



**LOGICOM PUBLIC LIMITED**

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
Period ended 31 March 2022

**LOGICOM PUBLIC LIMITED**

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**Period from 1 January 2022 to 31 March 2022**

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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  
**Neoclis Nicolaou**, Director (appointed on 19 May 2022)

**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.  
 Standard Chartered Bank (UAE)  
 National Bank of Fujairah PSC  
 Mashreqbank PSC  
 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 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 articles 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 31 March 2022, we confirm that to the best of our knowledge:

(a) The Interim Consolidated Financial Statements which are presented on pages 7 to 54,

(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

Neoclis Nicolaou

**Responsible for drafting the financial statements**

Anthoulis Papachristoforou (Group Chief Financial Officer)

Nicosia, 14 June 2022

## 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 significantly by 23,1% in relation to the corresponding period in 2021. The Turnover of the Distribution Sector increased significantly by 24,3%, mainly due to the increased sales in the markets of Gulf region and Saudi Arabia, as well as, sales in the Moroccan market, compared to the first quarter of 2021. The turnover of the Software and Integrated Solutions Sector also increased by 3,6%, mainly due to the launch of new projects in the Cypriot market.
2. **The percentage of gross profit margin** decreased to 7,7% compared to 8,0% in the corresponding period of 2021 (2022: Gross profit: €20.857.481 to Sales: €271.003.077, 2021: Gross profit: €17.604.399 to Sales: €220.173.527 as reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income), mainly due to the increase in sales of the Distribution Sector during the A' quarter of 2022, where the gross profit margin is lower.
3. **Other Income** mainly relates to contributions from suppliers for the promotion of their products and income from collaborations with third parties.
4. **The Group's Expected Credit Losses** are increased compared to the A' quarter of 2021 and amounted to €39.877 from €32.437 in the corresponding period last year. The Expected Credit Losses were recognised in the results in accordance with the provisions of IFRS9.
5. The **Administration Expenses** increased by €1.842.847 and by 17,7% in percentage terms compared to the A' quarter of 2021, mainly due to the increase of personnel and infrastructure expenses, as a result of the Group's expansion plan to new markets and the expansion of the range of available products. Administration expenses include an amount of €76.331 concerning expenditures on prevention and hygiene measures directly related to the Coronavirus pandemic (COVID-19) (A' quarter of 2021: €58.644). 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 significantly by 18,2% compared to the corresponding period of 2021 and amounts to €8.598.715 compared to €7.273.806 in the A' quarter of 2021, mainly due to the increase in turnover, despite the decrease in Gross Profit Margin and the increase in the Administration Expenses. 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, increased to €1.249.355 compared to €1.030.332 during the corresponding period of 2021 and by 21,3%, in percentage terms, due to the increased use of banking facilities used to finance the increased turnover, as well as, due to the gradual increase of the borrowing rates in US Dollars, compared to the corresponding period last year.
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 €738.488 (A' quarter of 2021 loss: €633.026). 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.

## LOGICOM PUBLIC LIMITED

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

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 €193.217, 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 from associated companies after tax** refer to the share of profit of €2.170.601 for the A' quarter of 2022 compared to share of profit of €801.050 for the prior year's corresponding period from the associated company Demetra Holdings Plc ('Demetra'). The financial results of Demetra include 21,02% 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 significantly by 42,3% compared to the corresponding period of 2021, from €5.843.808 to €8.315.890, mainly due to the increase in turnover and the share of profit from associated companies, despite the increase of the administration expenses and net financing costs due to the increased interests payable and foreign exchange loss, in relation to the A' quarter of 2021.
11. **The Group's Cash and Cash Equivalent** compared to the bank overdrafts present a credit balance of €7.839.265 at the end of the A' quarter of 2022 compared to a credit balance of €699.548 at the end of 2021. **The short term loans** increased to €98.020.289 from €72.609.182. **The long term loans** decreased to €14.417.123 from €15.242.650.
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 stand by 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 A' quarter of 2022, the Turnover and the Profit from Operations are significantly increased, and in connection with the increase in the share of profit from associated companies, despite the increase of the net financing costs, due to the increase in interests payable and foreign exchange loss, the Profit attributable to the Shareholders is significantly increased in comparison to the corresponding period of 2021.
14. During the A' quarter of 2022 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.
16. The results are within the estimations of the Board of Directors.

**LOGICOM PUBLIC LIMITED****BOARD OF DIRECTORS' INTERIM REPORT****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 A' quarter of 2022, 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.

**FORESEEABLE DEVELOPMENT OF THE GROUP**

Despite the significant increase in turnover in the A' quarter of 2022, this has been restricted due to the slowdown in the global economic growth, to the rising inflation, the significant increases in energy costs and the residual effects of the Coronavirus pandemic (COVID-19), with the consequent effects on the production and supply chain, in combination with the geopolitical developments, the ongoing invasion of Russia to Ukraine since last February, as well as, the observed instability in the areas in which the Group operates.

During the A' quarter of 2022, despite the above, the turnover is significantly increased, the Group's profitability from ordinary activities (excluding the share of profit from associated company and joint venture) increased significantly compared to the corresponding period last year. Borrowing costs are increased, as a result of the gradual increase of the banks' borrowing rates, but also as a result of the increased utilisation of the banking facilities to finance the increased turnover.

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 2022 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.

**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.

**LOGICOM PUBLIC LIMITED****BOARD OF DIRECTORS' INTERIM REPORT****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 rates, 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 €284.929 (A' quarter of 2021, profit: €1.332.002).

**SHARE CAPITAL**

There was no change in the issued share capital of the company during the A' quarter of 2022.

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 31 March 2022 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 31 March 2022 and on 14 June 2022 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.

**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 16/06/2022, 'o Phileleftheros' on 19/06/2022 and 'i Kathimerini' on 22/06/2022.
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](mailto: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](http://www.logicom.net)) and of the Cyprus Stock Exchange([www.cse.com.cy](http://www.cse.com.cy)).

**THE BOARD OF DIRECTORS**

14 June 2022



## LOGICOM PUBLIC LIMITED

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Period ended 31 March 2022

	Note	Period ended 31 March 2022 €	Period ended 31 March 2021 €	Year ended 31 December 2021 €
<b>Revenue</b>		271.003.077	220.173.527	949.209.173
Cost of sales		(250.145.596)	(202.569.128)	(874.252.247)
<b>Gross profit</b>		20.857.481	17.604.399	74.956.926
Other income		37.053	114.939	899.612
Expected credit losses	14.1	(39.877)	(32.437)	(75.318)
Administrative expenses		(12.255.942)	(10.413.095)	(43.764.019)
<b>Profit from operations</b>		8.598.715	7.273.806	32.017.201
Net foreign exchange loss		(738.488)	(633.026)	(1.432.559)
Interest receivable		133.149	158.795	595.992
Interest payable and bank charges		(1.382.504)	(1.189.127)	(5.096.787)
<b>Net finance costs</b>		(1.987.843)	(1.663.358)	(5.933.354)
Net share of profit from associated companies after tax	9	2.170.601	801.050	1.581.313
Net share of profit from joint ventures after tax	9	229.321	11.245	107.298
<b>Profit before tax</b>		9.010.794	6.422.743	27.772.458
Tax		(605.493)	(576.284)	(2.995.789)
<b>Profit for the period/year</b>		8.405.301	5.846.459	24.776.669
<b>Other comprehensive income that will not be reclassified to profit or loss in future periods</b>				
(Decrease)/increase from revaluation of investments at fair value through other comprehensive income		(1.675.024)	(293.374)	912.931
Deferred taxation arising from revaluation of land and buildings		827	(148)	3.309
Adjustment on remeasurement of obligation		-	-	595.970
Deferred taxation arising from the remeasurement of obligation		-	-	(48.679)
		(1.674.197)	(293.522)	1.463.531
<b>Other comprehensive income that will be reclassified to profit or loss in future periods</b>				
Exchange difference from translation and consolidation of financial statements from foreign operations		1.853.596	5.441.517	7.579.741
Exchange difference in relation to hedge of a net investment in a foreign operation		(805.298)	(1.252.315)	(2.633.110)
Share of loss from associated company	9	(164.743)	(84.635)	(214.823)
		883.555	4.104.567	4.731.808
Other comprehensive (expenses)/income for the period/year		(790.642)	3.811.045	6.195.339
<b>Total comprehensive income for the period/year</b>		7.614.659	9.657.504	30.972.008
<b>Profit for the period/year attributable to:</b>				
Company's shareholders		8.315.890	5.843.808	24.745.689
Non-controlling interest		89.411	2.651	30.980
Profit for the period/year		8.405.301	5.846.459	24.776.669
<b>Total comprehensive income for the period/year attributable to:</b>				
Company's shareholders		7.525.248	9.654.853	30.941.028
Non-controlling interest		89.411	2.651	30.980
Total comprehensive income		7.614.659	9.657.504	30.972.008
Basic earnings per share (cent)	5	11.23	7.89	33.40
Diluted earnings per share (cent)	5	11.23	7.89	33.40

The notes on pages 12 to 54 are an integral part of these consolidated interim financial statements.

## LOGICOM PUBLIC LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2022

	Note	31 March 2022 €	31 December 2021 €
<b>ASSETS</b>			
Property, plant and equipment	6	22.135.608	22.246.895
Right-of-use assets	7	5.038.441	4.896.969
Intangible assets and goodwill		8.563.974	8.697.465
Investments in associated companies and joint ventures	9	82.406.129	80.144.277
Investments at fair value through other comprehensive income		10.050.143	11.725.167
Trade and other receivables		23.476.803	24.174.092
Deferred taxation		1.180.720	1.179.785
<b>Total non-current assets</b>		<u>152.851.818</u>	<u>153.064.650</u>
Inventories		105.951.145	79.362.639
Trade and other receivables		251.685.230	241.847.813
Investments at fair value through profit or loss		14.943	14.943
Current tax assets		109.240	529.879
Cash and cash equivalents	10	<u>33.302.131</u>	<u>40.515.953</u>
<b>Total current assets</b>		<u>391.062.689</u>	<u>362.271.227</u>
<b>Total assets</b>		<u>543.914.507</u>	<u>515.335.877</u>
<b>Equity</b>			
Share capital	11	25.187.064	25.187.064
Reserves		<u>183.765.312</u>	<u>176.240.064</u>
<b>Equity attributable to shareholders of the Company</b>		208.952.376	201.427.128
Non-controlling interest		<u>(2.505.336)</u>	<u>(2.594.747)</u>
<b>Total equity</b>		<u>206.447.040</u>	<u>198.832.381</u>
<b>Liabilities</b>			
Long-term loans	12	10.701.171	11.509.386
Obligations under finance leases		3.991.504	3.831.093
Trade and other payables		11.910.626	11.863.763
Deferred taxation		462.236	462.236
Provision for other liabilities and termination of employment		<u>2.982.699</u>	<u>2.746.538</u>
<b>Total non-current liabilities</b>		<u>30.048.236</u>	<u>30.413.016</u>
Trade and other payables		159.698.805	162.633.317
Bank overdrafts	12	41.141.396	41.185.501
Short term loans	12	98.020.289	72.609.182
Current portion of long-term loans	12	3.715.952	3.733.264
Obligations under finance leases		1.204.914	1.157.660
Promissory notes		2.000.000	1.997.842
Derivative financial instruments		6.251	421.946
Current tax liabilities		1.539.484	2.205.164
Provision for other liabilities and termination of employment		<u>92.140</u>	<u>146.604</u>
<b>Total current liabilities</b>		<u>307.419.231</u>	<u>286.090.480</u>
<b>Total liabilities</b>		<u>337.467.467</u>	<u>316.503.496</u>
<b>Total equity and liabilities</b>		<u>543.914.507</u>	<u>515.335.877</u>

The notes on pages 12 to 54 are an integral part of these consolidated interim financial statements.

## LOGICOM PUBLIC LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Period ended 31 March 2022

	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 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
<b>Total comprehensive income</b>											
Profit for the period	-	-	-	-	-	-	-	5.843.808	5.843.808	2.651	5.846.459
Other comprehensive income	-	-	(148)	-	(1.252.315)	-	5.441.517	(378.009)	3.811.045	-	3.811.045
<b>Transactions with owners recognized directly in equity</b>											
Share of other transactions with owners from an associated company	-	-	-	-	-	-	-	99.571	99.571	-	99.571
Proposed dividend for 2020 that was paid in 2021	-	-	-	-	-	-	-	(5.926.368)	(5.926.368)	-	(5.926.368)
<b>Other movements</b>											
Transfer to retained earnings	-	-	-	-	-	9.762	-	(9.762)	-	-	-
Balance at 31 March 2021	<u>25.187.064</u>	<u>10.443.375</u>	<u>6.385.092</u>	<u>116.818</u>	<u>(7.934.197)</u>	<u>2.784.039</u>	<u>(3.995.878)</u>	<u>147.572.542</u>	<u>180.558.855</u>	<u>(2.494.712)</u>	<u>178.064.143</u>
Balance at 1 January 2022	25.187.064	10.443.375	6.388.549	116.818	(9.314.992)	2.849.638	(1.857.654)	167.614.330	201.427.128	(2.594.747)	198.832.381
<b>Total comprehensive income</b>											
Profit for the period	-	-	-	-	-	-	-	8.315.890	8.315.890	89.411	8.405.301
Other comprehensive income	-	-	827	-	(805.298)	-	1.853.596	(1.839.767)	(790.642)	-	(790.642)
<b>Transactions with owners recognized directly in equity</b>											
Share of other transactions with owners from an associated company	-	-	-	-	-	-	-	-	-	-	-
Proposed dividend for 2021 that was paid in 2022	-	-	-	-	-	-	-	-	-	-	-
<b>Other movements</b>											
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2022	<u>25.187.064</u>	<u>10.443.375</u>	<u>6.389.376</u>	<u>116.818</u>	<u>(10.120.290)</u>	<u>2.849.638</u>	<u>(4.058)</u>	<u>174.090.453</u>	<u>208.952.376</u>	<u>(2.505.336)</u>	<u>206.447.040</u>

The notes on pages 12 to 54 are an integral part of these consolidated interim financial statements.

## LOGICOM PUBLIC LIMITED

CONSOLIDATED CASH FLOW STATEMENT  
Period ended 31 March 2022

	Note	Period ended 31 March 2022 €	Period ended 31 March 2021 €
<b>Cash flows from/(used in) operations</b>			
Profit for the period		8.405.301	5.846.459
Adjustments for:			
Exchange differences		151.766	3.907.576
Depreciation	6	345.116	374.109
Depreciation on leased property, plant and equipment	6	59.859	52.140
Depreciation on right of use assets	7	434.390	381.696
Interest payable		1.217.771	908.026
Interest receivable		(133.149)	(158.795)
Expected credit losses		39.877	32.437
Provision for the decrease in the value of inventories		61.514	81.813
Share of profit from investments in associated companies	9	(2.170.601)	(801.050)
Share of profit from joint ventures		(229.321)	(11.245)
Change in fair value of derivative financial instruments		(415.695)	(1.332.002)
Profit from the disposal of property, plant and equipment		(4.748)	(927)
Amortisation of research and development		140.096	135.244
Charge to profit or loss for provisions for other liabilities and termination of employment		150.482	150.336
Tax		605.493	576.284
		<u>8.658.151</u>	<u>10.142.101</u>
Increase in inventories		(26.650.020)	(14.082.199)
(Increase)/decrease in trade and other receivables		(9.180.005)	235.743
Decrease in trade and other payables		(2.887.649)	(11.506.659)
(Decrease)/Increase in promissory notes		2.158	(278.829)
Benefits paid for termination of employment		-	(55.704)
		<u>(30.057.365)</u>	<u>(15.545.547)</u>
Interest paid		(1.150.900)	(838.794)
Tax paid		(850.534)	(272.459)
<b>Net cash flows used in operations</b>		<u>(32.058.799)</u>	<u>(16.656.800)</u>
<b>Cash flows (used in)/from investing activities</b>			
Proceeds from disposal of property, plant and equipment		7.709	1.814
Payment to acquire intangible assets		(6.480)	-
Payments to acquire property, plant and equipment	6	(201.610)	(409.647)
Interest received		133.149	158.795
<b>Net cash flows used in investing activities</b>		<u>(67.232)</u>	<u>(249.038)</u>
<b>Net cash flow from/(used in) financing activities</b>			
Proceeds from issue of new loans		61.779.382	27.605.631
Repayment of loans		(37.237.907)	(26.010.644)
Repayments of obligations under finance leases		414.839	(419.240)
<b>Net cash flows from financing activities</b>		<u>24.956.314</u>	<u>1.175.747</u>
<b>Net change in cash and cash equivalents</b>		(7.169.717)	(15.730.091)
<b>Cash and cash equivalents at beginning of the period</b>		<u>(669.548)</u>	<u>19.617.545</u>
<b>Cash and cash equivalents at end of the period</b>	10	<u>(7.839.265)</u>	<u>3.887.454</u>

The notes on pages 12 to 54 are an integral part of these consolidated interim financial statements.

## LOGICOM PUBLIC LIMITED

## STATEMENT OF FINANCIAL POSITION

As at 31 March 2022

	Note	31 March 2022 €	31 December 2021 €
<b>ASSETS</b>			
Property, plant and equipment	6	4.190.504	4.299.511
Right of use assets	7	351.499	383.451
Investments in subsidiary companies	8	53.331.217	53.331.217
Long-term loans to subsidiary companies	19	27.879.550	27.562.770
Deferred taxation		91.760	91.760
<b>Total non-current assets</b>		<b>85.844.530</b>	<b>85.668.709</b>
Inventories		1.302.343	845.009
Trade and other receivables		19.501.134	21.380.880
Receivables from subsidiary companies	19	33.255.257	33.209.766
Investments at fair value through profit or loss		6.758	6.758
Cash and cash equivalents	10	2.065.983	2.648.299
<b>Total current assets</b>		<b>56.131.475</b>	<b>58.090.712</b>
<b>Total assets</b>		<b>141.976.005</b>	<b>143.759.421</b>
<b>Equity</b>			
Share capital	11	25.187.064	25.187.064
Reserves		25.110.572	25.797.129
<b>Total equity</b>		<b>50.297.636</b>	<b>50.984.193</b>
<b>Liabilities</b>			
Long-term loans	12	5.640.728	6.230.046
Obligations under finance leases		245.102	278.808
Deferred taxation		462.236	462.236
<b>Total non-current liabilities</b>		<b>6.348.066</b>	<b>6.971.090</b>
Trade and other payables		21.393.338	22.852.659
Bank overdrafts	12	20.387.377	21.526.226
Short term loans	12	38.414.321	35.838.206
Current portion of long-term loans	12	2.698.754	2.718.412
Obligations under finance leases		131.402	129.378
Promissory notes		2.000.000	1.997.842
Derivative financial instruments		302.084	738.388
Current tax liabilities		3.027	3.027
<b>Total current liabilities</b>		<b>85.330.303</b>	<b>85.804.138</b>
<b>Total liabilities</b>		<b>91.678.369</b>	<b>92.775.228</b>
<b>Total equity and liabilities</b>		<b>141.976.005</b>	<b>143.759.421</b>

The notes on pages 12 to 54 are an integral part of these consolidated interim financial statements.

**LOGICOM PUBLIC LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

**1. UNAUDITED FINANCIAL STATEMENTS**

The interim consolidated financial statements for the A' quarters ended on 31 March 2022 and 31 March 2021 respectively, have not been audited by the statutory auditors of the Company.

**2. OPERATING ENVIRONMENT**

**Impact of the Russian invasion to Ukraine on the interim financial statements**

At the end of February 2022, Russia commenced its invasion to Ukraine, which in connection with the consequent global sanctions imposed on Russia and other natural and legal persons, have not at this stage directly affected the activities of the Company and the Group. The Company does not maintain a subsidiary, nor any activity, in these countries. The Company is indirectly affected by the further disruption of the supply chain and the inflationary trends observed in the energy and transport sectors, productions costs and consumer products in general.

The Management is closely monitoring and evaluating the developments, aiming at the best possible management of the potential short-term effects and risks of this invasion, both in the global economy and in the activities of the Group, and its operational readiness and continuity. Taking into consideration the extend and the unpredictable development of this invasion, it is not possible, at this stage, to assess the extent of its financial impact on the results of the Group and the Company.

**Effect of the pandemic**

The Coronavirus pandemic (COVID-19) continued during the A' quarter of 2022 to negatively affect the supply chain.

The Group assessed the main effect of the pandemic on its financial statements and operations as follows:

The turnover increased significantly by 23,1% compared to A' quarter of 2021. The growth rate could have been higher, but the impact of the pandemic cannot be accurately determined mainly due to the impact of the supply chain, with production shortages and delays in deliveries.

The Administration expenses include an amount of €73.661 concerning expenditures on prevention and hygiene measures directly related to the Coronavirus pandemic (COVID-19) (A' quarter 2021: €58.644).

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.

**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 2021. 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 2022, 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.

**LOGICOM PUBLIC LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

**3. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

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'.

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 foreign countries are as follows:

	Revenue		Total non-current assets	
	Period ended 31 March 2022	Period ended 31 March 2021	31 March 2022	31 December 2021
	€	€	€	€
Cyprus	26.114.836	22.708.596	142.412.782	142.642.918
Greece	28.081.771	31.704.444	1.334.650	1.397.110
United Arab Emirates	74.185.998	61.977.553	5.247.514	5.171.957
Other foreign countries	<u>142.620.472</u>	<u>103.782.934</u>	<u>3.856.872</u>	<u>3.852.665</u>
	<u>271.003.077</u>	<u>220.173.527</u>	<u>152.851.818</u>	<u>153.064.650</u>

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

## 4. OPERATING SEGMENTS (continued)

Period ended 31 March 2022	European Markets Distribution Segment €	Middle East Markets Distribution Segment €	All other Segments €	Services Segment €	Transactions between Operating Segments €	Total €
Revenue from sale of products	52.059.796	177.109.114	28.190.466	7.833.438	-	265.192.814
Revenue from rendering of services	-	-	-	5.810.263	-	5.810.263
Revenue from third parties	<u>52.059.796</u>	<u>177.109.114</u>	<u>28.190.466</u>	<u>13.643.701</u>	<u>-</u>	<u>271.003.077</u>
Intersegment revenue	<u>11.427.538</u>	<u>41.883.942</u>	<u>1.217.598</u>	<u>286.657</u>	<u>(54.815.735)</u>	<u>-</u>
Other income	1.029.293	1.397.125	817	20.148	(2.410.330)	37.053
Depreciation and amortisation	254.464	287.063	179.130	198.945	-	919.602
Personnel costs	2.023.789	3.884.405	830.539	1.305.777	-	8.044.510
Travelling expenses	93.296	34.021	6.825	10.332	-	144.474
Provision for doubtful debts	-	46.407	(6.530)	-	-	39.877
Professional fees	232.868	239.037	76.590	107.301	(39.963)	615.833
Rent	485	51.416	27.528	6.513	-	85.942
Credit insurance	102.544	432.325	48.412	22.241	(102.956)	502.566
Transportation expenses	120.284	251.688	72.285	1.342	-	445.599
<b>Profit from operations</b>	<u>636.229</u>	<u>6.338.651</u>	<u>585.279</u>	<u>1.196.492</u>	<u>(157.936)</u>	<u>8.598.715</u>
Net foreign exchange loss	(432.502)	(102.445)	(749.972)	(121.864)	668.295	(738.488)
Interest receivable	59	317.411	124.086	9.004	(317.411)	133.149
Interest payable and bank charges	<u>(627.576)</u>	<u>(801.817)</u>	<u>(365.663)</u>	<u>(83.247)</u>	<u>495.799</u>	<u>(1.382.504)</u>
<b>Net finance income/(expenses)</b>	<u>(1.060.019)</u>	<u>(586.851)</u>	<u>(991.549)</u>	<u>(196.107)</u>	<u>846.683</u>	<u>(1.987.843)</u>
Net share of profit from associated companies and joint ventures after tax	-	-	229.321	2.170.601	-	2.399.922
<b>Profit/(loss) before tax</b>	<u>(423.790)</u>	<u>5.751.800</u>	<u>(176.949)</u>	<u>3.170.986</u>	<u>688.747</u>	<u>9.010.794</u>
<b>Tax</b>	<u>(9.112)</u>	<u>(371.700)</u>	<u>-</u>	<u>(224.681)</u>	<u>-</u>	<u>(605.493)</u>
<b>Profit/(loss) after tax</b>	<u>(432.902)</u>	<u>5.380.100</u>	<u>(176.949)</u>	<u>2.946.305</u>	<u>688.747</u>	<u>8.405.301</u>
Acquisition of property, plant and equipment	33.298	39.203	65.695	63.414	-	201.610
Acquisition of right-of-use assets	5.345	187.999	161.401	180.910	-	535.655
Total assets	335.179.118	320.471.816	90.809.169	149.170.650	(351.716.246)	543.914.507
Total liabilities	267.334.525	210.920.152	92.167.547	57.319.174	(290.273.931)	337.467.467
Net investment assets in associated companies and joint ventures	<u>-</u>	<u>-</u>	<u>407.031</u>	<u>81.999.098</u>	<u>-</u>	<u>82.406.129</u>



## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

## 4. OPERATING SEGMENTS (continued)

Period ended 31 March 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	52.689.976	133.557.465	20.750.228	10.698.163	-	217.695.832
Revenue from rendering of services	-	-	-	2.477.695	-	2.477.695
Revenue from third parties	<u>52.689.976</u>	<u>133.557.465</u>	<u>20.750.228</u>	<u>13.175.858</u>	-	<u>220.173.527</u>
Intersegment revenue	10.963.710	31.852.191	37.913	385.688	(43.239.502)	-
Other income	971.373	830.868	1.139	45.174	(1.733.615)	114.939
Depreciation and amortisation	280.061	267.947	150.068	192.973	-	891.049
Personnel costs	1.930.827	2.835.519	657.722	1.300.926	-	6.724.994
Travelling expenses	52.152	10.019	3.409	1.950	-	67.530
Provision for doubtful debts	7.640	19.937	5.667	(806)	-	32.438
Professional fees	256.641	198.129	51.378	84.817	(54.569)	536.396
Rent	1.213	48.496	21.389	7.524	-	78.622
Credit insurance	144.733	366.897	36.068	24.550	(59.427)	512.821
Transportation expenses	114.744	253.397	29.121	737	-	397.999
<b>Profit from operations</b>	<u>1.213.434</u>	<u>4.259.553</u>	<u>275.924</u>	<u>987.280</u>	<u>537.615</u>	<u>7.273.806</u>
Net foreign exchange loss	(937.064)	66.125	(676.002)	63.886	850.029	(633.026)
Interest receivable	6.719	179.694	124.134	27.941	(179.693)	158.795
Interest payable and bank charges	(751.803)	(456.592)	(279.644)	(108.838)	407.750	(1.189.127)
<b>Net finance income/(expenses)</b>	<u>(1.682.148)</u>	<u>(210.773)</u>	<u>(831.512)</u>	<u>(17.011)</u>	<u>1.078.086</u>	<u>(1.663.358)</u>
Net share of profit from associated companies and joint ventures after tax	-	-	11.245	801.050	-	812.295
<b>Profit/(loss) before tax</b>	<u>(468.714)</u>	<u>4.048.780</u>	<u>(544.343)</u>	<u>1.771.319</u>	<u>1.615.701</u>	<u>6.422.743</u>
<b>Tax</b>	<u>(176.970)</u>	<u>(217.579)</u>	<u>-</u>	<u>(181.737)</u>	<u>-</u>	<u>(576.284)</u>
<b>Profit/(loss) after tax</b>	<u>(645.684)</u>	<u>3.831.201</u>	<u>(544.343)</u>	<u>1.589.582</u>	<u>1.615.701</u>	<u>5.846.459</u>
Acquisition of property, plant and equipment	230.694	28.651	97.002	58.300	-	409.647
Acquisition of right-of-use assets	15.457	143.917	217.210	-	-	376.584
Total assets	286.123.312	236.053.205	79.784.756	140.973.737	(298.094.839)	444.840.171
Total liabilities	223.429.039	144.727.502	80.396.465	50.628.792	(238.332.138)	260.849.660
Net investment assets in associated companies and joint ventures	-	-	388.739	79.889.430	-	80.278.169

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 31 March 2022

## 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 31 March 2022	Period ended 31 March 2021
Earnings attributable to shareholders (€)	<u>8.315.890</u>	<u>5.843.808</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>11,23</u>	<u>7,89</u>
Diluted weighted average number of shares	<u>74.079.600</u>	<u>74.079.600</u>
Diluted earnings per share (cent)	<u>11,23</u>	<u>7,89</u>

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

## 6. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Land and buildings €	Computers €	Furniture and fittings €	Motor vehicles €	Total €
<b>Acquisition cost or revaluation</b>					
Balance at 1 January 2021	19.292.839	7.845.672	3.259.406	1.706.864	32.104.781
Additions for the period	288.158	924.934	180.861	223.201	1.617.154
Disposals and write offs for the year	(197.879)	(515.089)	(61.072)	(62.816)	(836.856)
Exchange differences	367.254	175.851	114.644	54.305	712.054
Balance at 31 December 2021	<u>19.750.372</u>	<u>8.431.368</u>	<u>3.493.839</u>	<u>1.921.554</u>	<u>33.597.133</u>
Balance at 1 January 2022	19.750.372	8.431.368	3.493.839	1.921.554	33.597.133
Additions for the period	60.344	132.204	9.049	13	201.610
Disposals for the period	-	(17.875)	(707)	(76.373)	(94.955)
Exchange differences	93.056	46.953	30.652	15.513	186.174
Balance at 31 March 2022	<u>19.903.772</u>	<u>8.592.650</u>	<u>3.532.833</u>	<u>1.860.707</u>	<u>33.889.962</u>
<b>Depreciation</b>					
Balance at 1 January 2021	704.374	5.560.576	2.593.027	1.192.919	10.050.896
Charge for the year	395.650	839.589	250.097	186.106	1.671.442
Disposals and write offs for the year	(197.879)	(412.139)	(44.978)	(62.475)	(717.471)
Exchange differences	54.719	155.274	94.160	41.218	345.371
Balance at 31 December 2021	<u>956.864</u>	<u>6.143.300</u>	<u>2.892.306</u>	<u>1.357.768</u>	<u>11.350.238</u>
Balance at 1 January 2022	956.864	6.143.300	2.892.306	1.357.768	11.350.238
Charge for the period	96.363	196.821	63.554	48.237	404.975
Disposals for the period	-	(14.914)	(707)	(76.373)	(91.994)
Exchange differences	13.365	48.318	18.003	11.449	91.135
Balance at 31 March 2022	<u>1.066.592</u>	<u>6.373.525</u>	<u>2.973.156</u>	<u>1.341.081</u>	<u>11.754.354</u>
<b>Net book value</b>					
Balance at 31 March 2022	<u>18.837.180</u>	<u>2.219.125</u>	<u>559.677</u>	<u>519.626</u>	<u>22.135.608</u>
Balance at 1 January 2022	<u>18.793.508</u>	<u>2.288.068</u>	<u>601.533</u>	<u>563.786</u>	<u>22.246.895</u>

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

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

THE COMPANY	Land and buildings €	Computers €	Furniture and fittings €	Motor vehicles €	Total €
<b>Acquisition cost or revaluation</b>					
Balance at 1 January 2021	3.443.904	2.353.796	303.039	485.982	6.586.721
Additions for the period	5.000	298.563	34.783	98.915	437.261
Disposals and write offs for the year	-	(112.971)	-	(13.000)	(125.971)
Balance at 31 December 2021	<u>3.448.904</u>	<u>2.539.388</u>	<u>337.822</u>	<u>571.897</u>	<u>6.898.011</u>
Balance at 1 January 2022	3.448.904	2.539.388	337.822	571.897	6.898.011
Additions for the period	-	25.247	906	-	26.153
Disposals for the period	-	(2.505)	-	-	(2.505)
Balance at 31 March 2022	<u>3.448.904</u>	<u>2.562.130</u>	<u>338.728</u>	<u>571.897</u>	<u>6.921.659</u>
<b>Depreciation</b>					
Balance at 1 January 2021	68.633	1.386.694	210.477	359.367	2.025.171
Charge for the year	142.224	361.046	20.898	76.802	600.970
Disposals	-	(14.641)	-	(13.000)	(27.641)
Balance at 31 December 2021	<u>210.857</u>	<u>1.733.099</u>	<u>231.375</u>	<u>423.169</u>	<u>2.598.500</u>
Balance at 1 January 2022	210.857	1.733.099	231.375	423.169	2.598.500
Charge for the period	35.603	75.251	5.132	17.034	133.020
Disposals for the period	-	(365)	-	-	(365)
Balance at 31 March 2022	<u>246.460</u>	<u>1.807.985</u>	<u>236.507</u>	<u>440.203</u>	<u>2.731.155</u>
<b>Net book value</b>					
Balance at 31 March 2022	<u>3.202.444</u>	<u>754.145</u>	<u>102.221</u>	<u>131.694</u>	<u>4.190.504</u>
Balance at 1 January 2022	<u>3.238.047</u>	<u>806.289</u>	<u>106.447</u>	<u>148.728</u>	<u>4.299.511</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 €541.197 as well as professional and legal costs of €846.707 for the design and licensing of the building under construction of Najada Holdings Limited, have been capitalised. During 2022, amounts of €36.342 in relation to borrowing costs and €24.002 in relation to professional and legal costs have been capitalised (2021: borrowing costs €154.965, professional and legal expenses €75.162). The cost of the building under construction is not depreciated.

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

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

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

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, as mentioned in note 14.5.

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	31 March 2022 €	31 December 2021 €
Land and buildings	Comparative method	Sale price per sq.m.	€500/sq.m. - €1.700/sq.m.	2.600.443	2.636.047
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	Cost price	Capitalised borrowing costs and professional costs		1.387.894	1.327.550
Land and buildings	Comparative method	Sale price per sq.m.	JOD 270/sq.m. - 728/sq.m.	808.472	793.695
Buildings	Comparative method	Transfer price per sq.m.	USD 1.720 (€1.532)/sq.m.	<u>3.139.028</u>	<u>3.121.363</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 STATEMENTS

Period ended 31 March 2022

## 7. RIGHT-OF-USE ASSETS

## THE GROUP

	Right of use land €	Right of use buildings and warehouse €	Right of use motor vehicles €	Total €
<b>Acquisition cost</b>				
<b>Balance at 1 January 2021</b>	1.765.435	5.660.343	545.600	7.971.378
Additions for the period	-	1.007.984	180.130	1.188.114
Write offs for the year	-	(563.210)	(141.985)	(705.195)
Exchange differences	151.208	93.682	3.421	248.311
<b>Balance at 31 December 2021</b>	<u>1.916.643</u>	<u>6.198.799</u>	<u>587.166</u>	<u>8.702.608</u>
<b>Period ended 31 March 2022</b>				
<b>Balance at 1 January 2022</b>	1.916.643	6.198.799	587.166	8.702.608
Additions for the period	-	396.561	139.094	535.655
Write-offs for the period	-	(215.208)	-	(215.208)
Exchange differences	38.847	32.897	944	72.688
<b>Balance at 31 March 2022</b>	<u>1.955.490</u>	<u>6.413.049</u>	<u>727.204</u>	<u>9.095.743</u>
<b>Depreciation</b>				
<b>Balance at 1 January 2021</b>	176.544	2.350.523	250.778	2.777.845
Charge	91.773	1.441.934	131.981	1.665.688
Write offs for the year	-	(563.210)	(141.903)	(705.113)
Exchange differences	19.179	78.372	(332)	97.219
<b>Balance at 31 December 2021</b>	<u>287.496</u>	<u>3.277.619</u>	<u>240.524</u>	<u>3.805.639</u>
<b>Period ended 31 March 2022</b>				
<b>Balance at 1 January 2022</b>	287.496	3.277.619	240.524	3.805.639
Charge	24.191	368.700	41.499	434.390
Write-offs for the period	-	(215.208)	-	(215.208)
Exchange differences	6.080	26.037	364	32.481
<b>Balance at 31 March 2022</b>	<u>317.767</u>	<u>3.457.148</u>	<u>282.387</u>	<u>4.057.302</u>
<b>Net book value</b>				
<b>Balance at 31 March 2022</b>	<u>1.637.723</u>	<u>2.955.901</u>	<u>444.817</u>	<u>5.038.441</u>
<b>Balance at 1 January 2022</b>	<u>1.629.147</u>	<u>2.921.180</u>	<u>346.642</u>	<u>4.896.969</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 31 March 20227. **RIGHT-OF-USE ASSETS** *(continued)*

<b>THE COMPANY</b>	Right of use buildings and warehouse €
<b>Acquisition cost</b>	
<b>Balance at 1 January 2021</b>	703.475
Additions for the period	<u>36.986</u>
<b>Balance at 31 December 2021</b>	<u>740.461</u>
<b>Period ended 31 March 2022</b>	
<b>Balance at 1 January 2022</b>	<u>740.461</u>
<b>Balance at 31 March 2022</b>	<u>740.461</u>
<b>Depreciation</b>	
<b>Balance at 1 January 2021</b>	234.486
Charge	<u>122.524</u>
<b>Balance at 31 December 2021</b>	<u>357.010</u>
<b>Period ended 31 March 2022</b>	
<b>Balance at 1 January 2022</b>	357.010
Charge	<u>31.952</u>
<b>Balance at 31 March 2022</b>	<u>388.962</u>
<b>Net book value</b>	
<b>Balance at 31 March 2022</b>	<u><u>351.499</u></u>
<b>Balance at 1 January 2022</b>	<u><u>383.451</u></u>

The Group and the Company used prior knowledge to determine the lease period. The average borrowing cost applied, at recognition, 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. The average borrowing cost applied for the new leases recognised during the year is: for Europe 3,22% for motor vehicles and for the Middle East 3,13% for land, warehouse and buildings and 2,29% for motor vehicles.

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 31 March 2022

**8. INVESTMENTS IN SUBSIDIARY COMPANIES**

The Company has the following investments in subsidiary companies:

Company	Country of incorporation	31 March 2022 Holding %	31 December 2021 Holding %	31 March 2022 €	31 December 2021 €
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 €8.713.606.

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.

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



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

Period ended 31 March 2022

**8. INVESTMENTS IN SUBSIDIARY COMPANIES** *(continued)*

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 the subsidiaries Logicom FZE and Logicom Dubai LLC 100% of Logicom LLC in Oman, with share capital of €41.086.

The Company owns indirectly, through its 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, 100% of Logicom Bahrain W.L.L. in Bahrain, with share capital of €11.383.

The Company owns indirectly through its subsidiaries Logicom FZE and Logicom (Overseas) Limited 100% of Logicom Egypt LLC in Egypt, with share capital of €56.

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 €107.541.

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 2021, 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 and Logicom Italia s.r.l, according to the comparison mentioned above. The value of the investment in Logicom (Middle East) SAL was fully impaired in 2020. The value of the investments in the companies Logicom Information Technology Distribution s.r.l. and Logicom Italia s.r.l were not impaired based on the calculation of the expected future cash flows of these companies for the years 2022-2024 divided by the weighted average cost of capital that was calculated at 6,07%, 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 31 March 2022

**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 31 March 2022**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)***THE GROUP**

	Period ended 31 March 2022	31 December 2021
	€	€
M.N. Limassol Water Co. Ltd	407.031	151.037
M.N. E.P.C Water Co.	-	-
M.N. Larnaca Desalination Co. Ltd	-	-
Demetra Holdings Plc	<u>81.999.098</u>	<u>79.993.240</u>
	<u>82.406.129</u>	<u>80.144.277</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 2022	-	-	151.037	79.993.240	80.144.277
Reclassification of loss/ (profit) from investments in joint ventures after tax	26.149	525			26.674
Share of profit/(loss) from investments in joint ventures after tax	(26.149)	(525)	255.994	2.170.601	2.399.921
Net share of profit from associated companies after tax	-	-	-	-	-
Share of loss through other comprehensive income	-	-	-	(164.743)	(164.743)
Share of other transactions with owners	-	-	-	-	-
Balance at 31 March 2022	<u>-</u>	<u>-</u>	<u>407.031</u>	<u>81.999.098</u>	<u>82.406.129</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

## 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 2021	-	-	349.218	79.073.445	79.422.663
Dividend	-	-	(219.560)	-	(219.560)
Reclassification of loss from investments in joint ventures after tax	243.377	(16.056)			227.321
Share of profit/(loss) from investments in joint ventures after tax	(243.377)	16.056	334.619	-	107.298
Adjustment	-	-	(313.240)	-	(313.240)
Net share of profit from associated companies after tax	-	-	-	1.581.313	1.581.313
Share of loss through other comprehensive income	-	-	-	(214.823)	(214.823)
Share of other transactions with the owners	-	-	-	(446.695)	(446.695)
Balance at 31 December 2021	-	-	151.037	79.993.240	80.144.277

The profit that resulted from M.N. Limassol Water Co. Limited of €255.994 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 €26.149 was credited to the loan granted from Verendrya Ventures Limited to M.N. Larnaca Desalination Co. Ltd.

The loss that resulted from M.N.E.P.C. Water Co. of €525 was credited 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 standby 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 2021 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 production of the desalination plants M.N. Limassol Water Co. and M.N. Larnaca Desalination Co. may fluctuate according to the instructions of the Water Development Department.

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.

The adjustment of €313.240 during the year 2021 relates to an amount resulted from the initial application of IFRS 9 "Financial Instruments" in M.N. Limassol Water Co. and was not recognised by Verendrya Ventures Limited in previous years.

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 31 March 2022**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)*

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

<u>Period ended 31 March 2022</u>	M.N. Larnaca			Total
	Desalination Co. Ltd	M.N. Limassol Water Co. Ltd	M.N. E.P.C Water Co.	
Percentage	50%	50%	50%	
Reporting Date	31/03/2022	31/03/2022	31/03/2022	
	€	€	€	€
Non-current assets	16.941.347	29.618.319	-	46.559.666
Cash and cash equivalents	1.486.868	1.105.606	686	2.593.160
Current assets	<u>5.086.763</u>	<u>8.974.525</u>	<u>3.398</u>	<u>14.064.686</u>
Total assets	<u>23.514.978</u>	<u>39.698.450</u>	<u>4.084</u>	<u>63.217.512</u>
Current liabilities	(973.046)	(3.926.593)	(2.190)	(4.901.829)
Short-term borrowing	(35.242.229)	(3.126.000)	-	(38.368.229)
Long-term loans	<u>-</u>	<u>(31.832.670)</u>	<u>-</u>	<u>(31.832.670)</u>
Total liabilities	<u>(36.215.275)</u>	<u>(38.885.263)</u>	<u>(2.190)</u>	<u>(75.102.728)</u>
Net Assets	<u>(12.700.297)</u>	<u>813.187</u>	<u>1.894</u>	<u>(11.885.216)</u>
Revenue	2.280.161	2.876.185	-	5.156.346
Interest receivable	194.367	546.106	-	740.473
Expenses	(2.511.517)	(2.424.325)	(1.050)	(4.936.892)
Depreciation and amortisation	(15.201)	(106.223)	-	(121.424)
Interest payable	(108)	(308.912)	-	(309.020)
Tax	<u>-</u>	<u>(70.843)</u>	<u>-</u>	<u>(70.843)</u>
(Loss)/profit	<u>(52.298)</u>	<u>511.988</u>	<u>(1.050)</u>	<u>458.640</u>
Group's share in net assets	<u>(6.350.149)</u>	<u>406.594</u>	<u>947</u>	<u>(5.942.608)</u>
Group's share in (loss)/profit	<u>(26.149)</u>	<u>255.994</u>	<u>(525)</u>	<u>229.320</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 31 March 2022**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)*

<u>2021</u>	M.N. Larnaca			Total
Percentage Reporting Date	Desalination Co. Ltd 50% 31/12/2021 €	M.N. Limassol Water Co. Ltd 50% 31/12/2021 €	M.N. E.P.C Water Co. 50% 31/12/2021 €	
Non-current assets	17.110.705	30.197.583	-	47.308.288
Cash and cash equivalents	484.399	727.578	736	1.212.713
Current assets	<u>6.472.210</u>	<u>8.204.096</u>	<u>3.208</u>	<u>14.679.514</u>
Total assets	<u>24.067.314</u>	<u>39.129.257</u>	<u>3.944</u>	<u>63.200.515</u>
Current liabilities	(1.473.085)	(3.615.302)	(1.000)	(5.089.387)
Short-term borrowing	(35.242.228)	(3.126.000)	-	(38.368.228)
Long-term loans	-	(32.086.758)	-	(32.086.758)
Total liabilities	<u>(36.715.313)</u>	<u>(38.828.060)</u>	<u>(1.000)</u>	<u>(75.544.373)</u>
Net Assets	<u>(12.647.999)</u>	<u>301.197</u>	<u>2.944</u>	<u>(12.343.858)</u>
Revenue	9.658.734	4.962.501	38.959	14.660.194
Interest receivable	789.039	2.270.804	-	3.059.843
Expenses	(10.848.511)	(4.651.816)	-	(15.500.327)
Depreciation and amortisation	(85.533)	(529.751)	(6.848)	(622.132)
Interest payable	(483)	(1.303.981)	-	(1.304.464)
Tax	-	(78.519)	-	(78.519)
(Loss)/profit	<u>(486.754)</u>	<u>669.238</u>	<u>32.111</u>	<u>214.595</u>
Group's share in net assets	<u>(6.324.000)</u>	<u>150.599</u>	<u>1.472</u>	<u>(6.171.929)</u>
Group's share in (loss)/profit	<u>(243.377)</u>	<u>334.619</u>	<u>16.056</u>	<u>107.298</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 31 March 2022**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)*

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

Reporting date	31/03/2022	31/12/2021
Percentage	29,62%	29,62%
	€	€
Non-current assets	253.996.761	249.158.077
Cash and cash equivalents	1.484.248	917.223
Current assets	<u>31.236.797</u>	<u>32.552.304</u>
Total assets	<u>286.717.806</u>	<u>282.627.604</u>
Current liabilities	(3.195.463)	(3.700.538)
Short-term borrowing	(1.835.420)	(1.838.302)
Long-term loans	<u>(4.849.995)</u>	<u>(7.023.808)</u>
Total liabilities	<u>(9.880.878)</u>	<u>(12.562.648)</u>
Net assets	<u>276.836.928</u>	<u>270.064.956</u>
Revenue	7.676.950	9.363.002
Interest receivable	52.241	203.697
Expenses	(318.000)	(3.743.939)
Depreciation and amortisation	(16.268)	(64.063)
Interest payable	(65.780)	(359.262)
Tax	<u>(984)</u>	<u>(60.770)</u>
Profit	<u>7.328.159</u>	<u>5.338.665</u>
Group's share in net assets	<u>81.999.098</u>	<u>79.993.240</u>
Group's share in profit for the period	<u>2.170.601</u>	<u>1.581.313</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

**10. CASH AND CASH EQUIVALENTS****THE GROUP**

	31 March 2022 €	31 December 2021 €
Cash in hand	64.113	60.174
Current accounts with banks	<u>35.429.440</u>	<u>42.624.344</u>
	35.493.553	42.684.518
Expected credit losses	<u>(2.191.422)</u>	<u>(2.168.565)</u>
	<u><u>33.302.131</u></u>	<u><u>40.515.953</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, cash flow restrictions.

**THE COMPANY**

	31 March 2022 €	31 December 2021 €
Cash in hand	52.117	50.171
Current accounts with banks	<u>2.013.866</u>	<u>2.598.128</u>
	<u><u>2.065.983</u></u>	<u><u>2.648.299</u></u>

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

**THE GROUP**

	31 March 2022 €	31 December 2021 €
Cash at bank and in hand	33.302.131	40.515.953
Bank overdrafts (Note 12)	<u>(41.141.396)</u>	<u>(41.185.501)</u>
	<u><u>(7.839.265)</u></u>	<u><u>(669.548)</u></u>

**THE COMPANY**

	31 March 2022 €	31 December 2021 €
Cash at bank and in hand	2.065.983	2.648.299
Bank overdrafts (Note 12)	<u>(20.387.377)</u>	<u>(21.526.226)</u>
	<u><u>(18.321.394)</u></u>	<u><u>(18.877.927)</u></u>



## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

**11. SHARE CAPITAL**

	31 March 2022 Number of shares	31 March 2022 €	31 December 2021 Number of shares	31 December 2021 €
<b>Authorised</b>				
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>
<b>Issued and fully paid</b>				
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 31 December 2021	<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**

	31 March 2022 €	31 December 2021 €
Long-term loans	14.417.123	15.242.650
Short term loans	98.020.289	72.609.182
Bank overdrafts (Note 10)	<u>41.141.396</u>	<u>41.185.501</u>
	<u>153.578.808</u>	<u>129.037.333</u>

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

**THE GROUP**

	31 March 2022 €	31 December 2021 €
Within one year	3.715.952	3.733.264
Between two and five years	<u>10.701.171</u>	<u>11.509.386</u>
	<u>14.417.123</u>	<u>15.242.650</u>

**THE COMPANY**

	31 March 2022 €	31 December 2021 €
Long-term loans	8.339.482	8.948.458
Short term loans	38.414.321	35.838.206
Bank overdrafts (Note 10)	<u>20.387.377</u>	<u>21.526.226</u>
	<u>67.141.180</u>	<u>66.312.890</u>

**LOGICOM PUBLIC LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

**12. LOANS AND BANK OVERDRAFTS** *(continued)*

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

**THE COMPANY**

	31 March 2022	31 December 2021
	€	€
Within one year	2.698.754	2.718.412
Between two and five years	<u>5.640.728</u>	<u>6.230.046</u>
	<u><u>8.339.482</u></u>	<u><u>8.948.458</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 January 2022 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 31 March 2022**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**

	31 March 2022 €	31 December 2021 €
Receivables from associated companies and joint ventures	23.450.637	23.354.742
Trade and other receivables	249.339.668	238.307.551
Cash and cash equivalents	<u>33.238.018</u>	<u>40.455.779</u>
	<u>306.028.323</u>	<u>302.118.072</u>

**THE COMPANY**

	31 March 2022 €	31 December 2021 €
Long-term loans to subsidiary companies	27.879.550	27.562.770
Trade and other receivables	19.491.795	21.371.541
Cash and cash equivalents	2.013.866	2.598.128
Balances with subsidiary companies	<u>33.255.257</u>	<u>33.209.766</u>
	<u>82.640.468</u>	<u>84.742.205</u>

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

## 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 31 March 2022	Europe €	Middle East €	Total €
Cash and cash equivalents	15.470.900	17.767.118	33.238.018
Receivables from joint ventures	23.450.637	-	23.450.637
Trade and other receivables	82.899.675	159.512.737	242.412.412
Contract asset	<u>6.927.256</u>	<u>-</u>	<u>6.927.256</u>
	<u>128.748.468</u>	<u>177.279.855</u>	<u>306.028.323</u>
31 December 2021	Europe €	Middle East €	Total €
Cash and cash equivalents	17.190.327	23.265.452	40.455.779
Receivables from joint ventures	23.354.742	-	23.354.742
Trade and other receivables	97.897.491	133.807.008	231.704.499
Contract asset	<u>6.603.052</u>	<u>-</u>	<u>6.603.052</u>
	<u>145.045.612</u>	<u>157.072.460</u>	<u>302.118.072</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**

	31 March 2022 €	31 December 2021 €
Europe	81.235.668	87.967.930
Middle East	<u>153.572.657</u>	<u>139.747.222</u>
	<u>234.808.325</u>	<u>227.715.152</u>

**THE COMPANY**

	31 March 2022 €	31 December 2021 €
Europe	9.846.943	11.956.814
Middle East	<u>-</u>	<u>-</u>
	<u>9.846.943</u>	<u>11.956.814</u>

In accordance with the above analysis 35% of the Group's trade receivables (2021: 39%) originates from Europe. 65% (2021: 61%) of the Group's trade receivables originates from the Middle East.

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

## 14. RISK MANAGEMENT (continued)

## 14.1 Credit risk (continued)

The ageing of the remaining trade receivables is as follows:

**THE GROUP**

	31 March 2022 €	31 December 2021 €
0 until 90 days	200.420.559	218.740.502
91 until 180 days	29.565.949	4.852.611
more than 180 days	4.821.817	4.122.039
	<u>234.808.325</u>	<u>227.715.152</u>

**THE COMPANY**

	31 March 2022 €	31 December 2021 €
0 until 90 days	8.889.113	11.289.468
91 until 180 days	597.888	110.433
more than 180 days	359.942	556.913
	<u>9.846.943</u>	<u>11.956.814</u>

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

**THE COMPANY**

	31 March 2022 €	31 December 2021 €
0 until 180 days	33.255.257	33.209.766
more than 180 days	27.879.550	27.562.770
	<u>61.134.807</u>	<u>60.772.536</u>

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

**THE GROUP**

	Period ended 31 March 2022 €	Period ended 31 March 2021 €
Trade receivables	39.877	32.437
	<u>39.877</u>	<u>32.437</u>

**THE COMPANY**

	Period ended 31 March 2022 €	Period ended 31 March 2021 €
Long-term loans to subsidiary companies	-	7.640
	<u>-</u>	<u>7.640</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 31 March 2022

## 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 €
<b>Balance at 1 January 2021</b>	2.973.480	433.816	3.407.296
Expected credit losses	(125.159)	908	(124.251)
Provision for doubtful debts	191.907	-	191.907
Exchange differences	178.281	-	178.281
	<u>3.218.509</u>	<u>434.724</u>	<u>3.653.233</u>
<b>Balance at 1 January 2022</b>	3.218.509	434.724	3.653.233
Expected credit losses	39.877	1.162	41.039
Provision for doubtful debts	-	-	-
Exchange differences	47.442	-	47.442
<b>Balance at 31 March 2022</b>	<u>3.305.828</u>	<u>435.886</u>	<u>3.741.714</u>

## THE COMPANY

	Trade receivables €	Long-term loans with subsidiary companies €	Receivables from subsidiary companies €	Total €
<b>Balance at 1 January 2021</b>	115.869	1.953.335	226.343	2.295.547
Expected credit losses	7.196	41.699	(56.771)	(7.876)
	<u>123.065</u>	<u>1.995.034</u>	<u>169.572</u>	<u>2.287.671</u>
<b>Balance at 1 January 2022</b>	123.065	1.995.034	169.572	2.287.671
Expected credit losses	-	-	-	-
<b>Balance at 31 March 2022</b>	<u>123.065</u>	<u>1.995.034</u>	<u>169.572</u>	<u>2.287.671</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 31 March 2022

## 14. RISK MANAGEMENT (continued)

## 14.1 Credit risk (continued)

The total expected credit losses are presented below:

	THE GROUP		THE COMPANY	
	Period ended 31 March 2022	31 December 2021	Period ended 31 March 2022	31 December 2021
	€	€	€	€
Specific provision for bad debts	2.738.689	2.527.683	115.208	115.208
Expected credit losses	<u>567.139</u>	<u>690.826</u>	<u>7.857</u>	<u>7.857</u>
	<u>3.305.828</u>	<u>3.218.509</u>	<u>123.065</u>	<u>123.065</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 31/03/2022	Gross carrying amount 31/03/2022	Impairment loss allowance 31/03/2022	Weighted-aver age loss rate 31/12/2021	Gross carrying amount 31/12/2021	Impairment loss allowance 31/12/2021
	%	€	€	%	€	€
Balances not impaired	0,0360	137.917.587	49.650	0,0301	200.133.408	60.205
1 to 90 days	0,2990	88.204.920	263.733	0,3915	25.225.776	98.764
91 to 180 days	0,8527	7.497.066	63.927	6,3086	1.268.828	80.046
More than 180 days	<u>4,2235</u>	<u>4.494.580</u>	<u>189.829</u>	<u>14,6090</u>	<u>3.092.678</u>	<u>451.810</u>
		<u>238.114.153</u>	<u>567.139</u>		<u>229.720.690</u>	<u>690.825</u>

## THE COMPANY

	Weighted-aver age loss rate 31/03/2022	Gross carrying amount 31/03/2022	Impairment loss allowance 31/03/2022	Weighted-aver age loss rate 31/12/2021	Gross carrying amount 31/12/2021	Impairment loss allowance 31/12/2021
	%	€	€	%	€	€
Balances not impaired	0,0120	5.756.227	691	0,0437	11.031.268	4.816
1 to 90 days	0,0964	3.833.646	3.696	0,2700	1.061.839	2.884
91 to 180 days	0,8864	391.502	3.470	-	(42.325)	-
More than 180 days	<u>-</u>	<u>(11.367)</u>	<u>-</u>	<u>0,5400</u>	<u>29.097</u>	<u>157</u>
		<u>9.970.008</u>	<u>7.857</u>		<u>12.079.879</u>	<u>7.857</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 31 March 2022

**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 hedging of foreign exchange risk is managed by the Foreign Exchange Risk Manager together with the Group Chief Financial Officer in collaboration with the Risk Management Committee. This issue is discussed and examined in the meetings of the Risk Management Committee as the Group and the Company are materially affected from the movements in foreign currencies against the Euro, and if necessary discussed and examined further in the meeting of the Board of Directors.

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 31 March 2022 the amounts that were hedged were, USD 45.000.000 of net investment in the above foreign companies and USD 45.000.000 of bank borrowings.



## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

## 14. RISK MANAGEMENT (continued)

14.3 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.

14.4 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>31 March 2022</u>						
Long-term loans	14.417.123	1.863.199	1.852.753	3.089.798	5.878.113	1.733.260
Short term loans	98.020.289	98.020.289	-	-	-	-
Trade and other payables	171.609.431	159.715.481	-	-	-	11.893.950
Bank overdrafts	41.141.396	41.141.396	-	-	-	-
Provision for other liabilities	93.829	93.829	-	-	-	-
Promissory notes	2.000.000	2.000.000	-	-	-	-
Obligation under finance leases	5.196.418	600.729	604.182	913.519	1.346.340	1.731.648
	<u>332.478.486</u>	<u>303.434.923</u>	<u>2.456.935</u>	<u>4.003.317</u>	<u>7.224.453</u>	<u>15.358.858</u>
<u>31 December 2021</u>						
Long-term loans	15.242.650	1.865.478	1.867.785	3.229.258	6.439.496	1.840.633
Short term loans	72.609.182	72.609.182	-	-	-	-
Trade and other payables	174.497.080	162.633.317	-	17.115	4.507	11.842.141
Bank overdrafts	41.185.501	41.185.501	-	-	-	-
Provision for other liabilities	93.801	93.801	-	-	-	-
Promissory notes	1.997.842	1.997.842	-	-	-	-
Obligations under finance leases	4.988.753	550.267	607.393	903.820	1.224.208	1.703.065
	<u>310.614.809</u>	<u>280.935.388</u>	<u>2.475.178</u>	<u>4.150.193</u>	<u>7.668.211</u>	<u>15.385.839</u>

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

## 14. RISK MANAGEMENT (continued)

## 14.4 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>31 March 2022</u>						
Long-term loans	8.339.482	1.355.849	1.342.905	2.063.034	3.577.694	-
Short term loans	38.414.321	38.414.321	-	-	-	-
Trade and other payables	21.393.338	21.393.338	-	-	-	-
Bank overdrafts	20.387.377	20.387.377	-	-	-	-
Promissory notes	2.000.000	2.000.000	-	-	-	-
Obligations under finance leases	376.504	64.462	66.940	138.861	106.241	-
	<u>90.911.022</u>	<u>83.615.347</u>	<u>1.409.845</u>	<u>2.201.895</u>	<u>3.683.935</u>	<u>-</u>
<u>31 December 2021</u>						
Long-term loans	8.948.458	1.359.208	1.359.204	2.204.890	4.025.156	-
Short term loans	35.838.206	35.838.206	-	-	-	-
Trade and other payables	22.852.659	22.852.659	-	-	-	-
Bank overdrafts	21.526.226	21.526.226	-	-	-	-
Promissory notes	1.997.842	1.997.842	-	-	-	-
Obligations under finance leases	408.186	63.956	65.422	137.556	141.252	-
	<u>91.571.577</u>	<u>83.638.097</u>	<u>1.424.626</u>	<u>2.342.446</u>	<u>4.166.408</u>	<u>-</u>

## 14.5 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 STATEMENTS

Period ended 31 March 2022

## 14. RISK MANAGEMENT (continued)

## 14.5 Fair Value (continued)

**THE GROUP**

	31 March 2022 €	31 December 2021 €
Trade and other receivables	275.162.033	266.021.905
Cash and cash equivalents	33.302.131	40.515.953
Long-term loans	(14.417.123)	(15.242.650)
Short term loans	(98.020.289)	(72.609.182)
Bank overdrafts	(41.141.396)	(41.185.501)
Provision for other liabilities	(93.852)	(93.801)
Trade and other payables	(171.609.431)	(174.497.080)
Promissory notes	(2.000.000)	(1.997.842)
	<u>(18.817.927)</u>	<u>911.802</u>

**THE COMPANY**

	31 March 2022 €	31 December 2021 €
Long-term loans to subsidiary companies	27.879.550	27.562.770
Balances with subsidiary companies	33.255.257	33.209.766
Trade and other receivables	19.501.134	21.380.880
Cash and cash equivalents	2.065.983	2.648.299
Long-term loans	(8.339.482)	(8.948.458)
Short term loans	(38.414.321)	(35.838.206)
Bank overdrafts	(20.387.377)	(21.526.226)
Trade and other payables	(21.393.338)	(22.852.659)
Promissory notes	(2.000.000)	(1.997.842)
	<u>(7.832.594)</u>	<u>(6.361.676)</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**

	31 March 2022 €	31 December 2021 €
Investments at fair value through profit and loss	14.943	14.943
Investments at fair value through other comprehensive income	10.050.143	11.725.167
Land and buildings	18.837.180	18.793.508
Derivative financial instruments	(6.251)	(421.946)
	<u>28.896.015</u>	<u>30.111.672</u>

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

## 14. RISK MANAGEMENT (continued)

## 14.5 Fair Value (continued)

## THE COMPANY

	31 March 2022 €	31 December 2021 €
Investments at fair value through profit and loss	6.758	6.758
Land and buildings	3.202.443	3.261.782
Derivative financial instruments	<u>(302.084)</u>	<u>(738.388)</u>
	<u>2.907.117</u>	<u>2.530.152</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

31 March 2022	Level 1 €	Level 2 €	Level 3 €	Total €
<b>Financial assets and liabilities</b>				
Investments at fair value through profit and loss	14.943	-	-	14.943
Investments at fair value through other comprehensive income	10.050.143	-	-	10.050.143
Land and buildings	-	-	18.837.180	18.837.180
Derivative financial instruments	-	<u>(6.251)</u>	-	<u>(6.251)</u>
Total	<u>10.065.086</u>	<u>(6.251)</u>	<u>(1.099.306)</u>	<u>(1.099.306)</u>
<b>31 December 2021</b>				
	Level 1 €	Level 2 €	Level 3 €	Total €
<b>Financial assets and liabilities</b>				
Investments at fair value through profit and loss	14.943	-	-	14.943
Investments at fair value through other comprehensive income	11.725.167	-	-	11.725.167
Land and buildings	-	-	18.793.508	18.793.508
Derivative financial instruments	-	<u>(421.946)</u>	-	<u>(421.946)</u>
Total	<u>11.740.110</u>	<u>(421.946)</u>	<u>18.793.508</u>	<u>30.111.672</u>

During the A' quarter of 2022, as well as 2021 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.

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

## 14. RISK MANAGEMENT (continued)

## 14.5 Fair Value (continued)

## THE COMPANY

31 March 2022	Level 1 €	Level 2 €	Level 3 €	Total €
<b>Financial assets and liabilities</b>				
Investments at fair value through profit and loss	6.758	-	-	6.758
Land and buildings	-	-	3.202.443	3.202.443
Derivative financial instruments	-	(302.084)	-	(302.084)
Total	<u>6.758</u>	<u>(302.084)</u>	<u>(1.144.764)</u>	<u>(1.144.764)</u>
31 December 2021	Level 1 €	Level 2 €	Level 3 €	Total €
<b>Financial assets and liabilities</b>				
Investments at fair value through profit and loss	6.758	-	-	6.758
Land and buildings	-	-	3.261.782	3.261.782
Derivative financial instruments	-	(738.388)	-	(2.351.275)
Total	<u>6.758</u>	<u>(738.388)</u>	<u>3.261.782</u>	<u>2.530.152</u>

## 14.6 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 31 March 2022 €	31 December 2021 €	Period ended 31 March 2022 €	31 December 2021 €
Total borrowings	155.578.808	131.035.175	67.141.180	68.310.732
Less: Cash and cash equivalents (Note 10)	<u>(33.302.131)</u>	<u>(40.515.953)</u>	<u>(2.065.983)</u>	<u>(2.648.299)</u>
Net debt	122.276.677	90.519.222	65.075.197	65.662.433
Total equity	<u>206.447.040</u>	<u>198.832.381</u>	<u>50.297.636</u>	<u>50.984.193</u>
<b>Gearing ratio</b>	<u>0,59</u>	<u>0,46</u>	<u>1,29</u>	<u>1,29</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 31 March 2022**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:

	31/03/2022	14/06/2022
	Fully paid	Fully paid
	Shares	Shares
	%	%
Varnavas Irinarchos <sup>1</sup>	51,55	51,55
Takis Klerides <sup>2</sup>	0,55	0,55
George Papaioannou <sup>3</sup>	1,09	1,09
Anthoulis Papachristoforou	0,76	0,76
Anastasios Athanasiades	0,07	0,07
Andreas Constantinides	-	-
Christoforos Hadjikyprianou	-	-
Neoclis Nicolaou	-	-

1. The indirect ownership of Mr. Varnavas Irinarchos on 14 June 2022 of 51,55% arises from the participation of the company Edcrane Ltd.
2. The direct ownership of Mr. Takis Klerides on 14 June 2022 is 0,28% and the indirect ownership, which arises from the participation of his daughter Mrs. Pamela Klerides, is 0,27%.
3. The direct ownership of Mr. George Papaioannou on 14 June 2022 is 1,08% 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%.

**16. SHAREHOLDERS' INTEREST**

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

	31/03/2022	14/06/2022
	%	%
Varnavas Irinarchos <sup>1</sup>	51,55	51,55
Demetra Holdings Plc	10,28	10,28

1. The indirect ownership of Mr. Varnavas Irinarchos on 14 June 2022 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 2021 the annual salary of the Managing Director was €151.200. 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 2021 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 2022, 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.

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

Period ended 31 March 2022

**17. DIRECTORS' CONTRACTS** *(continued)*

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 2021 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 2022 will be the same as 2021. 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 31 March 2022

**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 (€3.603.279) to a foreign supplier for providing a trading credit facility. This guarantee is valid from 08 June 2021 until 18 August 2022. The guarantee was increased on 09 February 2022 for an amount up to USD 4.400.000 (€3.963.607).
- (2) The Company has provided a second bank guarantee of up to USD 400.000 (€360.328) to a second foreign supplier for providing a trading credit facility. This guarantee is valid from 18 August 2021 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 August 2021 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 11 August 2021 until 11 August 2022.
- (5) The Company has provided a fifth bank guarantee of up to USD 800.000 (€720.656) to a fifth supplier for providing a trading facility. This guarantee is valid from 15 April 2022 until 15 April 2023.
- (6) The Company has provided a sixth bank guarantee of up to USD 3.000.00 (€2.702.459) to a sixth foreign supplier for providing a trading facility. This guarantee is valid from 15 April 2022 until 15 April 2023.
- (7) The Company has provided a seventh bank guarantee of up to USD 300.000 (€270.246) to a seventh foreign supplier for providing a trading facility. This guarantee is valid from 25 April 2021 until 15 April 2022. This guarantee was not renewed.
- (8) The Company has provided an eighth guarantee of up to USD 150.000 (€135.123) to an eighth foreign supplier for providing a trading facility. The guarantee is valid from 25 April 2021 until 15 April 2022. This guarantee was renewed until 15 April 2023.
- (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 31 March 2022****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. In May 2021, The General Secretariat of Tax Affairs ("GSTC") issued a decision in favor of the company, accepting most of its positions. Both the company and the General Authority of Zakat and Tax have appealed but a date has not yet been set by the appeals committee of the tax authorities. At this time the company considers that it is possible to recover the amount and for this reason did not proceed with a forecast.

The company has submitted the Zakat and Income tax forms up to 2021 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 31 March 2022

**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 31 March 2022	Period ended 31 March 2021
	€	€
Logicom Solutions Limited	26.750	33.978
Newcytech Business Solutions Ltd	36.668	43.602
ENET Solutions Logicom S.A.	116.090	133.240
Logicom Saudi Arabia LLC	245.656	204.627
Logicom FZE	425.209	371.885
ICT Logicom Solutions SA	6.295	6.987
Logicom Information Technology Distribution s.r.l.	89.174	79.807
Logicom Italia s.r.l.	35.951	36.955
Logicom Jordan LLC	40.767	37.231
	<u>1.022.560</u>	<u>948.312</u>

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

**Interest**

	Period ended 31 March 2022	Period ended 31 March 2021
	€	€
Logicom Saudi Arabia LLC	29.006	32.813
Logicom Information Technology Distribution s.r.l.	86.250	75.000
Logicom Italia s.r.l.	23.000	28.125
Logicom Jordan LLC	-	9.375
	<u>138.256</u>	<u>145.313</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

**19. RELATED PARTY TRANSACTIONS** (continued)

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

**Sales**

	Period ended 31 March 2022	Period ended 31 March 2021
	€	€
Logicom Solutions Limited	349.583	1.505.548
Newcytech Business Solutions Ltd	1.638.142	1.475.812
ENET Solutions Logicom S.A.	4.407.281	3.354.231
Logicom Jordan LLC	857.865	576.154
Logicom (Middle East) SAL	9.397	6.666
Logicom FZE	-	73.149
Logicom Italia s.r.l.	4.968	6.070
Logicom Information Technology Distribution s.r.l.	1.765.607	2.002.196
Logicom Saudi Arabia LLC	-	792
Logicom Distribution Egypt LLC	45.133	-

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 31 March 2022	31 December 2021
	€	€
ENET Solutions Logicom S.A.	2.307.900	2.262.052
Logicom (Middle East) SAL	4.302.585	4.217.111
Logicom FZE	2.670.570	2.617.517
Logicom Jordan LLC	2.752.995	2.698.305
Verendrya Ventures Ltd	<u>17.840.534</u>	<u>17.762.819</u>
	29.874.584	29.557.804
Expected credit losses	<u>(1.995.034)</u>	<u>(1.995.034)</u>
	<u>27.879.550</u>	<u>27.562.770</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% (2021: 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 31 March 2022

## 19. RELATED PARTY TRANSACTIONS (continued)

## Balances with subsidiary companies

	Nature of transactions	31 March 2022 €	31 December 2021 €
		Debit/ (Credit)	Debit/ (Credit)
Logicom (Overseas) Limited	Other	(275.077)	(282.218)
Netcom Limited	Other	128.054	128.054
Logicom Solutions Limited	Trading	(1.515.610)	(822.127)
Logicom Services Ltd	Financing	27.357.713	27.354.222
ENET Solutions Logicom S.A.	Trading	1.578.051	4.189.025
Newcytech Business Solutions Ltd	Trading	(710.576)	345.024
ICT Logicom Solutions SA	Other	(110.751)	(117.046)
Logicom Jordan LLC	Trading	(2.475.187)	(2.089.668)
Logicom (Middle East) SAL	Trading/Financing	(549.907)	(585.293)
Logicom FZE	Trading/Financing	(26.821.721)	(18.997.267)
Logicom Italia s.r.l.	Trading/Financing	4.018.905	4.868.957
Logicom Saudi Arabia LLC	Trading/Financing	12.581.351	628.129
Logicom Information Technology Distribution s.r.l.	Trading	18.541.950	17.245.467
Logicom Trading & Distribution LLC	Trading	(2.181)	-
Logicom Distribution Germany GmbH	Other	(575.684)	(620.332)
Najada Holdings Limited	Financing	1.970.927	1.827.655
Logicom Egypt LLC	Other	47.178	-
Verendrya Ventures Ltd	Financing	243.949	243.259
Elogicomnet Morocco Distribution SARL	Financing	(6.555)	63.496
		33.424.829	33.379.337
Expected credit losses		(169.572)	(169.572)
		<u>33.255.257</u>	<u>33.209.765</u>

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

## Balances with joint ventures

	31 March 2022 €	31 December 2021 €
	Debit/ (Credit)	Debit/ (Credit)
M.N. E.P.C Water Co.	(350)	(350)
M.N. Larnaca Desalination Co. Ltd	31.764	(18.357)
M.N. Limassol Water Co. Ltd	35.963	(16.204)
	<u>67.377</u>	<u>(34.911)</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 31 March 2022**19. RELATED PARTY TRANSACTIONS** *(continued)*

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

**Sales**

	Period ended 31 March 2022	Period ended 31 March 2021
	€	€
Logicom Public Limited	1.943	17.509
Logicom Jordan LLC	322.792	363.581
Logicom (Middle East) SAL	65.500	89.470
Logicom Dubai LLC	24.951.696	20.860.980
Logicom Saudi Arabia LLC	2.170.452	1.842.066
Logicom Kuwait for Computer Company W.L.L	4.952.097	1.745.214
Logicom Trading & Distribution LLC	3.183.080	2.023.267
Logicom LLC	5.290.743	3.414.278
Logicom Bahrain W.L.L	<u>922.156</u>	<u>403.130</u>

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

**Sales**

	Period ended 31 March 2022	Period ended 31 March 2021
	€	€
Logicom Public Limited	1.817.105	1.513.525
ICT Logicom Solutions SA	19.155	5.545
Logicom Information Technology Distribution s.r.l.	301.643	135.308
Logicom LLC	-	60.950
Logicom Solutions Limited	-	1.430
Logicom Italia s.r.l.	<u>35.297</u>	<u>48.870</u>

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

**Sales**

	Period ended 31 March 2022	Period ended 31 March 2021
	€	€
Logicom Public Limited	993	2.160
Newcytech Business Solutions Ltd	3.296	9.682
ICT Logicom Solutions SA	<u>262.183</u>	<u>291.816</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 31 March 2022**19. RELATED PARTY TRANSACTIONS** *(continued)*

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

**Sales**

	Period ended 31 March 2022 €	Period ended 31 March 2021 €
ENET Solutions Logicom S.A.	123.105	12.089
Logicom Italia s.r.l.	<u>1.088.011</u>	<u>22.213</u>

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

**Sales**

	Period ended 31 March 2022 €	Period ended 31 March 2021 €
Logicom Public Limited	<u>3.433</u>	<u>-</u>

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

**Sales**

	Period ended 31 March 2022 €	Period ended 31 March 2021 €
Logicom Public Limited	1.796	19.820
Logicom Solutions Limited	18.389	26.921
Newcytech Distribution Ltd	<u>-</u>	<u>19.135</u>

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

**Sales**

	Period ended 31 March 2022 €	Period ended 31 March 2021 €
Logicom Solutions Limited	<u>-</u>	<u>16.154</u>

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

**Sales**

	Period ended 31 March 2022 €	Period ended 31 March 2021 €
Logicom Italia s.r.l.	<u>44.491</u>	<u>51.525</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 31 March 2022**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 31 March 2022 €	31 December 2021 €
		Debit/ (Credit)	Debit/ (Credit)
Logicom (Overseas) Limited	Other	275.077	282.218
Netcom Limited	Other	(128.054)	(128.054)
Logicom Solutions Limited	Trading	1.515.610	822.127
Logicom Services Ltd	Financing	(27.357.713)	(27.354.222)
Newcytech Business Solutions Ltd	Trading	710.576	(345.024)
ENET Solutions Logicom S.A.	Trading/Financing	(3.885.951)	(6.451.077)
ICT Logicom Solutions SA	Other	110.751	117.046
Logicom Jordan LLC	Trading	(277.808)	(608.637)
Logicom (Middle East) SAL	Trading/Financing	(3.752.678)	(3.631.818)
Logicom FZE	Trading/Financing	24.151.151	16.379.750
Logicom Italia s.r.l.	Trading/Financing	(4.018.905)	(4.868.957)
Logicom Saudi Arabia LLC	Trading/Financing	(12.581.351)	(628.129)
Logicom Information Technology Distribution s.r.l.	Trading	(18.541.950)	(17.245.467)
Logicom Trading & Distribution LLC	Trading	2.181	-
Logicom Distribution Germany GmbH	Other	575.684	620.332
Najada Holdings Limited	Financing	(1.970.927)	(1.827.655)
Logicom Egypt LLC	Other	(47.178)	-
Verendrya Ventures Ltd	Financing	(18.084.483)	(18.006.078)
Elogicomnet Morocco Distribution SARL	Financing	<u>6.555</u>	<u>(63.496)</u>

ii. Transactions and balances between related parties

There were no significant transactions and balances with related parties, including the Directors, during the period ended 31 March 2022.

**LOGICOM PUBLIC LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 31 March 2022

**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 31 March 2022	31 December 2021
	€	€
M.N Larnaca Desalination Co. Limited	10.173.773	10.199.922
M.N. Limassol Water Co. Limited	<u>13.712.751</u>	<u>13.589.544</u>
	<u>23.886.524</u>	<u>23.789.466</u>
Expected credit losses	<u>(435.886)</u>	<u>(434.724)</u>
	<u>23.450.638</u>	<u>23.354.742</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 2021 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 A' quarter of 2022 amounts to €129.523 (A' quarter of 2021: €125.105).

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 31 March 2022	31 December 2021
	€	€
	Credit	Credit
Demetra Holdings Plc	<u>11.893.950</u>	<u>11.842.141</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% (2021: 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.