segments are presented in note 3.

Revenue and total non-current assets are allocated between Cyprus, Greece, United Arab Emirates and other countries are as follows:

	Revenue		Total non-current assets	
	Period ended 30 September 2021 €	Period ended 30 September 2020 €	30 September 2021 €	31 December 2020 €
Cyprus	73.727.289	71.391.536	143.519.226	135.092.478
Greece	95.414.763	69.136.007	1.406.449	1.439.588
United Arab Emirates	191.028.818	196.459.808	5.166.703	5.137.553
Other foreign countries	<u>313.969.441</u>	<u>291.290.049</u>	<u>4.039.739</u>	<u>6.332.602</u>
	<u>674.140.311</u>	<u>628.277.400</u>	<u>154.132.117</u>	<u>148.002.221</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

4. OPERATING SEGMENTS (continued)

Period ended 30 September 2021	European Markets Distribution Segment €	Middle East Markets Distribution Segment €	All other Segments €	Services Segment €	Transactions between Operating Segments €	Total €
Revenue from sale of products	152.494.776	409.718.108	66.655.228	38.808.342	-	667.676.454
Revenue from rendering of services	-	-	-	6.463.857	-	6.463.857
Revenue from third parties	<u>152.494.776</u>	<u>409.718.108</u>	<u>66.655.228</u>	<u>45.272.199</u>	<u>-</u>	<u>674.140.311</u>
Intersegment revenue	31.596.096	96.854.982	2.718.102	2.379.418	(133.548.598)	-
Other income	3.966.445	3.002.159	57.435	3.025.823	(9.742.933)	308.929
Depreciation and amortisation	844.908	799.708	503.551	576.817	-	2.724.984
Personnel costs	5.755.267	8.894.274	2.048.649	3.829.844	-	20.528.034
Travelling expenses	203.969	49.897	16.853	19.244	-	289.963
Provision for doubtful debts	8.647	220.704	11.770	(806)	-	240.315
Professional fees	999.198	670.541	224.641	265.158	(332.626)	1.826.912
Rent	3.840	157.776	49.282	16.581	-	227.479
Credit insurance	372.207	1.136.489	120.111	74.881	(263.993)	1.439.695
Transportation expenses	347.244	774.060	101.310	2.822	-	1.225.436
Profit from operations	<u>3.828.979</u>	<u>11.732.355</u>	<u>631.272</u>	<u>6.323.141</u>	<u>(1.579.755)</u>	<u>20.935.992</u>
Net foreign exchange (loss)/profit	(1.251.740)	27.646	(920.826)	(64.108)	1.290.400	(918.628)
Interest receivable	7.546	632.660	376.061	27.941	(632.661)	411.547
Interest payable and bank charges	(2.080.056)	(1.751.220)	(933.046)	(305.077)	1.304.910	(3.764.489)
Net finance income/(expenses)	<u>(3.324.250)</u>	<u>(1.090.914)</u>	<u>(1.477.811)</u>	<u>(341.244)</u>	<u>1.962.649</u>	<u>(4.271.570)</u>
Net share of profit from associated companies and joint ventures after tax	-	-	22.797	2.147.824	-	2.170.621
Profit/(loss) before tax	504.729	10.641.441	(823.742)	8.129.721	382.894	18.835.043
Acquisition of property, plant and equipment	595.972	154.079	336.838	259.398	639	1.346.926
Acquisition of right-of-use assets	52.439	275.598	296.447	-	-	624.484
Total assets	301.947.833	243.664.240	87.449.419	147.639.368	(330.333.144)	450.367.716
Total liabilities	244.534.045	144.993.063	88.424.215	53.033.458	(271.861.449)	259.123.332
Net investment assets in associated companies and joint ventures	-	-	538.684	81.353.448	-	81.892.132

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

4. OPERATING SEGMENTS (continued)

Period ended 30 September 2020	European Markets Distribution Segment €	Middle East Markets Distribution Segment €	All other Segments €	Services Segment €	Transactions between operating segments €	Total €
Revenue from sale of products	127.191.853	399.450.588	58.653.613	34.730.273	-	620.026.327
Revenue from rendering of services	-	-	-	8.251.073	-	8.251.073
Revenue from third parties	<u>127.191.853</u>	<u>399.450.588</u>	<u>58.653.613</u>	<u>42.981.346</u>	<u>-</u>	<u>628.277.400</u>
Intersegment revenue	<u>25.284.945</u>	<u>102.989.906</u>	<u>667.699</u>	<u>1.217.751</u>	<u>(130.160.301)</u>	<u>-</u>
Other income	4.162.480	66.960	43.528	2.969.867	(6.513.000)	729.835
Depreciation and amortisation	711.670	843.657	450.895	381.907	-	2.388.129
Personnel costs	5.382.507	8.598.489	2.289.953	3.783.217	-	20.054.166
Travelling expenses	153.166	80.915	14.832	35.382	-	284.295
Provision for doubtful debts	79.387	214.199	1.233.723	26.048	-	1.553.357
Professional fees	1.038.931	361.962	124.670	164.655	-	1.690.218
Rent	3.166	180.887	89.004	16.478	-	289.535
Credit insurance	430.643	754.160	49.482	68.942	-	1.303.227
Transportation expenses	<u>282.496</u>	<u>570.416</u>	<u>54.459</u>	<u>419</u>	<u>-</u>	<u>907.790</u>
Profit from operations	<u>3.826.579</u>	<u>13.365.215</u>	<u>(463.791)</u>	<u>7.700.124</u>	<u>(5.089.312)</u>	<u>19.338.815</u>
Net foreign exchange (loss)/profit	1.232.176	(100.628)	(185.252)	295.450	(1.056.113)	185.633
Interest receivable	11.077	34.361	423.796	1.903	-	471.137
Interest payable and bank charges	<u>(2.863.232)</u>	<u>(1.863.013)</u>	<u>(936.410)</u>	<u>(239.370)</u>	<u>1.216.007</u>	<u>(4.686.018)</u>
Net finance income/(expenses)	<u>(1.619.979)</u>	<u>(1.929.280)</u>	<u>(697.866)</u>	<u>57.983</u>	<u>159.894</u>	<u>(4.029.248)</u>
Net share of profit from associated companies and joint ventures after tax	-	-	(149.674)	1.894.467	-	1.744.793
Profit/(loss) before tax	<u>(1.660.605)</u>	<u>6.634.104</u>	<u>(357.901)</u>	<u>3.994.056</u>	<u>8.444.706</u>	<u>17.054.360</u>
Acquisition of property, plant and equipment	1.128.631	155.624	180.092	170.755	-	1.635.102
Acquisition of right-of-use assets	-	-	-	-	-	-
Total assets	238.583.329	296.900.475	75.598.890	135.427.577	(277.627.217)	468.883.054
Total liabilities	185.543.458	207.664.310	76.394.334	48.558.613	(217.861.182)	300.299.533
Net investment assets in associated companies and joint ventures	<u>-</u>	<u>-</u>	<u>747.742</u>	<u>78.040.750</u>	<u>-</u>	<u>78.788.492</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021

5. EARNINGS PER SHARE

THE GROUP

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to the shareholders of the parent Company, the weighted average number of issued shares and the weighted average number of issued shares as adjusted for the effect of the warrants during the period as follows:

	Period ended 30 September 2021	Period ended 30 September 2020
Earnings attributable to shareholders (€)	<u>17.104.252</u>	<u>15.196.658</u>
Weighted average number of issued shares during the period	<u>74.079.600</u>	<u>74.079.600</u>
Basic earnings per share (cent)	<u>23,09</u>	<u>20,51</u>
Diluted weighted average number of shares	<u>74.079.600</u>	<u>74.079.600</u>
Diluted earnings per share (cent)	<u>23,09</u>	<u>20,51</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

6. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Land and buildings €	Computers €	Furniture and fittings €	Motor vehicles €	Total €
Acquisition cost or revaluation					
Balance at 1 January 2020	19.397.134	8.077.643	3.591.107	1.570.327	32.636.211
Additions for the period	303.291	1.599.656	136.107	275.305	2.314.359
Disposals and write offs for the year	(1.169)	(1.397.912)	(321.277)	(90.531)	(1.810.889)
Exchange differences	(406.417)	(191.421)	(146.531)	(48.237)	(792.606)
Balance at 31 December 2020	<u>19.292.839</u>	<u>8.087.966</u>	<u>3.259.406</u>	<u>1.706.864</u>	<u>32.347.075</u>
Balance at 1 January 2021	19.292.839	8.087.966	3.259.406	1.706.864	32.347.075
Additions for the period	242.543	762.218	120.280	221.885	1.346.926
Disposals for the period	(193.556)	(331.821)	(54.471)	(62.475)	(642.323)
Exchange differences	263.056	125.041	80.981	38.886	507.964
Balance at 30 September 2021	<u>19.604.882</u>	<u>8.643.404</u>	<u>3.406.196</u>	<u>1.905.160</u>	<u>33.559.642</u>
Depreciation					
Balance at 1 January 2020	376.729	5.415.425	2.579.905	1.177.355	9.549.414
Charge for the year	371.301	804.513	296.273	143.493	1.615.580
Disposals and write off for the year	(263)	(482.064)	(169.738)	(83.362)	(735.427)
Exchange differences	(43.393)	(169.414)	(113.413)	(44.567)	(370.787)
Balance at 31 December 2020	<u>704.374</u>	<u>5.568.460</u>	<u>2.593.027</u>	<u>1.192.919</u>	<u>10.058.780</u>
Balance at 1 January 2021	704.374	5.568.460	2.593.027	1.192.919	10.058.780
Charge for the period	296.583	663.076	191.185	137.546	1.288.390
Disposals for the period	(193.556)	(327.166)	(42.361)	(62.475)	(625.558)
Exchange differences	37.509	109.246	66.046	29.116	241.917
Balance at 30 September 2021	<u>844.910</u>	<u>6.013.616</u>	<u>2.807.897</u>	<u>1.297.106</u>	<u>10.963.529</u>
Net book value					
Balance at 30 September 2021	<u>18.759.972</u>	<u>2.629.788</u>	<u>598.299</u>	<u>608.054</u>	<u>22.596.113</u>
Balance at 1 January 2021	<u>18.588.465</u>	<u>2.519.506</u>	<u>666.379</u>	<u>513.945</u>	<u>22.288.295</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

6. PROPERTY, PLANT AND EQUIPMENT (continued)

THE COMPANY	Land and buildings €	Computers €	Furniture and fittings €	Motor vehicles €	Total €
Acquisition cost or revaluation					
Balance at 1 January 2020	3.442.111	2.411.236	277.372	483.632	6.614.351
Additions for the period	1.793	827.538	25.667	41.471	896.469
Disposals and write offs for the year	-	(884.978)	-	(39.121)	(924.099)
Balance at 31 December 2020	<u>3.443.904</u>	<u>2.353.796</u>	<u>303.039</u>	<u>485.982</u>	<u>6.586.721</u>
Balance at 1 January 2021	3.443.904	2.353.796	303.039	485.982	6.586.721
Additions for the period	5.000	302.875	14.949	98.915	421.739
Disposals for the period	-	(7.818)	-	(13.000)	(20.818)
Balance at 30 September 2021	<u>3.448.904</u>	<u>2.648.853</u>	<u>317.988</u>	<u>571.897</u>	<u>6.987.642</u>
Depreciation					
Balance at 1 January 2020	627	1.066.965	184.980	334.547	1.587.119
Charge for the year	68.006	321.506	25.497	63.941	478.950
Disposals	-	(1.777)	-	(39.121)	(40.898)
Balance at 31 December 2020	<u>68.633</u>	<u>1.386.694</u>	<u>210.477</u>	<u>359.367</u>	<u>2.025.171</u>
Balance at 1 January 2021	68.633	1.386.694	210.477	359.367	2.025.171
Charge for the period	106.626	321.224	15.383	59.463	502.696
Disposals for the period	-	(6.166)	-	(13.000)	(19.166)
Balance at 30 September 2021	<u>175.259</u>	<u>1.701.752</u>	<u>225.860</u>	<u>405.830</u>	<u>2.508.701</u>
Net book value					
Balance at 30 September 2021	<u>3.273.645</u>	<u>947.101</u>	<u>92.128</u>	<u>166.067</u>	<u>4.478.941</u>
Balance at 1 January 2021	<u>3.375.271</u>	<u>967.102</u>	<u>92.562</u>	<u>126.615</u>	<u>4.561.550</u>

Approximately every three years, or earlier if required, revaluations are prepared to estimate the fair values of land and buildings.

The revaluations were made on the basis of the comparative method of estimation for the calculation of the market value, using the cost of construction method for the market value of the building under examination as well as the prospects of the properties under examination. Revaluations were made by independent professional valuers.

On 9 February 2018, the company Najada Holdings Limited, a subsidiary company of Logicom Public Limited, acquired all the interests of the immovable property Parcel 1878 Sheet/Plan 30/06E2, area 16 decares and 147 sq.m, at Strovolos Municipality in Nicosia ('The Property'). The purchase price amounted to €8.125.000. The decision for the acquisition of the Property was taken taking into consideration the present and future premises needs of the Group as well as the opportunities for its commercial development and exploitation.

On 31 December 2019, the property was revalued with a revaluation surplus of €2.100.000.

On land and buildings, borrowing costs of €649.118 as well as professional and legal costs of €950.438 for the design and licensing of the building under construction of Najada Holdings Limited, have been capitalised. The cost of the building under construction is not depreciated.

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Period ended 30 September 2021

6. PROPERTY, PLANT AND EQUIPMENT *(continued)*

The real right to rent in the Larnaca Free Trade Zone as well as the privately owned buildings with an initial purchase cost of €130.178 and with subsequent additions at a cost of €29.672 were sold in 2019 for €330.000. The listed value at the date of the sale was €289.017.

The land and buildings of Logicom Public Limited were revalued on 31 December 2019 and the surplus from revaluation amounted to €281.098.

The subsidiary company Logicom FZE acquired land in the Free Trade Zone Area in Jebel Ali. The land is leased under an operating lease for 10 years from the 1 August 2007 with an option for renewal. During the year, the subsidiary proceeded with the construction of an office building and a warehouse in the land. The annual lease payment is €154.090. The land and buildings were revalued on 31 December 2019 and the revaluation loss amounted to €610.844.

The land and buildings of Logicom Jordan LLC were revalued on 31 December 2019 and the revaluation surplus amounted to €23.978.

The Group's Management estimates that the accounting value of land and buildings is not significantly different from their fair value.

Land and buildings are classified as Level 3 for the calculation of their fair value, where the valuation technique is performed by independent qualified appraisers using a variety of valuation methods and assumptions based mainly on the market situation at each valuation date.

The main property of the Group included in the Land and Buildings category are presented below:

Type of property	Assessment method	Non observable data	Data fluctuation range	30 September 2021 €	31 December 2020 €
Land and buildings	Comparative method	Sale price per sq.m.	€500/sq.m. - €1.700/sq.m.	2.671.645	2.773.271
Land	Comparative method	Sale price per sq.m.	€1.000/sq.m.	602.000	602.000
Land	Comparative method	Sale price per sq.m.	€300/sq.m. - €800/sq.m.	10.225.000	10.225.000
Buildings	Comparative method	Transfer price per sq.m.	USD 1.720 (€1.532)/sq.m.	<u>3.402.900</u>	<u>3.211.000</u>

Data Sensitivity: The fair value will increase / (decrease) if the sale or transfer price per sq.m. increases / (decreases).

The remaining properties included in Land and Buildings have been valued from independent professional appraisers in the country in which they are located during the period ended 31 December 2019. This category includes improvements and additions to rental properties for which no assessment has been made.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021

7. RIGHT-OF-USE ASSETS

THE GROUP

	Right of use land €	Right of use buildings and warehouse €	Right of use motor vehicles €	Total €
Acquisition cost				
Balance at 1 January 2020	1.928.401	5.836.938	328.315	8.093.654
Additions for the period	-	136.281	225.448	361.729
Exchange differences	(162.966)	(312.876)	(8.163)	(484.005)
Balance at 31 December 2020	<u>1.765.435</u>	<u>5.660.343</u>	<u>545.600</u>	<u>7.971.378</u>
Period ended 30 September 2021				
Balance at 1 January 2021	1.765.435	5.660.343	545.600	7.971.378
Additions for the period	3.821	697.352	10.480	711.653
Write-offs for the period	-	(546.685)	(76.243)	(622.928)
Exchange differences	105.509	69.282	1.535	176.326
Balance at 30 September 2021	<u>1.874.765</u>	<u>5.874.157</u>	<u>481.515</u>	<u>8.230.437</u>
Depreciation				
Balance at 1 January 2020	96.420	1.251.652	101.278	1.449.350
Charge	94.833	1.364.391	152.783	1.612.007
Exchange differences	(14.709)	(265.520)	(3.283)	(283.512)
Balance at 31 December 2020	<u>176.544</u>	<u>2.350.523</u>	<u>250.778</u>	<u>2.777.845</u>
Period ended 30 September 2021				
Balance at 1 January 2021	176.544	2.350.523	250.778	2.777.845
Charge	68.053	1.026.100	97.345	1.191.498
Write-offs for the period	-	(546.590)	(76.147)	(622.737)
Exchange differences	13.183	44.524	(1.775)	55.932
Balance at 30 September 2021	<u>257.780</u>	<u>2.874.557</u>	<u>270.201</u>	<u>3.402.538</u>
Net book value				
Balance at 30 September 2021	<u>1.616.985</u>	<u>2.999.600</u>	<u>211.314</u>	<u>4.827.899</u>
Balance at 1 January 2021	<u>1.588.891</u>	<u>3.309.820</u>	<u>294.822</u>	<u>5.193.533</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 20217. **RIGHT-OF-USE ASSETS** *(continued)***THE COMPANY**

	Right of use buildings and warehouse €
Acquisition cost	
Balance at 1 January 2020	<u>703.475</u>
Balance at 31 December 2020	<u>703.475</u>
Period ended 30 September 2021	
Balance at 1 January 2021	<u>703.475</u>
Balance at 30 September 2021	<u>740.461</u>
Depreciation	
Balance at 1 January 2020	117.246
Charge	<u>117.240</u>
Balance at 31 December 2020	<u>234.486</u>
Period ended 30 September 2021	
Balance at 1 January 2021	234.486
Charge	<u>90.572</u>
Balance at 30 September 2021	<u>325.058</u>
Net book value	
Balance at 30 September 2021	<u><u>415.403</u></u>
Balance at 1 January 2021	<u><u>468.989</u></u>

The Group and the Company used prior knowledge to determine the lease period. The average borrowing cost applied for Europe is 3,17% for land, warehouse and buildings and 3,5% for motor vehicles and for the Middle East is 5,44% for land, warehouse and buildings and 2,95% for motor vehicle.

There were no significant changes in the lease contracts as a result of the Coronavirus pandemic (COVID 19), to the extent that they affect the value of the right of use assets, obligations under finance leases and related depreciation.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

8. INVESTMENTS IN SUBSIDIARY COMPANIES

The Company has the following investments in subsidiary companies:

Company	Country of incorporation	30 September 2021 Holding %	31 December 2020 Holding %	30 September 2021 €	31 December 2020 €
Logicom (Overseas) Limited	Cyprus	100	100	-	-
Logicom (Middle East) SAL	Lebanon	100	100	-	-
ENET Solutions Logicom S.A.	Greece	100	100	1.205.400	1.205.400
Logicom FZE	United Arab Emirates	100	100	18.693.825	18.693.825
Logicom Trading & Distribution LLC	Qatar	100	100	46.313	46.313
Logicom Jordan LLC	Jordan	100	100	78.372	78.372
Logicom Italia s.r.l.	Italy	100	100	3.569.544	3.569.544
Rehab Technologies Limited	Saudi Arabia	100	100	-	-
Logicom Information Technology Distribution s.r.l.	Romania	100	100	2.200.063	2.200.063
Logicom Bulgaria EOOD	Bulgaria	100	100	-	-
Logicom Services Ltd	Cyprus	100	100	24.010.000	24.010.000
Verendrya Ventures Ltd	Cyprus	60	60	600	600
Logicom Distribution Germany GmbH	Germany	100	100	27.000	27.000
Cadmus Tech Points S.A.L	Lebanon	100	100	-	-
Najada Holdings Limited	Cyprus	100	100	3.500.100	3.500.100
				<u>53.331.217</u>	<u>53.331.217</u>

The value of the investments as listed above consists of the share capital and the contribution from the parent company to its subsidiaries.

The Company owns indirectly, through the subsidiary company Logicom Services Ltd, 100% of Logicom Solutions Ltd in Cyprus with share capital of €11.115.

The Company owns indirectly, through the subsidiary companies Enet Solutions Logicom S.A. and Logicom FZE, 100% of Logicom IT Distribution Ltd in Turkey with share capital of €11.343.372.

The Company owns indirectly, through the subsidiary company Verendrya Ventures Limited, the 60% of the subsidiary Netcom Limited in Cyprus with share capital €17.100.

The Company owns indirectly, through the subsidiary company Logicom FZE, 100% of the subsidiary, Logicom Saudi Arabia LLC in Saudi Arabia with share capital of €4.960.896.

The Company owns indirectly, through the subsidiary company Logicom FZE, 100% of the subsidiary, Logicom Dubai LLC in United Arab Emirates, with share capital of €92.129

The Company owns indirectly, through the subsidiary company Logicom Services Ltd, 100% of Newcytech Business Solutions Ltd in Cyprus with share capital of €756.776.

The Company owns indirectly, through the subsidiary company Logicom Services Ltd, 100% of Newcytech Distribution Ltd in Cyprus with share capital of €8.550.

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

Period ended 30 September 2021

8. INVESTMENTS IN SUBSIDIARY COMPANIES *(continued)*

The Company owns indirectly, through the subsidiary company Logicom Services Ltd, 100% of the subsidiary in United Arab Emirates, Logicom Solutions LLC with share capital of €56.589.

The Company owns indirectly, through the subsidiary company Logicom Services Ltd, 100% of the subsidiary in Greece, ICT Logicom Solutions SA with share capital of €100.000.

The Company owns indirectly, through subsidiaries Logicom FZE and Logicom Dubai LLC 100% of Logicom LLC in Oman, with share capital of €41.086.

The Company owns indirectly, through subsidiary Logicom FZE 100% of Logicom Kuwait for Computer Company W.L.L. in Kuwait, with share capital of €50.997.

The Company owns indirectly, through its subsidiary Logicom FZE, the 100% of Logicom Bahrain W.L.L. in Bahrain, with share capital of €11.676.

The Company owns indirectly through its subsidiary Logicom FZE and Logicom (Overseas) Limited 100% of Logicom Egypt LLC in Egypt, with share capital of €56. The share capital has not been paid.

The Company owns indirectly through its subsidiaries Logicom FZE and Logicom Egypt LLC 100% of Logicom Distribution Egypt LLC in Egypt, with share capital of €105.255. The share capital has not been paid.

The Company owns indirectly through its subsidiaries Logicom FZE and Logicom (Overseas) Limited 100% of Elogicomnet Morocco Distribution SARL in Morocco, with share capital of €6.673.

As at 31 December 2020, the Company made an impairment assessment on the value of the investments in subsidiary companies by comparing the net asset value of each investment with the carrying amount as stated in the Company's books. There was no indication for impairment in the value of the investments in subsidiaries, except for Logicom Information Technology Distribution s.r.l, Logicom (Middle East) SAL, and Logicom Italia s.r.l, according to the comparison mentioned above. The value of the investment in Logicom (Middle East) SAL has suffered a total impairment of €1.525.820 and was calculated based on the net position of the company and the ominous forecasts regarding the development of the company in the unstable political and economic environment in which is operating. The value of the investments in the companies Logicom Information Technology Distribution s.r.l. and Logicom Italia srl were not impaired based on the calculation of the expected future cash flows of these companies for the years 2021-2023 divided by the weighted average cost of capital that was calculated at 7,65%, with growth rate to perpetuity of 2% and based on the fact that the discounted future cash flows exceed the value of these investments. Impairments on the values of the investments are presented in the Statement of Profit or Loss.

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Period ended 30 September 2021****8. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)**

The following table presents the dates of acquisition, the nominal values and the number of shares of the main subsidiary companies:

Company	Date of acquisition/ incorporation	Nominal Value	Number of shares
Logicom (Overseas) Limited	01/01/1999	EUR 1,71	10.000
Logicom Solutions Limited	01/01/2000	EUR 1,71	6.500
Netcom Limited	27/04/2000	EUR 1,71	10.000
Logicom (Middle East) SAL	25/07/2000	LBP 15.000	20.000
ENET Solutions Logicom S.A.	21/02/2001	EUR 2,94	410.000
Logicom Jordan LLC	07/08/2001	JOD 1	50.000
Logicom FZE	03/10/2001	AED 1Million	1
Logicom Dubai LLC	07/11/2001	AED 100	3.000
Logicom Italia s.r.l.	14/06/2005	EUR 10.000	1
Logicom IT Distribution Limited	01/12/2005	YTL 25	920.000
Rehab Technologies Limited	01/08/2006	SAR 500	1.000
Logicom Information Technology Distribution s.r.l.	19/03/2007	RON 200	1
Logicom Bulgaria EOOD	12/04/2007	BGN 20.000	1
Verendrya Ventures Ltd	30/01/2009	EUR 1	1.000
Logicom Services Ltd	06/05/2009	EUR 1	10.000
Enet Solutions LLC	16/08/2009	AED 1.000	300
ICT Logicom Solutions SA	03/11/2009	EUR 1	100.000
Logicom Saudi Arabia LLC	29/09/2009	SAR 10	2.680.000
Newcytech Business Solutions Ltd	30/10/2009	EUR 1,71	442.559
Newcytech Distribution Ltd	30/10/2009	EUR 1,71	5.000
Logicom Distribution Germany GmbH	29/09/2010	EUR 1	25.000
Logicom LLC	02/09/2012	OMR 1	20.000
Cadmus Tech Points S.A.L	01/10/2013	LBP10.000	3.000
Logicom Kuwait for Computer Company W.L.L	13/03/2014	KWD200	100
Logicom Trading & Distribution LLC	23/03/2014	QAR1.000	200
Najada Holdings Limited	23/05/2017	EUR 1	100
Logicom Bahrain W.L.L	06/09/2018	BD50	100
Logicom Egypt LLC	07/11/2019	LE10	100
Logicom Distribution Egypt LLC	02/09/2020	LE10	200.000
Elogicomnet Morocco Distribution SARL	26/03/2021	MAD 1	70.000

9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES

The Group participates in the consortium M.N Limassol Water Co. Limited and M.N. E.P.C Water Co. (partnership) with 50% holding through its subsidiary company Verendrya Ventures Limited. The above consortiums have undertaken the construction and operation of the desalination plant in Episkopi.

During 2012, the Group has also acquired a 50% holding through its subsidiary company Verendrya Ventures Limited, in the joint venture M.N Larnaca Desalination Co. Limited for the renovation and operation of the existing desalination unit in Larnaca.

On 15 March 2018, the Group increased its total shareholding held in Demetra Holdings Plc to 29,62%, resulting in significant influence.

The Group recognizes the above investments using the equity method.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)***THE GROUP**

	Period ended				
	30 September 2021	31 December 2020			
	€	€			
M.N. Limassol Water Co. Ltd	538.684	349.218			
M.N. E.P.C Water Co.	-	-			
M.N. Larnaca Desalination Co. Ltd	-	-			
Demetra Holdings Plc	<u>81.353.448</u>	<u>79.073.445</u>			
	<u>81.892.132</u>	<u>79.422.663</u>			
	M.N. Larnaca Desalination Co. Ltd	M.N. E.P.C Water Co.	M.N. Limassol Water Co. Ltd	Demetra Holdings Plc	Total
	€	€	€	€	€
Balance at 1 January 2021	-	-	349.218	79.073.445	79.422.663
Reclassification of loss/ (profit) from investments in joint ventures after tax	182.725	(16.056)			166.669
Share of profit/(loss) from investments in joint ventures after tax	(182.725)	16.056	189.466	-	22.797
Net share of profit from associated companies after tax	-	-	-	2.147.824	2.147.824
Share of loss through other comprehensive income	-	-	-	29.933	29.933
Share of other transactions with owners	-	-	-	102.246	102.246
Balance at 30 September 2021	<u>-</u>	<u>-</u>	<u>538.684</u>	<u>81.353.448</u>	<u>81.892.132</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES (continued)

	M.N. Larnaca Desalination Co. Ltd €	M.N. E.P.C Water Co. €	M.N. Limassol Water Co. Ltd €	Demetra Holdings Plc €	Total €
Balance at 1 January 2020	-	-	682.501	76.321.278	77.003.779
Dividend	-	-	(419.160)	-	(419.160)
Reclassification of loss from investments in joint ventures after tax	280.855	570			281.425
Share of profit/(loss) from investments in joint ventures after tax	(280.855)	(570)	85.877	-	(195.548)
Net share of profit from associated companies after tax	-	-	-	2.709.416	2.709.416
Share of loss through other comprehensive income	-	-	-	147.738	147.738
Share of other transactions with the owners	-	-	-	(104.987)	(104.987)
Balance at 31 December 2020	-	-	349.218	79.073.445	79.422.663

The profit that resulted from M.N. Limassol Water Co. Limited of €189.466 was debited to the amount of investment in Verendrya Ventures Limited in M.N. Limassol Water Co. Limited.

The loss that resulted from M.N. Larnaca Desalination Co. Ltd of €182.725 was credited to the loan granted from Verendrya Ventures Limited to M.N. Larnaca Desalination Co. Ltd.

The profit that resulted from M.N.E.P.C. Water Co. of €16.056 was debited to the loan granted from Verendrya Ventures Limited to M.N. Limassol Water Co. Limited.

According to the Bank Loan Agreement between M.N. Limassol Water Co. Ltd and Hellenic Bank, a restriction with regards to the dividend distribution exists if any of the below applies:

- Based on the instructions issued by the Water Development Department, the production of the desalinated water is restricted below the minimum quantities as specified in the contract.
- The Water Development Department instructs the company to operate in a stand by mode.
- The economic position or the future cash flows of the company are not in a position to warrant the distribution of dividends.

Regarding the investment in the desalination unit of Larnaca, M.N. Larnaca Desalination Co's Limited management has prepared its financial statements for the year ended 31 December 2020 using estimates, assumptions and evidence that include the legal opinion in relation to the validity of claims in favor and against the company and an opinion from its consultants in respect of the level of compensation that the company is expected to be entitled to. Judgement has also been applied in the allocation of the expected compensation in the financial model of the company between financial and intangible asset. In accordance with the provisions of the paragraph 92 of IAS 37 'Provisions, contingent liabilities and contingent assets' no further information is disclosed in relation to the subject matter on the grounds that it may prejudice the position of the company in a dispute with other parties.

The desalination unit of M.N Limassol Water Co. Limited has been instructed to a production of 50% of the agreed capacity as from 1 June 2021 and then for an increase in production to 100% of capacity as from 23 June 2021. It has subsequently been instructed to limit production to 50% of the agreed capacity as from 4 August 2021.

The desalination unit of M.N. Larnaca Desalination Co. Limited has been instructed to increase production to 100% of the agreed capacity as from 17 May 2021.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** (continued)

The recognition of investment in M.N. Larnaca Desalination Co. Ltd during 2018, arose from the decrease of the conventional interest of the loan receivable to 0% from 4,5% and in consequence the fair value of the rejected cash flows discounted at the effective interest was recognised as increase in the investment.

Significant total amounts of investments accounted for using the equity method:

<u>Period ended 30 September 2021</u>	M.N. Larnaca			
	Desalination Co. Ltd	M.N. Limassol Water Co. Ltd	M.N. E.P.C Water Co.	Total
Percentage	50%	50%	50%	
Reporting Date	30/09/2021	30/09/2021	30/09/2021	
	€	€	€	€
Non-current assets	17.301.912	30.815.807	-	48.117.719
Cash and cash equivalents	835.387	882.448	737	1.718.572
Current assets	5.709.683	7.661.945	3.208	13.374.836
Total assets	23.846.982	39.360.200	3.945	63.211.127
Current liabilities	(1.131.448)	(3.016.772)	(1.000)	(4.149.220)
Short-term borrowing	(35.242.229)	(3.126.000)	-	(38.368.229)
Long-term loans	-	(32.766.538)	-	(32.766.538)
Total liabilities	(36.373.677)	(38.909.310)	(1.000)	(75.283.987)
Net Assets	(12.526.695)	450.890	2.945	(12.072.860)
Revenue	6.019.321	2.914.961	38.959	8.973.241
Interest receivable	598.175	1.665.108	-	2.263.283
Expenses	(6.918.085)	(2.754.492)	(6.848)	(9.679.425)
Depreciation and amortisation	(64.493)	(423.442)	-	(487.935)
Interest payable	(368)	(983.758)	-	(984.126)
Tax	-	(39.445)	-	(39.445)
(Loss)/profit	(365.450)	378.932	32.111	45.593
Group's share in net assets	(6.263.348)	225.445	1.473	(6.036.430)
Group's share in (loss)/profit	(182.725)	189.466	16.056	22.797

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)*

<u>2020</u>	M.N. Larnaca			Total €
Percentage	Desalination Co. Ltd	M.N. Limassol Water Co. Ltd	M.N. E.P.C Water Co.	
Reporting Date	50%	50%	50%	
	31/12/2020	31/12/2020	31/12/2020	
	€	€	€	€
Non-current assets	17.797.863	34.100.840	-	51.898.703
Cash and cash equivalents	2.033.065	2.617.618	787	4.651.470
Current assets	<u>4.205.483</u>	<u>6.960.424</u>	<u>1.926</u>	<u>11.167.833</u>
Total assets	<u>24.036.411</u>	<u>43.678.882</u>	<u>2.713</u>	<u>67.718.006</u>
Current liabilities	(955.417)	(5.009.146)	(31.879)	(5.996.442)
Short-term borrowing	(35.242.229)	(3.126.000)	-	(38.368.229)
Long-term loans	-	(35.471.779)	-	(35.471.779)
Total liabilities	<u>(36.197.646)</u>	<u>(43.606.925)</u>	<u>(31.879)</u>	<u>(79.836.450)</u>
Net Assets	<u>(12.161.235)</u>	<u>71.957</u>	<u>(29.166)</u>	<u>(12.118.444)</u>
Revenue	5.187.038	1.114.186	-	6.301.224
Interest receivable	814.759	2.331.273	-	3.146.032
Expenses	(6.470.613)	(1.164.663)	(1.140)	(7.636.416)
Depreciation and amortisation	(92.402)	(656.502)	-	(748.904)
Interest payable	(491)	(1.437.935)	-	(1.438.426)
Tax	-	(14.606)	-	(14.606)
(Loss)/profit	<u>(561.709)</u>	<u>171.753</u>	<u>(1.140)</u>	<u>(391.096)</u>
Group's share in net assets	<u>(6.080.618)</u>	<u>35.979</u>	<u>(14.583)</u>	<u>(6.059.222)</u>
Group's share in (loss)/profit	<u>(280.855)</u>	<u>85.877</u>	<u>(570)</u>	<u>(195.548)</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)*

The following table summarises the investment in the associated company Demetra Holdings Plc:

Reporting date	30/09/2021	31/12/2020
Percentage	29,62%	29,62%
	€	€
Non-current assets	259.207.227	254.904.633
Cash and cash equivalents	4.909.737	970.572
Current assets	<u>26.114.006</u>	<u>23.569.278</u>
Total assets	<u>290.230.970</u>	<u>279.444.483</u>
Current liabilities	(5.960.919)	(3.327.009)
Short-term borrowing	(1.837.493)	(1.841.226)
Long-term loans	<u>(8.468.516)</u>	<u>(7.316.612)</u>
Total liabilities	<u>(16.266.928)</u>	<u>(12.484.847)</u>
Net assets	<u>273.964.042</u>	<u>266.959.636</u>
Revenue	8.320.451	13.300.806
Interest receivable	152.354	201.636
Expenses	(957.541)	(3.959.412)
Depreciation and amortisation	-	(87.262)
Interest payable	(245.070)	(367.385)
Tax	<u>(18.930)</u>	<u>58.868</u>
Profit	<u>7.251.264</u>	<u>9.147.251</u>
Group's share in net assets	<u>81.148.149</u>	<u>79.073.444</u>
Group's share in profit for the period	<u>2.147.824</u>	<u>2.709.416</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**10. CASH AND CASH EQUIVALENTS****THE GROUP**

	30 September 2021 €	31 December 2020 €
Cash in hand	49.318	49.318
Current accounts with banks	<u>29.868.855</u>	<u>57.753.625</u>
	29.918.173	57.802.943
Expected credit losses	<u>(2.159.087)</u>	<u>(2.159.087)</u>
	<u><u>27.759.086</u></u>	<u><u>55.643.856</u></u>

The expected credit losses relate to a provision for impairment of cash and cash equivalents which derived entirely from the subsidiary company Logicom (Middle East) SAL in Lebanon, as a result of the prolonged political and economic instability that had a severe impact on the country, as well as, the cash flow restrictions.

THE COMPANY

	30 September 2021 €	31 December 2020 €
Cash in hand	30.722	32.484
Current accounts with banks	<u>1.227.340</u>	<u>4.162.206</u>
	<u><u>1.258.062</u></u>	<u><u>4.194.690</u></u>

For the purposes of the statement of cash flows, the cash and cash equivalents include the following:

THE GROUP

	30 September 2021 €	31 December 2020 €
Cash at bank and in hand	27.759.086	55.643.856
Bank overdrafts (Note 12)	<u>(30.600.841)</u>	<u>(36.026.311)</u>
	<u><u>(2.841.755)</u></u>	<u><u>19.617.545</u></u>

THE COMPANY

	30 September 2021 €	31 December 2020 €
Cash at bank and in hand	1.258.062	4.194.690
Bank overdrafts (Note 12)	<u>(21.447.158)</u>	<u>(22.710.003)</u>
	<u><u>(20.189.096)</u></u>	<u><u>(18.515.313)</u></u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**11. SHARE CAPITAL**

	30 September 2021 Number of shares	30 September 2021 €	31 December 2020 Number of shares	31 December 2020 €
Authorised				
Ordinary shares of €0,34 each	<u>100.000.000</u>	<u>34.000.000</u>	<u>100.000.000</u>	<u>34.000.000</u>
Issued and fully paid				
Balance at 1 January	<u>74.079.600</u>	<u>25.187.064</u>	<u>74.079.600</u>	<u>25.187.064</u>
Balance at 30 September 2021/31 December 2020	<u>74.079.600</u>	<u>25.187.064</u>	<u>74.079.600</u>	<u>25.187.064</u>

All the shares are listed and traded in the Cyprus Stock Exchange, they have the same and equal rights and have no limitations in their transfer.

12. LOANS AND BANK OVERDRAFTS**THE GROUP**

	30 September 2021 €	31 December 2020 €
Long-term loans	16.003.778	17.348.558
Short term loans	62.919.824	50.268.209
Bank overdrafts (Note 10)	<u>30.600.841</u>	<u>36.026.311</u>
	<u>109.524.443</u>	<u>103.643.078</u>

The long-term loans of the Group are repayable as follows:

THE GROUP

	30 September 2021 €	31 December 2020 €
Within one year	3.680.323	3.506.157
Between two and five years	<u>12.323.455</u>	<u>13.842.401</u>
	<u>16.003.778</u>	<u>17.348.558</u>

THE COMPANY

	30 September 2021 €	31 December 2020 €
Long-term loans	9.548.923	11.321.586
Short term loans	24.987.161	27.372.729
Bank overdrafts (Note 10)	<u>21.447.158</u>	<u>22.710.003</u>
	<u>55.983.242</u>	<u>61.404.318</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

12. LOANS AND BANK OVERDRAFTS *(continued)*

The long-term loans of the Company are repayable as follows:

THE COMPANY

	30 September 2021	31 December 2020
	€	€
Within one year	2.711.686	2.718.412
Between two and five years	<u>6.837.237</u>	<u>8.603.174</u>
	<u><u>9.548.923</u></u>	<u><u>11.321.586</u></u>

13. FAIR VALUES

Management believes that the fair values of the financial assets and liabilities of the Group and the Company are approximately equal to the amounts shown in the books at the end of the period.

14. RISK MANAGEMENT

The main financial assets held by the Group and the Company are cash and cash equivalents, investments and trade and other receivables. The main financial liabilities of the Group and the Company are bank overdrafts and loans and trade and other payables. The Group and the Company took all necessary actions during the year to reconsider, review and strengthen the internal management policies, procedures and strategy, where necessary, to reflect and address the unforeseen adverse effects of the Coronavirus pandemic (COVID-19). The Management of the Group and the Company and in particular the Risk Management Committee monitors the risks to which the Company and the Group are exposed by their financial assets and liabilities and take the appropriate measures. These risks are analysed below:

14.1 Credit risk

Credit risk is the risk of default by counter parties to transactions mainly from trade receivables of the Group and the Company. The Group and the Company ensure the application of appropriate mechanisms and ensure the maintenance of related monitoring procedures and controls over credits. Credit risk is monitored on an ongoing basis.

The Group entered into an agreement with Atradius Credit Insurance N.V. ('Insurance Company') for the credit insurance that the Group offers to its customers. The issuance of such insurance agreement is considered to be the most appropriate method for hedging against credit risk. The insurance company was evaluated in February 2020 by the rating agency Moody's as A2 with negative prospects. The Group also signed an agreement in March 2020 for additional insurance beyond the credit limits provided by Atradius with Cooper Gay SA (representative of Lloyd's Insurance Company S.A.).

The insurance agreements for the trade receivables and the procedures required under these agreements, have significantly improved the monitoring and control of trade receivables, mainly in the approval of credit limits, which is done in cooperation with the credit insurance company as the latest has the resources for a better evaluation of the credibility of each debtor. It should be noted that the credit insurance covers all trade receivables other than governmental or semi governmental organizations as well as natural persons.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**14. RISK MANAGEMENT** *(continued)**14.1 Credit risk (continued)*

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

THE GROUP

	30 September 2021	31 December 2020
	€	€
Receivables from associated companies and joint ventures	23.070.263	22.861.617
Trade and other receivables	195.510.651	188.764.601
Cash and cash equivalents	<u>27.709.968</u>	<u>55.594.538</u>
	<u>246.290.882</u>	<u>267.220.756</u>

THE COMPANY

	30 September 2021	31 December 2020
	€	€
Long-term loans to subsidiary companies	27.270.372	26.390.617
Trade and other receivables	17.654.224	18.115.839
Cash and cash equivalents	1.227.340	4.162.206
Balances with subsidiary companies	<u>12.173.717</u>	<u>30.029.151</u>
	<u>58.325.653</u>	<u>78.697.813</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

14. RISK MANAGEMENT (continued)

14.1 Credit risk (continued)

The maximum exposure to credit risk of the Group by geographic region, is as follows:

Period ended 30 September 2021	Europe €	Middle East €	Total €
Cash and cash equivalents	9.788.480	17.921.288	27.709.768
Receivables from joint ventures	23.070.263	-	23.070.263
Trade and other receivables	<u>88.153.891</u>	<u>107.356.760</u>	<u>195.510.651</u>
	<u>121.012.634</u>	<u>125.278.048</u>	<u>246.290.682</u>
31 December 2020	Europe €	Middle East €	Total €
Cash and cash equivalents	13.536.849	42.057.689	55.594.538
Receivables from joint ventures	22.861.617	-	22.861.617
Trade and other receivables	<u>90.290.466</u>	<u>98.474.135</u>	<u>188.764.601</u>
	<u>126.688.932</u>	<u>140.531.824</u>	<u>267.220.756</u>

The maximum exposure of the Group to credit risk in relation to the geographical dispersion of the trade receivables is as follows:

THE GROUP

	30 September 2021 €	31 December 2020 €
Europe	68.356.031	77.308.392
Middle East	<u>113.496.608</u>	<u>104.437.227</u>
	<u>181.852.639</u>	<u>181.745.619</u>

THE COMPANY

	30 September 2021 €	31 December 2020 €
Europe	8.123.944	9.045.372
Middle East	-	-
	<u>8.123.944</u>	<u>9.045.372</u>

In accordance with the above analysis 38% of the Group's trade receivables (2020: 43%) originates from Europe. 62% (2020: 57%) of the Group's trade receivables originates from the Middle East.

The ageing of the remaining trade receivables is as follows:

THE GROUP

	30 September 2021 €	31 December 2020 €
0 until 90 days	148.702.115	169.048.500
91 until 180 days	28.547.829	7.720.070
more than 180 days	<u>4.602.695</u>	<u>4.977.049</u>
	<u>181.852.639</u>	<u>181.745.619</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**14. RISK MANAGEMENT** *(continued)**14.1 Credit risk (continued)***THE COMPANY**

	30 September 2021	31 December 2020
	€	€
0 until 90 days	7.620.111	8.752.981
91 until 180 days	509.015	301.505
more than 180 days	<u>(5.182)</u>	<u>(9.114)</u>
	<u>8.123.944</u>	<u>9.045.372</u>

The ageing of the receivable from subsidiary companies in the Company's books is presented as follows:

THE COMPANY

	30 September 2021	31 December 2020
	€	€
0 until 180 days	12.173.717	30.029.151
more than 180 days	<u>27.270.372</u>	<u>26.390.617</u>
	<u>39.444.089</u>	<u>56.419.768</u>

The expected credit losses recognised during the year are analysed as follows:

THE GROUP

	Period ended 30 September 2021	Period ended 30 September 2020
	€	€
Trade receivables	240.315	353.356
Cash and cash equivalents	<u>-</u>	<u>1.200.000</u>
	<u>240.315</u>	<u>1.553.356</u>

The Group estimates that the fair value of trade and other receivables is not significantly different from the carrying value in the financial statements, as the average repayment period of trade and other receivables is less than 6 months.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

14. RISK MANAGEMENT (continued)

14.1 Credit risk (continued)

The provision for doubtful debts is analysed as follows:

THE GROUP

	Trade receivables €	Loans receivable from joint ventures €	Total €
Balance at 1 January 2020	3.160.949	492.928	3.653.877
Expected credit losses	147.898	(59.112)	88.786
Provision for doubtful debts	(112.014)	-	(112.014)
Exchange differences	(223.353)	-	(223.353)
Balance at 1 January 2021	2.973.480	433.816	3.407.296
Expected credit losses	240.315	-	240.315
Provision for doubtful debts	-	-	-
Exchange differences	111.823	-	111.823
Balance at 30 September 2021	<u>3.325.618</u>	<u>433.816</u>	<u>3.759.434</u>

THE COMPANY

	Trade receivables €	Long-term loans with subsidiary companies €	Receivables from subsidiary companies €	Total €
Balance at 1 January 2020	116.082	1.058.669	365.862	1.540.613
Expected credit losses	(213)	894.666	(139.519)	754.934
Balance at 1 January 2021	115.869	1.953.335	226.343	2.295.547
Expected credit losses	-	-	-	-
Balance at 30 September 2021	<u>115.869</u>	<u>1.953.335</u>	<u>226.343</u>	<u>2.295.547</u>

The Group estimates that the fair value of other receivables is not significantly different from their carrying value as recognised in the financial statements, as the average repayment period of other receivables is less than 6 months.

The Group estimates expected credit losses for trade receivables using a provision matrix based on each company's ageing reports. The Group calculates the average credit loss rates using the roll rate method, in the probability that a trade receivable will gradually move to the default of the repayment obligation until the write off. The average credit loss rates are calculated separately for each company of the Group in order to have common geographical and macroeconomic data in each grouping. The Group, depending on the differentiation of its customer base, uses the appropriate groupings, i.e. by country/geographical region. The average credit losses rates are adjusted based on the macroeconomic position of each company of the Group.

Expected credit losses on contract assets are calculated on the basis of the internal assessment of the creditworthiness of each customer. Expected credit losses on contract assets have not been recognised, as no substantial amounts have been incurred.

The probability of default as well as the assumptions and estimations for credit losses in the case of default is estimated, for loans to subsidiaries or associated companies. The significant increase of the credit risk is also estimated on the basis of the decrease in the credibility of the counterparty's country as this is measured by the credit rating institution Moody's.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

14. RISK MANAGEMENT (continued)

14.1 Credit risk (continued)

The total expected credit losses are presented below:

	THE GROUP		THE COMPANY	
	Period ended 30 September 2021	31 December 2020	Period ended 30 September 2021	31 December 2020
	€	€	€	€
Specific provision for bad debts	2.803.887	2.157.496	115.209	115.209
Expected credit losses	<u>521.731</u>	<u>815.984</u>	<u>660</u>	<u>660</u>
	<u>3.325.618</u>	<u>2.973.480</u>	<u>115.869</u>	<u>115.869</u>

When there is a breach of payment terms by a specific trade debtor, the Group assesses the recoverability of each balance based on the creditworthiness of each debtor. The assessment takes into consideration the coverage and the percentage of coverage by the credit insurance company, the financial position of the debtor and any guarantees that have been received by the company. In case that the recovery of an amount is deemed remote, then the Management registers a specific provision for bad debts.

The following table provides information about the exposure to credit risk and the expected credit losses for trade debtors.

THE GROUP

	Weighted-aver age loss rate 30/09/2021	Gross carrying amount 30/09/2021	Impairment loss allowance 30/09/2021	Weighted-aver age loss rate 31/12/2020	Gross carrying amount 31/12/2020	Impairment loss allowance 31/12/2020
	%	€	€	%	€	€
Balances not impaired	0,0513	100.001.061	51.301	0,0457	150.361.740	71.350
1 to 90 days	0,4265	75.488.803	321.960	0,4220	25.812.740	108.921
91 to 180 days	1,2164	8.803.316	107.084	1,2355	3.714.663	45.895
More than 180 days	<u>6,0250</u>	<u>686.911</u>	<u>41.386</u>	<u>17,8027</u>	<u>3.313.073</u>	<u>589.818</u>
		<u>184.980.091</u>	<u>521.731</u>		<u>183.202.216</u>	<u>815.984</u>

THE COMPANY

	Weighted-aver age loss rate 30/09/2021	Gross carrying amount 30/09/2021	Impairment loss allowance 30/09/2021	Weighted-aver age loss rate 31/12/2020	Gross carrying amount 31/12/2020	Impairment loss allowance 31/12/2020
	%	€	€	%	€	€
Balances not impaired	0,0012	3.927.757	47	0,0010	8.027.254	76
1 to 90 days	0,0098	3.903.012	382	0,0152	1.020.526	155
91 to 180 days	0,0887	53.439	47	-	(3.182)	-
More than 180 days	<u>0,0518</u>	<u>355.604</u>	<u>184</u>	<u>0,3681</u>	<u>116.643</u>	<u>429</u>
		<u>8.239.812</u>	<u>660</u>		<u>9.161.241</u>	<u>660</u>

14.2 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's revenue or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

14. RISK MANAGEMENT *(continued)*

14.2.1 Interest rate risk

Interest rate risk is the risk of fluctuations in the value of financial instruments due to movements in market interest rates. Income and cash flows from operations of the Group and the Company are dependent on changes of market interest rates, since the Group and the Company have material assets which bear interest. The Group and the Company are exposed to interest rate risk on borrowings. Borrowing in variable interest rates exposes the Group and the Company in interest rate risk that affects cash flows. Borrowing in fixed interest rates exposes the Group and the Company in interest rate risk that affects the fair value. The management of the Group and the Company and more specifically the Risk Management Committee is monitoring the fluctuations of interest rates on an ongoing basis and ensures that the necessary actions are taken.

The interest rate risk was not affected by the Coronavirus pandemic.

14.2.2 Foreign exchange risk

This risk arises from adverse movements in foreign exchange rates.

The Company and the Group are subject to foreign exchange risk on sales, purchases and loans in currencies other than the Company's and subsidiary companies' functional currency, and on the long-term loans to foreign subsidiaries. Management is aware of the foreign exchange risk and is examining alternative methods to hedge the risk.

The foreign exchange risk was not affected by the Coronavirus pandemic.

The hedging of foreign exchange risk is managed by the Group Chief Financial Officer together with the Executive Directors. This issue is discussed and examined at the Board of Directors' meetings due to the fact that management has assessed that the Company is materially affected from the movements in foreign currencies against the Euro.

Until today, the hedging methods that have been used against foreign exchange risk are the following:

1. Natural Hedging. The Company maintains to the maximum extent, assets (investments in foreign subsidiaries) and liabilities (bank overdrafts, short and long term loans) at the same currency, mainly the United States Dollars (USD). In this way any gain or loss in assets is hedged by the corresponding loss or gain in liabilities.
2. The percentage of sales in foreign currency on total turnover is approximately the same with the percentage of bank borrowings in foreign currency in relation to the total borrowings of the Group.
3. The bank borrowing is usually made in the currency that the suppliers invoice the Company.
4. In cases of projects where the total cost of completion of the project is known from the time of the validation of the tender, then forward contracts are used, for the period required to complete the project and for the specific amount in foreign currency that the Company will be invoiced.
5. In addition, the Company enters into forward exchange contracts based on turnover at regular intervals e.g. weekly, for covering the payments to suppliers based on the credit period that they give to the Company. In this way the purchase of foreign currency for payments to suppliers in future periods is secured with the receipts from trade receivables.

Hedging of net investment in foreign operation

The Group applies hedge accounting to decrease foreign exchange risk.

Specifically, the equity and long term loans that are part of the net investment in subsidiary companies Logicom FZE, Logicom Dubai LLC, Logicom Jordan LLC and Logicom Saudi Arabia LLC, where the functional currency is the USD are hedged with the bank borrowings of the Group in USD. Hedging is determined on a quarterly basis and the amount is adjusted accordingly. The hedge effectiveness is assessed on a monthly basis and to the extent the hedging is ineffective, the exchange differences are recognized in statement of profit or loss and other comprehensive income

On 30 September 2021 the amounts that were hedged were, USD 36.000.000 of net investment in the above foreign companies and USD 36.000.000 of bank borrowings.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

14. RISK MANAGEMENT (continued)

14.2.3 Other market price risks

The Group is exposed to financial risks arising from changes in share prices. The Group monitors the spread of its portfolio in order to mitigate its exposure to these financial risks. The Group's main investments are classified as investments at fair value through other comprehensive income.

14.3 Liquidity risk

Liquidity risk is the risk that arises when the expiry date of assets and liabilities does not concur. When expiries do not concur, the performance can increase but at the same time the risk for losses can also increase. The Group has procedures in place to minimize such losses, like retaining sufficient amounts in cash and other highly liquid assets and retaining sufficient amounts in secured credit facilities in order to cover liabilities when they fall due.

The liquidity risk has increased since the Coronavirus pandemic. As part of the efforts to restrain the impact of the pandemic on the cash flows, agreements were reached to extend the terms of payment with trade suppliers and facilities were granted to the Group's customers respectively.

The Management estimates that the ability of the Group to discount its trade receivables through the factoring agreement without recourse in Cyprus, Greece and the United Arab Emirates reduces even further the liquidity risk.

Bank loans and overdrafts of the Group and the Company are presented in note 12.

The expected cash outflows based on the information included in the consolidated and separate financial statements are presented below:

THE GROUP

Liquidity Risk

	Balance	Cash outflows arising from contractual liabilities				
		6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	€	€	€	€	€	€
<u>30 September 2021</u>						
Long-term loans	16.003.778	1.811.860	1.868.463	3.390.619	6.985.372	1.947.464
Short term loans	62.919.824	62.919.824	-	-	-	-
Trade and other payables	136.470.669	124.679.449	-	-	-	11.791.220
Bank overdrafts	30.600.841	30.600.841	-	-	-	-
Provision for other liabilities	93.829	-	-	93.829	-	-
Promissory notes	1.587.578	1.587.578	-	-	-	-
Obligation under finance leases	5.036.159	705.148	386.068	834.238	1.283.275	1.827.430
	<u>252.712.678</u>	<u>222.304.700</u>	<u>2.254.531</u>	<u>4.318.686</u>	<u>8.268.647</u>	<u>15.566.114</u>
<u>31 December 2020</u>						
Long-term loans	17.348.558	1.752.315	1.753.842	3.512.621	8.069.254	2.260.526
Short term loans	50.268.209	50.268.209	-	-	-	-
Trade and other payables	153.397.726	141.706.797	-	-	-	11.690.929
Bank overdrafts	36.026.311	36.026.311	-	-	-	-
Provision for other liabilities	95.356	-	-	95.356	-	-
Promissory notes	1.939.027	1.939.027	-	-	-	-
Obligations under finance leases	5.259.032	565.800	548.868	770.773	1.604.899	1.768.692
	<u>264.334.219</u>	<u>232.258.459</u>	<u>2.302.710</u>	<u>4.378.750</u>	<u>9.674.153</u>	<u>15.720.147</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

14. RISK MANAGEMENT (continued)

14.3 *Liquidity risk* (continued)

THE COMPANY

Liquidity Risk

	Balance	Cash outflows arising from contractual liabilities				
		6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	€	€	€	€	€	€
<u>30 September 2021</u>						
Long-term loans	9.548.923	1.355.843	1.355.843	2.360.191	4.477.046	-
Short term loans	24.987.161	24.987.161	-	-	-	-
Trade and other payables	17.184.453	17.184.453	-	-	-	-
Bank overdrafts	21.447.158	21.447.158	-	-	-	-
Promissory notes	1.587.578	1.587.578	-	-	-	-
Obligations under finance leases	439.612	63.454	64.462	135.714	175.982	-
	<u>75.194.885</u>	<u>66.625.647</u>	<u>1.420.305</u>	<u>2.495.905</u>	<u>4.653.028</u>	<u>-</u>
<u>31 December 2020</u>						
Long-term loans	11.321.586	1.359.205	1.359.207	2.718.408	5.884.766	-
Short term loans	27.372.729	27.372.729	-	-	-	-
Trade and other payables	24.174.671	24.174.671	-	-	-	-
Bank overdrafts	22.710.003	22.710.003	-	-	-	-
Promissory notes	1.939.027	1.939.027	-	-	-	-
Obligations under finance leases	490.654	57.180	58.092	119.425	255.957	-
	<u>88.008.670</u>	<u>77.612.815</u>	<u>1.417.299</u>	<u>2.837.833</u>	<u>6.140.723</u>	<u>-</u>

14.4 *Fair Value*

Items of the assets and liabilities of the Group and the Company, as these are classified in amortised cost or fair value are presented below:

Assets and liabilities in amortised cost:

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**14. RISK MANAGEMENT** *(continued)**14.4 Fair Value (continued)***THE GROUP**

	30 September 2021 €	31 December 2020 €
Trade and other receivables	220.682.902	215.086.790
Cash and cash equivalents	27.759.086	55.643.856
Long-term loans	(16.003.778)	(17.348.558)
Short term loans	(62.919.824)	(50.268.209)
Bank overdrafts	(30.600.841)	(36.026.311)
Provision for other liabilities	(93.829)	(95.356)
Trade and other payables	(136.470.669)	(153.397.726)
Promissory notes	(1.587.578)	(1.939.027)
	<u>765.469</u>	<u>11.655.459</u>

THE COMPANY

	30 September 2021 €	31 December 2020 €
Long-term loans to subsidiary companies	27.270.372	26.390.617
Balances with subsidiary companies	12.173.717	30.029.151
Trade and other receivables	17.663.764	18.125.489
Cash and cash equivalents	1.258.062	4.194.690
Long-term loans	(9.548.923)	(11.321.586)
Short term loans	(24.987.161)	(27.372.729)
Bank overdrafts	(21.447.158)	(22.710.003)
Trade and other payables	(17.184.453)	(24.174.671)
Promissory notes	(1.587.578)	(1.939.027)
	<u>(16.389.358)</u>	<u>(8.778.069)</u>

The fair values of the financial assets and liabilities of the Group and the Company are approximately the same as the amounts reported in the consolidated and separate financial statements at the end of year.

Assets and liabilities in fair value:

THE GROUP

	30 September 2021 €	31 December 2020 €
Investments at fair value through profit and loss	12.881	12.881
Investments at fair value through other comprehensive income	11.532.951	6.985.960
Land and buildings	18.759.972	18.588.465
Derivative financial instruments	(1.099.306)	(2.733.095)
	<u>29.206.498</u>	<u>22.854.211</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**14. RISK MANAGEMENT** *(continued)**14.4 Fair Value (continued)***THE COMPANY**

	30 September 2021	31 December 2020
	€	€
Investments at fair value through profit and loss	6.758	6.758
Land and buildings	3.273.645	3.375.271
Derivative financial instruments	<u>(1.144.764)</u>	<u>(2.351.275)</u>
	<u>2.135.639</u>	<u>1.030.754</u>

The table below analyses the financial assets carried at fair value, by the valuation method used to determine their value. The different levels have been defined as follows:

- Level 1: investments measured at fair value using quoted prices in active markets.
- Level 2: investments measured at fair value based on valuation models in which all significant inputs that significantly affect the fair value are based on observable market data.
- Level 3: investments measured at fair value based on valuation models in which all significant inputs that significantly affect the fair value are not based on observable market data.

THE GROUP**30 September 2021**

	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets and liabilities				
Investments at fair value through profit and loss	12.881	-	-	12.881
Investments at fair value through other comprehensive income	11.532.951	-	-	11.532.951
Land and buildings	-	-	18.759.972	18.759.972
Derivative financial instruments	<u>-</u>	<u>(1.099.306)</u>	<u>-</u>	<u>(1.099.306)</u>
Total	<u>11.545.832</u>	<u>(1.099.306)</u>	<u>18.759.972</u>	<u>29.206.498</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

14. RISK MANAGEMENT (continued)

14.4 Fair Value (continued)

31 December 2020	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets and liabilities				
Investments at fair value through profit and loss	12.881	-	-	12.881
Investments at fair value through other comprehensive income	6.985.960	-	-	6.985.960
Land and buildings	-	-	18.588.462	18.588.462
Derivative financial instruments	-	(2.733.095)	-	(2.733.095)
Total	<u>6.998.841</u>	<u>(2.733.095)</u>	<u>18.588.462</u>	<u>22.854.208</u>

During the nine month period of 2021, as well as 2020 there were no transfers between the two levels mentioned above.

The fair value of investments at fair value through profit and loss and through other comprehensive income is based on the stock exchange prices at the reporting date.

The determination of the fair value of the land and buildings is made with the assistance of independent qualified appraisers using various valuation methods and assumptions which are mainly based on the market conditions at each valuation date.

The determination of the fair value of the derivative financial instruments is based on monitoring tools of the active markets of foreign currencies. The Company enters into derivative contracts for the purchase of foreign exchange at pre-specified prices for future delivery in order to reduce foreign exchange risk, using derivative financial instruments such as fixed forward contracts, flexible forward contracts and open-ended contracts.

THE COMPANY

30 September 2021	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets and liabilities				
Investments at fair value through profit and loss	6.758	-	-	6.758
Land and buildings	-	-	3.273.645	3.273.645
Derivative financial instruments	-	(1.144.764)	-	(1.144.764)
Total	<u>6.758</u>	<u>(1.144.764)</u>	<u>3.273.645</u>	<u>2.135.639</u>
31 December 2020	Level 1 €	Level 2 €	Level 3 €	Total €
Financial assets and liabilities				
Investments at fair value through profit and loss	6.758	-	-	6.758
Land and buildings	-	-	3.375.271	3.375.271
Derivative financial instruments	-	(2.351.275)	-	(2.351.275)
Total	<u>6.758</u>	<u>(2.351.275)</u>	<u>3.375.271</u>	<u>1.030.754</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

14. RISK MANAGEMENT (continued)

14.5 Capital Management

The Group's and the Company's management has as a principle the maintenance of a strong capital base for the support of the credibility and trust of the investors and creditors as well as the market as a whole. Management monitors continuously the return on equity.

In order to maintain or change the share capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings, minus cash and cash equivalents. Total capital is calculated as "equity" as shown in the consolidated statement of financial position plus net debt.

The gearing ratio is as follows:

	THE GROUP		THE COMPANY	
	Period ended 30 September 2021 €	31 December 2020 €	Period ended 30 September 2021 €	31 December 2020 €
Total borrowings	111.112.021	105.582.105	55.983.242	63.343.345
Less: Cash and cash equivalents (Note 10)	<u>(27.759.086)</u>	<u>(55.643.856)</u>	<u>(1.258.062)</u>	<u>(4.194.690)</u>
Net debt	83.352.935	49.938.249	54.725.180	59.148.655
Total equity	<u>191.244.384</u>	<u>174.233.436</u>	<u>41.306.451</u>	<u>47.545.244</u>
Gearing ratio	<u>0,44</u>	<u>0,29</u>	<u>1,32</u>	<u>1,24</u>

15. DIRECTORS' INTEREST

The percentage of the share capital of the Company that was held by each member of the Board of Directors, directly or indirectly, is as follows:

	30/09/2021 Fully paid Shares %	06/12/2021 Fully paid Shares %
Varnavas Irinarchos ¹	51,55	51,55
Takis Klerides ²	0,55	0,55
George Papaioannou ³	1,09	1,09
Anthoulis Papachristoforou	0,76	0,76
Anastasios Athanasiades	0,07	0,07
Andreas Constantinides	-	-
Christoforos Hadjikyprianou	-	-

- The indirect ownership of Mr. Varnavas Irinarchos on 6 December 2021 of 51,55% arises from the participation of the company Edcrane Ltd.
- The direct ownership of Mr. Takis Klerides on 6 December 2021 is 0,28% and the indirect ownership, which arises from the participation of his daughter Mrs. Pamela Klerides, is 0,27%.
- The direct ownership of Mr. George Papaioannou on 6 December 2021 is 1,0813% and the indirect ownership, which arises from the participation of his sons Mr. Christos Papaioannou, is 0,0034%, and Mr. Alexandros Papaioannou, is 0,0034%.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

16. SHAREHOLDERS' INTEREST

The shareholders who held, directly or indirectly, more than 5% of the share capital of the Company were as follows:

	30/09/2021	06/12/2021
	%	%
Varnavas Irinarchos ¹	51,55	51,55
Demetra Holdings Plc	10,28	10,28

1. The indirect ownership of Mr. Varnavas Irinarchos on 6 December 2021 arises through the company Edcrane Ltd. The ultimate parent company of the Group is Takero Limited which holds 100% of Edcrane's Ltd shares.

17. DIRECTORS' CONTRACTS

No important contract exists or existed at the end of the financial year and at the date of issuing the financial statements in which the members of management, their spouses or their underage children have or had, direct or indirect significant interest, except from the employment contracts of Mr. Varnavas Irinarchos and Mr. Anthoulis Papachristoforou.

(1) Contract of Mr. Varnavas Irinarchos, Managing Director

Employment contract as Managing Director of the Company for two years from 1 January 2005, with annual salary (13 months) of €93.973 which will be increasing at a proportion equal to the annual rate of inflation, as determined by the annual index on 31 January each year or at a rate equal to 4% over his last salary, whichever is higher. For 2020 the annual salary of the Managing Director was €151.650. The Company will also pay annually (12 months) for entertainment expenses an amount of €25.629, that will be increasing in every following annual period at a proportion equal to the rate of inflation, as determined by the annual index on 31 January each year or at a rate equal to 4%, whichever is higher. For 2020 the allowance for entertainment expenses amounted to €25.000.

In addition, the Company provides to the Director an appropriate vehicle and covers all related expenses.

The contract was renewed for one year from 1 January 2021, with an annual salary (13 months) of €150.000.

The Company will also pay annually (12 months), for entertainment expenses the amount of €25.000.

Mr. Varnavas Irinarchos is committed not to form, assist or take part in any way in the incorporation of a company or business, which performs operations similar or competitive to the operations of the Company during his employment and for at least five years after his departure from the Company. Mr. Varnavas Irinarchos accepts that this constraint is by no means in contrast with the general principle of Restraint of Trade, and that it is considered reasonable as the employee benefited from the bonus issue of shares during the listing of the Company in the CSE.

(2) Contract of Mr. Anthoulis Papachristoforou, Group Financial Controller

In 2020 the annual salary of Mr. Anthoulis Papachristoforou amounted to €197.000, plus bonus of €50.000 and the allowance for entertainment expenses amounted to €24.000. The remuneration of Mr. Anthoulis Papachristoforou for 2021 will be the same as 2020. The Company provides to the Director an appropriate vehicle and covers all related expenses.

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Period ended 30 September 2021****18. CONTINGENCIES AND LITIGATIONS**

The most important guarantees are as follows:

- (1) The Company has provided a bank guarantee of up to USD 4.000.000 (€3.454.530) to a foreign supplier for providing a trading credit facility. This guarantee is valid from 08 June 2021 until 18 August 2022.
- (2) The Company has provided a second bank guarantee of up to USD 400.000 (€345.453) to a second foreign supplier for providing a trading credit facility. This guarantee is valid from 18 August 2020 until 18 August 2021. The guarantee has been renewed until 18 August 2022.
- (3) The Company has provided a third bank guarantee of up to EUR 1.500.000 to a third foreign supplier for providing a trading credit facility. This guarantee is valid from 11 February 2021 until 11 August 2021. The guarantee has been renewed until 11 August 2022.
- (4) The Company has provided a fourth bank guarantee of up to EUR450.000 to a fourth foreign supplier for providing a trading facility. This guarantee is valid from 12 August 2020 until 11 August 2021. The guarantee has been renewed until 11 August 2022.
- (5) The Company has provided a fifth bank guarantee of up to USD 800.000 (€690.906) to a fifth supplier for providing a trading facility. This guarantee is valid from 21 April 2021 until 15 April 2022.
- (6) The Company has provided a sixth bank guarantee of up to USD 2.000.00 (€1.727.265) to a sixth foreign supplier for providing a trading facility. This guarantee is valid from 16 April 2020 until 15 April 2021 and has been renewed until 15 April 2022. The guarantee was increased on 2 August 2021 for an amount up to USD 3.000.000 (€2.590.897).
- (7) The Company has provided a seventh bank guarantee of up to USD 300.000 (€259.090) to a seventh foreign supplier for providing a trading facility. This guarantee is valid from 25 April 2021 until 15 April 2022.
- (8) The Company has provided an eighth guarantee of up to USD 150.000 (€129.545) to an eighth foreign supplier for providing a trading facility. The guarantee is valid from 25 April 2021 until 15 April 2022.
- (9) Companies of the Group have provided bank guarantees in order to participate to government projects and private sector projects.
- (10) Verendrya Ventures Ltd committed not to request repayment of the loan receivable from M.N. Larnaca Desalination Co. Ltd for the following 12 months or until it becomes possible without affecting the company's ability to continue to operate as a going concern.
- (11) The Company committed to provide financial and other assistance to Verendrya Ventures Ltd, to the extent of its participation in the company, which will enable it to continue its activities and meets its obligation as they fall due. As part of the financial assistance provided, the Company has also committed not to claim repayment of the amounts due from Verendrya Ventures Ltd, until the company has the necessary liquidity.

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Period ended 30 September 2021****18. CONTINGENCIES AND LITIGATIONS** *(continued)*

In December 2018, the subsidiary company Logicom Saudi Arabia LLC in Saudi Arabia ("the company"), received notice of Zakat and Income tax assessments from the General Authority of Zakat and Tax ("GAZT") relating to the years 2010-2014. The total claim is additional tax and Zakat of €2,4m (SAR10,3 m), plus additional penalties to be computed when the tax is settled. In February 2019 the company has filed an objection in response to the claim and in September 2019 received a negative response.

In November 2019 the Company contacted the General Secretariat of Tax Affairs ('GSTC') and expects a response on this matter.

In October 2020 the General Secretariat of Tax Affairs ('GSTC') asked the company to resubmit its position in writing, which the company did. The General Secretariat of Tax Affairs ('GSTC') should have submitted its assessment, however, the company has not received any response on the matter. As there was a tax amnesty, to avoid fines and other charges, the Company paid the corporate tax on 31 March 2021 in protest. At the moment the company considers that it is possible to recover the amount and for this reason did not recognise any provision.

The company has submitted the Zakat and Income tax forms up to 2020 and is expecting the assessment of the local authorities.

Apart from the tax liabilities that have already been accounted for in the consolidated and separate financial statements, based on the existing information, it is possible that additional tax liabilities may arise during the examination of the tax and other affairs of the companies of the Group.

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**Period ended 30 September 2021**19. RELATED PARTY TRANSACTIONS**

The companies of the Group buy and sell goods and services according to their needs from other Group companies. Transactions are made in the context of commercial practices related to intragroup transactions in the relevant operating activities.

Logicom Public Limited and Logicom FZE charge their subsidiary companies with a fee for administration services and financing cost.

i. Transactions and balances between Group Companies

The amounts charged by Logicom Public Limited to its subsidiary companies for administration services were as follows:

Administration services

	Period ended 30 September 2021 €	Period ended 30 September 2020 €
Logicom Solutions Limited	163.744	-
Newcytech Business Solutions Ltd	191.792	-
ENET Solutions Logicom S.A.	510.235	-
Logicom Saudi Arabia LLC	818.230	-
Logicom FZE	1.565.300	-
ICT Logicom Solutions SA	36.727	-
Logicom Information Technology Distribution s.r.l.	313.682	-
Logicom Italia s.r.l.	130.706	-
Logicom Jordan LLC	185.119	-
	<u>3.915.535</u>	<u>-</u>

The amounts charged by Logicom Public Ltd to its subsidiary companies for interest were as follows:

Interest

	Period ended 30 September 2021 €	Period ended 30 September 2020 €
Logicom Saudi Arabia LLC	91.390	552.048
Logicom Information Technology Distribution s.r.l.	265.000	210.000
Logicom Italia s.r.l.	67.800	91.875
Logicom Jordan LLC	19.017	132.376
	<u>443.207</u>	<u>986.299</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**19. RELATED PARTY TRANSACTIONS** *(continued)*

The sales made by Logicom Public Ltd to its subsidiary companies were as follows:

Sales

	Period ended 30 September 2021	Period ended 30 September 2020
	€	€
Logicom Solutions Limited	4.136.841	1.732.137
Newcytech Business Solutions Ltd	3.455.935	3.426.250
ENET Solutions Logicom S.A.	10.922.761	8.648.537
Logicom Jordan LLC	1.787.834	1.972.551
Logicom (Middle East) SAL	3.924	(203.301)
Logicom FZE	74.679	23.919
Logicom Italia s.r.l.	12.631	44.514
Logicom Information Technology Distribution s.r.l.	5.119.436	4.445.085
Logicom Saudi Arabia LLC	2.616	35.582
ICT Logicom Solutions SA	11.005	-
Elogicomnet Morocco Distribution SARL	<u>60.352</u>	<u>-</u>

The balances between Logicom Public Ltd and its subsidiary companies in the books of the parent company were as follows:

Long-term loans to subsidiary companies:

	Period ended 30 September 2021	31 December 2020
	€	€
ENET Solutions Logicom S.A.	2.212.626	2.087.849
Logicom (Middle East) SAL	4.124.968	3.892.348
Logicom FZE	2.560.325	2.415.940
Logicom Jordan LLC	2.639.347	2.490.506
Verendrya Ventures Ltd	<u>17.686.442</u>	<u>17.457.310</u>
	29.223.708	28.343.953
Expected credit losses	<u>(1.953.336)</u>	<u>(1.953.336)</u>
	<u>27.270.372</u>	<u>26.390.617</u>

There is no written agreement between the parent and the subsidiary companies, regarding the long-term loans receivable from the subsidiary companies. The loans bear no interest and there is no fixed repayment date. The loans are recognised according to the provisions of IAS 21.

The long-term loan with the subsidiary company Verendrya Ventures Limited, relates to a contract for the financing of the operations of the desalination units in Larnaka and Episkopi. The loan bears an annual interest of 1,75% (2020: 1,75%) and has no fixed repayment date.

Taking into consideration the expected future cash flows of the subsidiary company, which consists of the expected future cash flows of the desalination company in Larnaca as well as those of the company that has undertaken the same project of the desalination unit in Limassol no impairment has been recognised for the loan with the subsidiary company Verendrya Ventures Limited. The determination of the expected future cash flows is based on estimates, judgements and assumptions that were applied by the management of Verendrya Ventures Limited.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

19. RELATED PARTY TRANSACTIONS (continued)

Balances with subsidiary companies

	Nature of transactions	30 September 2021	31 December 2020
		€	€
		Debit/ (Credit)	Debit/ (Credit)
Logicom (Overseas) Limited	Other	(275.606)	(245.737)
Netcom Limited	Other	125.812	124.505
Logicom Solutions Limited	Trading	(1.639.308)	(1.544.274)
Logicom Services Ltd	Financing	24.779.767	23.849.986
ENET Solutions Logicom S.A.	Trading	8.397.169	470.684
Newcytech Business Solutions Ltd	Trading	1.131.910	1.900.957
ICT Logicom Solutions SA	Other	(123.637)	(171.369)
Logicom Jordan LLC	Trading	(3.190.341)	341.648
Logicom (Middle East) SAL	Trading/Financing	(134.085)	320.683
Logicom FZE	Trading/Financing	(34.752.335)	(18.120.512)
Logicom Italia s.r.l.	Trading/Financing	57.226	2.995.330
Rehab Technologies Limited	Financing	493.561	465.727
Logicom Saudi Arabia LLC	Trading/Financing	144.352	7.339.763
Logicom Information Technology Distribution s.r.l.	Trading	15.897.049	11.050.827
Logicom Trading & Distribution LLC	Trading	-	814.930
Logicom Distribution Germany GmbH	Other	(484.602)	(576.133)
Najada Holdings Limited	Financing	1.671.978	1.109.761
Logicom Kuwait for Computer Company W.L.L	Trading	26	-
Logicom LLC	Other	26	-
Logicom Egypt LLC	Other	4.222	-
Verendrya Ventures Ltd	Financing	233.520	128.718
Elogicomnet Morocco Distribution SARL	Financing	62.966	-
		12.399.670	30.255.494
Expected credit losses		(226.343)	(226.343)
		<u>12.173.327</u>	<u>30.029.151</u>

The above balances are repayable according to the nature of each transaction.

Balances with joint ventures

	30 September 2021	31 December 2020
	€	€
	Debit/ (Credit)	Debit/ (Credit)
M.N. E.P.C Water Co.	(350)	(350)
M.N. Larnaca Desalination Co. Ltd	37.099	(14.851)
M.N. Limassol Water Co. Ltd	39.450	(12.105)
	<u>76.199</u>	<u>(27.306)</u>

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Period ended 30 September 2021****19. RELATED PARTY TRANSACTIONS (continued)**

The sales made by Logicom FZE to Group companies were as follows:

Sales

	Period ended 30 September 2021	Period ended 30 September 2020
	€	€
Logicom Public Limited	13.984	7.923
Logicom Jordan LLC	1.191.699	1.081.730
Logicom (Middle East) SAL	255.588	481.786
Logicom Dubai LLC	62.892.096	68.996.158
Logicom Saudi Arabia LLC	6.545.806	9.185.857
Logicom Kuwait for Computer Company W.L.L	5.980.536	8.542.619
Logicom Trading & Distribution LLC	6.360.624	3.937.256
Logicom LLC	10.162.010	9.551.749
Logicom Bahrain W.L.L	2.179.839	1.127.215
ENET Solutions Logicom S.A.	3.387	-
Logicom Information Technology Distribution s.r.l.	<u>1.721</u>	<u>-</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**19. RELATED PARTY TRANSACTIONS** *(continued)*

The amounts charged by Logicom FZE to Group companies for administration services were as follows:

Administration services

	Period ended 30 September 2021 €	Period ended 30 September 2020 €
Logicom Public Limited	597.963	-
Logicom Dubai LLC	991.026	-
Logicom Kuwait for Computer Company W.L.L	514.653	-
Logicom Trading & Distribution LLC	572.622	-
Logicom LLC	219.247	-
Logicom Saudi Arabia LLC	14.341	-
	<u>2.909.852</u>	<u>-</u>

The amounts charged by Logicom FZE to Group companies for interest were as follows:

Interest

	Period ended 30 September 2021 €	Period ended 30 September 2020 €
Logicom Dubai LLC	237.891	-
Logicom Kuwait for Computer Company W.L.L	150.679	-
Logicom LLC	92.858	-
Logicom Trading & Distribution LLC	75.052	-
Logicom Saudi Arabia LLC	47.251	-
Logicom Jordan LLC	28.930	-
	<u>632.661</u>	<u>-</u>

The sales made by Logicom (Middle East) SAL to Group companies were as follows:

Sales

	Period ended 30 September 2021 €	Period ended 30 September 2020 €
Logicom FZE	124.193	533.863
Logicom Saudi Arabia LLC	<u>-</u>	<u>306</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**19. RELATED PARTY TRANSACTIONS** *(continued)*

The sales made by ENET Solutions Logicom S.A. to Group companies were as follows:

Sales

	Period ended 30 September 2021	Period ended 30 September 2020
	€	€
Logicom Public Limited	4.681.592	4.593.940
ICT Logicom Solutions SA	9.260	6.012
Logicom Information Technology Distribution s.r.l.	445.850	355.381
Logicom LLC	163.142	13.171
Logicom Solutions Limited	56.327	6.090
Logicom Italia s.r.l.	<u>67.049</u>	<u>-</u>

The sales made by Logicom Solutions Limited to Group companies were as follows:

Sales

	Period ended 30 September 2021	Period ended 30 September 2020
	€	€
Logicom Public Limited	25.475	41.932
Newcytech Business Solutions Ltd	96.283	190.130
ICT Logicom Solutions SA	<u>1.863.655</u>	<u>631.252</u>

The sales made by Logicom IT Distribution s.r.l. to Group companies were as follows:

Sales

	Period ended 30 September 2021	Period ended 30 September 2020
	€	€
ENET Solutions Logicom S.A.	61.253	49.689
Logicom Italia s.r.l.	2.532.540	-
Logicom Solutions Limited	-	190
Logicom Public Limited	<u>115</u>	<u>-</u>

The sales made by Logicom Saudi Arabia LLC to Group companies were as follows:

Sales

	Period ended 30 September 2021	Period ended 30 September 2020
	€	€
Logicom FZE	360.085	5.387
Logicom Public Limited	<u>2.685</u>	<u>-</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2021**19. RELATED PARTY TRANSACTIONS** *(continued)*

The sales made by Newcytech Business Solutions Limited to Group companies were as follows:

Sales

	Period ended 30 September 2021	Period ended 30 September 2020
	€	€
Logicom Public Limited	79.165	10.514
Logicom Solutions Limited	194.472	233.503
Newcytech Distribution Ltd	<u>82.836</u>	<u>71.793</u>

The sales made by ICT Logicom Solutions S.A. to Group companies were as follows:

Sales

	Period ended 30 September 2021	Period ended 30 September 2020
	€	€
Logicom Solutions Limited	<u>37.533</u>	<u>38.627</u>

The sales made by Logicom Distribution Germany Gmbh to Group companies were as follows:

Sales

	Period ended 30 September 2021	Period ended 30 September 2020
	€	€
Logicom Italia s.r.l.	<u>115.719</u>	<u>116.112</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

19. RELATED PARTY TRANSACTIONS (continued)

The balances between Group companies and the parent Company are stated below:

Balances with related companies

	Nature of transactions	Period ended 30 September 2021 €	31 December 2020 €
		Debit/ (Credit)	Debit/ (Credit)
Logicom (Overseas) Limited	Other	275.606	245.737
Netcom Limited	Other	(125.812)	(124.505)
Logicom Solutions Limited	Trading	1.639.308	1.544.274
Logicom Services Ltd	Financing	(24.779.767)	(23.849.986)
Newcytech Business Solutions Ltd	Trading	(1.131.910)	(1.900.957)
ENET Solutions Logicom S.A.	Trading/Financing	(10.609.796)	(2.558.533)
ICT Logicom Solutions SA	Other	123.637	171.369
Logicom Jordan LLC	Trading	550.994	(2.832.154)
Logicom (Middle East) SAL	Trading/Financing	(3.990.882)	(4.213.031)
Logicom FZE	Trading/Financing	32.192.010	15.704.572
Logicom Italia s.r.l.	Trading/Financing	(57.226)	(2.995.330)
Rehab Technologies Limited	Financing	(493.561)	(465.727)
Logicom Saudi Arabia LLC	Trading/Financing	(144.352)	(7.339.763)
Logicom Information Technology Distribution s.r.l.	Trading	(15.897.049)	(11.050.827)
Logicom Trading & Distribution LLC	Trading	-	(814.930)
Logicom Distribution Germany GmbH	Other	484.602	576.133
Najada Holdings Limited	Financing	(1.671.978)	(1.109.761)
Logicom Egypt LLC	Other	(4.222)	-
Verendrya Ventures Ltd	Financing	(17.919.962)	(17.586.027)
Elogicomnet Morocco Distribution SARL	Financing	(62.966)	-
Logicom Kuwait for Computer Company W.L.L	Other	(26)	-
Logicom LLC	Other	(26)	-

During the year the companies of the Group paid dividends to the Company, as follow:

Dividend for 2021:

	Period ended 30 September 2021 €	Period ended 30 September 2020 €
Logicom Services Ltd	-	3.600.000

ii. Transactions and balances between related parties

There were no significant transactions and balances with related parties, including the Directors, during the period ended 30 September 2021.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2021

20. BALANCES WITH ASSOCIATED COMPANIES AND JOINT VENTURES

The balances with the joint ventures, relate to the financing of the construction, maintenance, renovation and operation of the desalination plants in Cyprus through its subsidiary company Verendrya Ventures Limited.

The balances with joint ventures are as follows:

Balances with joint ventures	Period ended 30 September 2021	31 December 2020
	€	€
M.N Larnaca Desalination Co. Limited	10.260.575	10.443.300
M.N. Limassol Water Co. Limited	<u>13.243.505</u>	<u>12.852.133</u>
	<u>23.504.080</u>	<u>23.295.433</u>
Expected credit losses	<u>(433.816)</u>	<u>(433.816)</u>
	<u>23.070.264</u>	<u>22.861.617</u>

The amounts receivable from joint ventures are presented after the deduction of the accumulated impairments and loss in addition to the value of the investment. The net value of the balances as at 31 December 2020 is considered recoverable based on the expected discounted future cash flows from these companies. For the calculation of the expected future cash flows of the M.N. Larnaca Desalination Co. Ltd estimates, assumptions, judgements and evidence which include the legal opinion in relation to the validity of claims in favor and against the company and an opinion from its consultants in respect of the level of compensation that the company is expected to be entitled to, have been made. The Group considers that there was no evidence for impairment of the amount receivable from joint venture M.N. Limassol Water Co..

The loan with M.N. Limassol Water Co. Ltd is non-current, bearing interest of 4,5% per annum and does not have a specified repayment date. The M.N. Larnaca Desalination Co. Ltd is non-current, interest free and has no specified repayment date.

Interest receivable for the nine month period of 2021 amounts to €375.316 (nine month period of 2020: €376.690).

The balances with the associated companies, relate to a loan that the subsidiary Verendrya Ventures Limited entered into with Demetra Holdings Plc in relation to the latter's participation in the desalination plants in Episkopi and Larnaca.

The balances with associated companies were as follows:

Balances with associated companies	Period ended 30 September 2021	31 December 2020
	€	€
	Credit	Credit
Demetra Holdings Plc	<u>11.791.220</u>	<u>11.638.755</u>

The long-term loan of the subsidiary company Verendrya Ventures Limited, with Demetra Holdings Plc, relates to the financing of the desalination projects in Larnaca and Limassol. The loan bears an interest rate of 1,75% (2020: 1,75%) per annum and does not have a specified repayment date.

21. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting date that have a bearing on the understanding of the consolidated and separate financial statements.