



**LOGICOM PUBLIC LIMITED**

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

Period ended 30 September 2017

# LOGICOM PUBLIC LIMITED

## INTERIM CONSOLIDATED FINANCIAL STATEMENTS Period from 1 January 2017 to 30 September 2017

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BOARD OF DIRECTORS AND PROFESSIONAL ADVISERS**DIRECTORS**

**Adamos K. Adamides**, Chairman  
**Varnavas Irinarchos**, Vice Chairman and Managing Director  
**Takis Klerides**, Director  
**Nicos Michaelas**, Director  
**George Papaioannou**, Director  
**Anthoulis Papachristoforou**, Director  
**Anastasios Athanasiades**, Director

**GROUP CHIEF FINANCIAL OFFICER**

**Anthoulis Papachristoforou**

**SECRETARY**

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

**REGISTERED OFFICE**

Zenonos Sozou 3, 1st floor  
 3105 Limassol

**MANAGEMENT OFFICE**

26 Stasinou Street, Ayia Paraskevi  
 2003 Strovolos, Nicosia

**INDEPENDENT AUDITORS**

**KPMG Limited**  
 14 Esperidon street  
 1087 Nicosia

**LEGAL ADVISERS**

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

**BANKERS**

Ancoria Bank Limited  
 Commercial Bank of Qatar  
 Credito Valtellinese Societa Cooperativa  
 Emirates NBD Bank PJSC  
 USB Bank PLC  
 TFI Markets Limited  
 Hypo Vereinsbank  
 Romanian Commercial Bank  
 The First Insurance Brokers  
 Turk Ekonomi Bankasi  
 Bancpost SA  
 Banco Popolare Societa Cooperativa  
 Global Supply Chain Finance Ltd  
 Arab Bank Jordan  
 Albaraka Turk Katilim Bankasi AS

**BANKERS**

Hellenic Bank Public Company Limited  
 Bank of Cyprus Public Company Limited  
 National Bank of Greece (Cyprus) Ltd  
 HSBC Bank Middle East  
 Banque Audi SAL  
 Alpha Bank Cyprus Ltd  
 Societe Generale Bankk - Cyprus Limited  
 Standard Chartered Bank  
 Eurobank Ergasias S.A.  
 AstroBank (Cyprus) Ltd  
 UniCredit Bulbank AD  
 The Cyprus Development Bank Public Company Limited  
 Societe Generale de banque au Liban  
 Turkiye Garanti Bankasi A.S  
 National Bank of Greece S.A  
 Eurobank Cyprus Ltd  
 Eurobank Factors S.A  
 Alpha Bank S.A.  
 FIMBank PLC  
 Saudi British Bank  
 National Bank of Fujairah PSC  
 Arab Bank PLC  
 Mashreq Bank PSC  
 Alpha Bank Romania SA  
 Piraeus Bank S.A  
 Marfin Bank S.A  
 Noor Bank PJSC  
 ABC Factors S.A.  
 Commercial Bank of Dubai PSC  
 Bank of Beirut  
 Akbank TAS  
 Finansbank AS  
 Yapi ve Kredi Bankasi AS  
 Asya Katilim Bankasi AS  
 Turkiye Is Bankasi  
 Emporiki Bank SA  
 FBME Bank Ltd  
 Bank of Bahrain and Kuwait BSC  
 Cooperative Central Bank Ltd  
 NGB Factors SA  
 National Bank of Kuwait SAK

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

According to the provisions of the Conditions for Transparency (Movable Securities for Trading in Controlled Market) Law of 2007 (“Law”), we the members of the Board of Directors and Anthoulis Papachristoforou, BA (Hons) FCCA, Group Chief Financial Officer responsible for the preparation of the financial statements, of the Group and the Company Logicom Public Ltd, for the period ended 30 September 2017, we confirm that to the best of our knowledge:

(a) The Interim Consolidated Financial Statements which are presented on pages 6 to 31.

(i) were prepared in accordance with the International Accounting 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 Ltd and the businesses that are included in the Interim Consolidated Financial Statements as a whole, and

b) the directors' report gives a fair review of the developments and the performance of the business as well as the financial 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:**

Adamos K. Adamides, Chairman

Varnavas Irinarchos, Vice Chairman and Managing Director

Takis Klerides

Nicos Michaelas

George Papaioannou

Anthoulis Papachristoforou

Anastasios Athanasiades

**Responsible for drafting the financial statements**

Anthoulis Papachristoforou (Group Chief Financial Officer)

Nicosia, 26 October 2017

## 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 external Group auditors.

#### DEVELOPMENT AND PERFORMANCE OF THE GROUP ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES

##### DEVELOPMENT AND PERFORMANCE OF THE GROUP ACTIVITIES AND POSITION

1. **The turnover** increased by 6,2% in relation to the corresponding period in 2016. The Turnover of the Distribution division increased by 5,9%, mainly due to the increased sales in the Gulf and Saudi Arabia markets in relation to the nine month period of 2016. The Turnover of the Software and the IT & Telecommunications Solutions Division also shows an increase of 11,0%, mainly due to the new projects in the Cypriot market.
2. **The percentage of gross profit margin** remained at approximately the same levels in relation to the corresponding previous period at 7,0%.
3. **Other Income** mainly relates to contributions from suppliers for promotion of their products and income through business relationships with third parties.
4. The increase in **Administration Expenses** by €1.585.563 and in percentage terms 5,9%, compared to the nine month period of 2016, is mainly due to the increase of personnel and infrastructure costs (24,2% of the increase derives from the infrastructure cost of the cloud services department), as a result of the Group's planned expansion into new markets and the addition of new products and brands. The term 'Administration Expenses' encompasses all the operating expenses of the Group, including Administrative, Distribution and Operational expenses.
5. **The Profit from Operating Activities** increased by 8,6% compared to the corresponding period of 2016, and amounts to €15.664.561 compared to €14.429.288 in the nine month period of 2016, mainly due to the increase in the Turnover. The term 'Operating Activities' encompasses all the activities of the Group.
6. **The Net Bank Finance Cost**, including interest receivable and payable, and bank related charges resulting from the banking facilities used for the expansion of the Group's operations decreased to €4.269.162 compared to €5.481.464 during the corresponding period of 2016 and decreased by 22,1% in percentage terms. The decrease is mainly due to the decrease in the bank interest rates.
7. **The Foreign Exchange Difference** resulting from the exchange rate fluctuation between the US Dollar and the Euro, had a positive impact on the Group's Results amounting to a gain of €28.470, compared to €243.391 in the corresponding period of 2016. It is clarified that as from 1/1/2010 the provisions of the IAS39 in relation to Hedge Accounting have been adopted, with the aim to reduce the effects of the exchange rate fluctuation between the US Dollar and the Euro in the Consolidated Statement of Comprehensive Income.

According to the provisions of the Revised International Accounting Standard 21, the decrease in the value of the Holding Company's long term receivables (investments) to its foreign subsidiaries, due to foreign exchange differences, amounting to €1.097.512 is transferred to the Reserves until the date of their disposal, at which time any resulting profit or loss will be recognized in the Consolidated Statement of Results and Other Comprehensive Income.

8. **References to the Share of loss from jointly controlled companies and partnership and to the Share of loss attributable to Non-Controlling interest** mainly relate to the operating losses of the investment in Larnaca Desalination Plant. The Desalination Plant in Episkopi recorded a profit in the period.
9. **The Profit attributable to the Company's Shareholders** increased by 40,7% compared to the corresponding period of 2016, from €7.476.774 to €10.521.925, mainly due to the increase of Turnover and the decrease in the Net Financing Expenses.

## LOGICOM PUBLIC LIMITED

### BOARD OF DIRECTORS' INTERIM REPORT

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

10. **The Group's cash and cash equivalents** compared to the bank overdrafts present a credit balance of €7.108.551 at the end of the nine month period of 2017 compared to €12.867.118 at the end of 2016. **The short term loans** increased to €72.698.029 from €67.114.604 at the end of 2016. **The long term loans** increased to €6.894.328 from €3.793.410 at the end of 2016. The increase is due to the financing of the increased Turnover.
11. Verendrya Ventures Limited, of which the Company holds 60% of its share capital and in a joint venture with a 50% share, completed the construction of the Desalination plant in Episkopi based on a relevant agreement with the Water Development Department dated 7 August 2009. As announced on 21 July 2010, as per the agreement dated 20 July 2010 Demetra Investments Public Ltd, participates indirectly to the execution and operation of the desalination project in Episkopi with 40% share of Verendrya Ventures Ltd interest in the joint venture. The construction of the project was completed in June 2012 and the desalination unit remains in stand-by mode since 1 July 2012 until 27 April 2014. The desalination unit started production on the 28th of April 2014.
- Verendrya Ventures Ltd, of which the Company holds 60% of its share capital and in a joint venture with a 50% share, signed on 26 January 2012 an agreement with the Water Development Department for the renovation and operation of an existing desalination unit in Larnaca. Demetra Investment Public Ltd participates indirectly in the implementation and operation of the desalination project in Larnaca with 40% share of Verendrya Ventures Ltd's interest in the joint venture. The renovation of the unit was completed in June 2015 and started operation on the 4th of July 2015. Claims are pending from both sides in regards to the execution of this contract.
12. During the nine month period of 2017, despite the continuing uncertainty and the economic instability in some of the regions where the Group operates, the Profit attributable to the Shareholders increased significantly due to the increase in the Turnover, which resulted in the increased Operating Profit, and to the decrease in the Net Financing Expenses.
13. During the nine month period of 2017 there was not any income from non-recurring or extraordinary activities.
14. The results are within the estimations of the Board of Directors.

#### **RISKS AND UNCERTAINTIES**

The main risks consist of credit risk, interest rate risk, foreign exchange risk, liquidity risk and fair value risk. These risks are analysed and the procedures of monitoring them are described in note 11.

#### **OPERATIONS OF THE COMPANY AND ITS SUBSIDIARY COMPANIES**

During the nine month period of 2017 the Group continued the distribution of high technology products, the supply of services and complete information technology, telecommunication and software solutions and the participation in large infrastructure projects in the water sector.

#### **FORSEEABLE DEVELOPMENT OF THE COMPANY**

Despite the current market conditions which are characterized by the uncertainty due to the economic instability in some regions of the Group's operations, during the final quarter of 2017, the prospects remain favorable.

The effort to further empower the competitive position of the Company will continue to be pursued.

#### **RESEARCH AND DEVELOPMENT ACTIVITIES**

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

**LOGICOM PUBLIC LIMITED****BOARD OF DIRECTORS' INTERIM REPORT****BRANCHES - FOREIGN OPERATIONS**

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

**USE OF FINANCIAL INSTRUMENTS**

The derivative financial instruments of the Group refer to contracts for exchange of foreign currency for hedging the risk of the fluctuations in foreign currencies. The Group's management follows a policy to minimize the risk arising from the fluctuation in foreign exchange differences, as mentioned in the significant accounting policies.

The loss arising from the change in the fair value of derivative financial instruments for the period, that was recognised in Group's profit or loss amounts to €2.158.340 (nine month period of 2016 loss: €521.066).

**SHARE CAPITAL**

There was no change in the issued share capital of the company during the nine month period of 2017.

All shares are listed and traded in 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 8.

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

The Board of Directors members as at 30 September 2017 and at the date of the present report are presented in page 1.

The percentages of participation in the Company's share capital that was held directly or indirectly by the members of the Board of Directors of the Company on 30 September 2017 and on 26 October 2017 are presented in notes 12 and 13 to the Interim Consolidated financial statements.

**SIGNIFICANT 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.

**PUBLICATION**

1. The Interim Financial Report will not be sent to the shareholders but the Consolidated Statement of Results and Other Comprehensive Income will be published in the newspapers 'Politis' on 28/10/2017 and 'i Simerini' and 'o Phileleftheros' on 29/10/2017.
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**

26 October 2017

## LOGICOM PUBLIC LIMITED

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

Period ended 30 September 2017

	Period ended 30 September 2017 €	Period ended 30 September 2016 €	Year ended 31 December 2016 €
	Note		
<b>Revenue</b>	624.015.119	587.622.023	799.131.522
Cost of sales	<u>(580.171.002)</u>	<u>(546.600.285)</u>	<u>(742.686.033)</u>
<b>Gross profit</b>	43.844.117	41.021.738	56.445.489
Other income	213.504	215.047	1.189.938
Administrative expenses	<u>(28.393.060)</u>	<u>(26.807.497)</u>	<u>(36.465.495)</u>
<b>Operating profit</b>	15.664.561	14.429.288	21.169.932
Net foreign exchange profit	828.470	243.391	27.080
Interest receivable	221.139	89.069	182.099
Interest payable and bank charges	<u>(4.490.301)</u>	<u>(5.570.533)</u>	<u>(6.487.749)</u>
<b>Net finance costs</b>	<u>(3.440.692)</u>	<u>(5.238.073)</u>	<u>(6.278.570)</u>
Share of loss of jointly controlled companies and partnership after tax	<u>(350.385)</u>	<u>(1.468.259)</u>	<u>(1.508.930)</u>
<b>Profit before tax</b>	11.873.484	7.722.956	13.382.432
Tax	<u>(1.449.410)</u>	<u>(812.281)</u>	<u>(1.724.370)</u>
<b>Profit for the period/year</b>	<u>10.424.074</u>	<u>6.910.675</u>	<u>11.658.062</u>
<b>Other comprehensive income that is not to be reclassified to profit or loss in future periods</b>			
Surplus from revaluation of land and buildings	-	-	1.455.891
Deferred taxation arising on revaluation of land and buildings	<u>16.422</u>	<u>1.981</u>	<u>21.896</u>
	16.422	1.981	1.477.787
<b>Other comprehensive income that is to be reclassified to profit or loss in future periods</b>			
Surplus from the revaluation of investments available for sale	644.093	(142.943)	(574.448)
Exchange difference from translation and consolidation of financial statements from foreign operations	(9.053.330)	(280.997)	3.126.261
Exchange difference in relation to hedge of a net investment in a foreign operation	2.979.895	563.740	(1.175.343)
Deferred taxation arising from exchange differences in relation to foreign operations	-	<u>20.901</u>	-
Other comprehensive (expenses) /income for the period/year after tax	<u>(5.412.920)</u>	<u>162.682</u>	<u>2.854.257</u>
<b>Total comprehensive income for the period/year after tax</b>	<u>5.011.154</u>	<u>7.073.357</u>	<u>14.512.319</u>
<b>Profit for the period/year attributable to:</b>			
Company's shareholders	10.521.925	7.476.774	12.214.872
Non-controlling interest	<u>(97.851)</u>	<u>(566.099)</u>	<u>(556.810)</u>
Profit for the period/year	<u>10.424.074</u>	<u>6.910.675</u>	<u>11.658.062</u>
<b>Total comprehensive income for the period/year attributable to:</b>			
Company's shareholders	5.109.005	7.639.456	15.069.129
Non-controlling interest	<u>(97.851)</u>	<u>(566.099)</u>	<u>(556.810)</u>
Total comprehensive income	<u>5.011.154</u>	<u>7.073.357</u>	<u>14.512.319</u>
Basic earnings per share (cent)	4 <u>14,20</u>	<u>10,09</u>	<u>16,49</u>
Diluted earnings per share (cent)	4 <u>14,20</u>	<u>10,09</u>	<u>16,49</u>

The notes on pages 11 to 31 are an integral part of these consolidated interim financial statements.



## LOGICOM PUBLIC LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2017

	Note	30 September 2017 €	31 December 2016 €
<b>ASSETS</b>			
Property, plant and equipment	5	12.496.443	13.777.623
Intangible assets		8.678.614	8.669.161
Available-for-sale financial assets		5.921.029	5.276.936
Trade and other receivables		23.101.493	22.557.386
Deferred tax assets		<u>2.215.907</u>	<u>2.315.497</u>
<b>Total non-current assets</b>		<u>52.413.486</u>	<u>52.596.603</u>
Inventories		66.990.664	78.890.775
Trade and other receivables		161.649.425	157.598.708
Derivative financial instruments		-	239.944
Financial assets at fair value through profit or loss		16.448	16.448
Current tax assets		8.074.776	7.835.637
Cash and cash equivalents	7	<u>38.708.011</u>	<u>39.266.277</u>
<b>Total current assets</b>		<u>275.439.324</u>	<u>283.847.789</u>
<b>Total assets</b>		<u>327.852.810</u>	<u>336.444.392</u>
<b>Equity</b>			
Share capital	8	25.187.064	25.187.064
Reserves		<u>59.830.828</u>	<u>58.796.201</u>
<b>Equity attributable to shareholders of the company</b>		85.017.892	83.983.265
Non-controlling interest		<u>(1.504.066)</u>	<u>(1.406.215)</u>
<b>Total equity</b>		<u>83.513.826</u>	<u>82.577.050</u>
<b>Liabilities</b>			
Long-term loans	9	6.319.405	486.011
Trade and other payables		10.940.388	10.625.561
Deferred taxation		503.558	503.574
Contingent liabilities		<u>80.000</u>	<u>120.000</u>
<b>Total non-current liabilities</b>		<u>17.843.351</u>	<u>11.735.146</u>
Trade and other payables		102.513.220	115.366.099
Bank overdrafts	9	45.816.562	52.133.395
Short term loans	9	72.698.029	67.114.604
Current portion of long-term loans	9	574.923	3.307.399
Promissory notes		1.396.773	2.588.889
Derivative financial instruments		1.962.683	-
Current tax liabilities		1.493.443	1.581.810
Contingent liabilities		<u>40.000</u>	<u>40.000</u>
<b>Total current liabilities</b>		<u>226.495.633</u>	<u>242.132.196</u>
<b>Total liabilities</b>		<u>244.338.984</u>	<u>253.867.342</u>
<b>Total equity and liabilities</b>		<u>327.852.810</u>	<u>336.444.392</u>

The notes on pages 11 to 31 are an integral part of these consolidated interim financial statements.

**LOGICOM PUBLIC LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**Period ended 30 September 2017**

	Share capital	Share Premium Reserve	Revaluation Reserve	Fair Value Reserve	Difference arising on the conversion of the share capital to Euro	Hedge reserve	Statutory reserve	Translation reserve	Retained earnings	Total	Non-controlling interest	Total
	€	€	€	€	€	€	€	€	€	€	€	€
<b>Balance at 1 January 2016</b>	25.187.064	10.443.375	3.144.659	1.304.971	116.818	(9.331.678)	900.739	2.006.269	38.845.899	72.618.116	(849.405)	71.768.711
<b>Total comprehensive income</b>												
Profit for the period	-	-	-	-	-	-	-	-	7.476.774	7.476.774	(566.099)	6.910.675
Other comprehensive income	-	-	1.981	(142.943)	-	563.740	-	(260.096)	-	162.682	-	162.682
Revaluation reserve realised through use	-	-	(16.560)	-	-	-	-	-	16.560	-	-	-
<b>Balance at 30 September 2016</b>	<u>25.187.064</u>	<u>10.443.375</u>	<u>3.130.080</u>	<u>1.162.028</u>	<u>116.818</u>	<u>(8.767.938)</u>	<u>900.739</u>	<u>1.746.173</u>	<u>46.339.233</u>	<u>80.257.572</u>	<u>(1.415.504)</u>	<u>78.842.068</u>
<b>Balance at 1 January 2017</b>	25.187.064	10.443.375	4.620.982	730.523	116.818	(10.507.021)	977.963	5.132.530	47.281.031	83.983.265	(1.406.215)	82.577.050
<b>Total comprehensive income</b>												
Profit for the period	-	-	-	-	-	-	-	-	10.521.925	10.521.925	(97.851)	10.424.074
Other comprehensive income	-	-	16.422	644.093	-	2.979.895	-	(9.053.330)	-	(5.412.920)	-	(5.412.920)
<b>Transactions with owners of the Company, recognized directly in equity</b>												
Proposed dividend for 2016 that was paid in 2017	-	-	-	-	-	-	-	-	(4.074.378)	(4.074.378)	-	(4.074.378)
Transfer	-	-	-	-	-	-	62.854	-	(62.854)	-	-	-
Revaluation reserve realised through use	-	-	(1.098)	-	-	-	-	-	1.098	-	-	-
<b>Balance at 30 September 2017</b>	<u>25.187.064</u>	<u>10.443.375</u>	<u>4.636.306</u>	<u>1.374.616</u>	<u>116.818</u>	<u>(7.527.126)</u>	<u>1.040.817</u>	<u>(3.920.800)</u>	<u>53.666.822</u>	<u>85.017.892</u>	<u>(1.504.066)</u>	<u>83.513.826</u>

Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, during the period of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence of 17% will be payable on such deemed dividends to the extent that the shareholders (companies and individuals) at the end of the period of the two years from the end of the year of assessment to which the profits refer are Cyprus tax residents. The amount of deemed dividend distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

Retained earnings reserve is the only reserve that is available for distribution.

The notes on pages 11 to 31 are an integral part of these consolidated interim financial statements.

## LOGICOM PUBLIC LIMITED

CONSOLIDATED CASH FLOW STATEMENT  
Period ended 30 September 2017

	Note	Period ended 30 September 2017 €	Period ended 30 September 2016 €
<b>Cash flows from operations</b>			
Profit for the period /year		10.424.074	6.910.675
Adjustments for:			
Exchange differences		(4.478.093)	410.153
Depreciation	5	990.311	931.085
Depreciation on leased property, plant and equipment	5	333.140	382.371
Interest payable		3.789.424	4.654.765
Interest receivable		(221.139)	(89.069)
Change in fair value of derivative financial instruments		2.202.627	446.349
Profit from the sale of property, plant and equipment		(22.259)	(4.338)
Amortisation of research and development		-	46.801
Tax		<u>777.982</u>	<u>812.281</u>
		13.796.067	14.501.073
Decrease in inventories		11.900.111	14.624.342
(Increase)/decrease in trade and other receivables		(4.594.824)	22.803.004
Decrease in trade and other payables		<u>(12.538.052)</u>	<u>(36.518.819)</u>
		8.563.302	15.409.600
Interest paid		(3.789.424)	(4.654.765)
Tax paid		<u>(1.776.916)</u>	<u>(1.991.433)</u>
<b>Net cash flows from operations</b>		<u>2.996.962</u>	<u>8.763.402</u>
<b>Cash flows used in investing activities</b>			
Proceeds from disposal of property, plant and equipment		135.300	(37.641)
Payment for purchase of intangible assets		(9.453)	-
Decrease in provisions		(40.000)	(505.697)
Payment for purchase of property, plant and equipment	5	(963.230)	(1.635.447)
Interest received		<u>221.139</u>	<u>89.069</u>
<b>Net cash flows used in investing activities</b>		<u>(656.244)</u>	<u>(2.089.716)</u>
<b>Cash flows from/(used in) financing activities</b>			
Proceeds from borrowings		78.279.496	67.906.327
Repayment of borrowings		(69.595.153)	(47.029.745)
Dividends paid		(4.074.378)	(3.703.980)
Decrease in promissory notes		<u>(1.192.116)</u>	<u>(19.868.586)</u>
<b>Net cash flows from/(used in) financing activities</b>		<u>3.417.849</u>	<u>(2.695.984)</u>
<b>Net flow in cash and cash equivalents</b>		5.758.567	3.977.702
<b>Cash and cash equivalents at beginning of the period</b>		<u>(12.867.118)</u>	<u>(24.234.329)</u>
<b>Cash and cash equivalents at end of the period</b>	7	<u>(7.108.551)</u>	<u>(20.256.627)</u>

The notes on pages 11 to 31 are an integral part of these consolidated interim financial statements.

## LOGICOM PUBLIC LIMITED

STATEMENT OF FINANCIAL POSITIONAs at 30 September 2017

	Note	30 September 2017 €	31 December 2016 €
<b>ASSETS</b>			
Property, plant and equipment	5	4.326.004	4.220.807
Intangible assets		15.679	6.226
Investments in subsidiary companies	6	14.293.065	14.292.965
Long-term loans to subsidiary companies	16	27.625.210	28.504.488
Deferred tax assets		<u>1.385.609</u>	<u>1.385.609</u>
<b>Total non-current assets</b>		<u>47.645.567</u>	<u>48.410.095</u>
Inventories		953.648	5.675.402
Trade and other receivables		12.362.331	13.295.695
Receivables from related companies	16	46.141.307	80.204.568
Derivative financial instruments		-	228.195
Financial assets at fair value through profit or loss		9.594	9.594
Current tax assets		250.000	-
Cash and cash equivalents	7	<u>8.425.071</u>	<u>9.507.156</u>
<b>Total current assets</b>		<u>68.141.951</u>	<u>108.920.610</u>
<b>Total assets</b>		<u>115.787.518</u>	<u>157.330.705</u>
<b>Equity</b>			
Share capital	8	25.187.064	25.187.064
Reserves		<u>2.269.515</u>	<u>10.338.005</u>
<b>Total equity</b>		<u>27.456.579</u>	<u>35.525.069</u>
<b>Liabilities</b>			
Deferred taxation		<u>445.288</u>	<u>445.287</u>
<b>Total non-current liabilities</b>		<u>445.288</u>	<u>445.287</u>
Trade and other payables		41.144.442	58.088.183
Bank overdrafts	9	20.488.253	30.000.235
Short term loans	9	22.922.640	27.611.076
Current portion of long-term loans	9	-	3.068.295
Promissory notes		1.396.773	2.588.889
Derivative financial instruments		1.930.145	-
Current tax liability		<u>3.398</u>	<u>3.671</u>
<b>Total current liabilities</b>		<u>87.885.651</u>	<u>121.360.349</u>
<b>Total liabilities</b>		<u>88.330.939</u>	<u>121.805.636</u>
<b>Total equity and liabilities</b>		<u>115.787.518</u>	<u>157.330.705</u>

The notes on pages 11 to 31 are an integral part of these consolidated interim financial statements.

**LOGICOM PUBLIC LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

**1. Unaudited financial statements**

The interim consolidated financial statements for the nine months ended on 30 September 2017 and 2016 respectively, have not been audited by the external auditors of the Company.

**2. 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 2016. 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 2017, 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 at the end of the year are translated to the functional currency at the exchange rate prevailing at that date and the Foreign currency differences arising on retranslation are recognised in profit or loss. 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.

As from 1/1/2010, the Company has chosen to implement the provisions of IAS 39 for the hedging of the foreign exchange risk. According to the provisions of IAS 39, 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.

**3. OPERATING SEGMENTS**

The Group can be divided in to 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 for 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 and the production of computers in other 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 for customers in Cyprus and abroad.

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

## 3. OPERATING SEGMENTS (continued)

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 operating 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 this information is 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 2.

Sales and total non-current assets that relate to intangible assets and property, plant and equipment are allocated between Cyprus and abroad as follows:

	Revenue		Total non-current assets			
	Period ended 30 September 2017 €	Period ended 30 September 2016 €	30 September 2017 €	31 December 2016 €		
Cyprus	56.079.968	50.829.341	44.710.214	43.527.314		
Greece	65.283.740	55.600.079	611.746	632.473		
United Arab Emirates	241.011.268	256.201.641	4.993.400	5.972.503		
Other Foreign Countries	261.640.143	224.990.962	2.098.126	2.464.313		
	<u>624.015.119</u>	<u>587.622.023</u>	<u>52.413.486</u>	<u>52.596.603</u>		
Period ended 30 September 2017	European Markets Distribution Segment €	Middle East Markets Distribution Segment €	All other Segments €	Services Segments €	Intersegment transaction €	Total €
External revenue	<u>116.880.957</u>	<u>418.310.834</u>	<u>53.937.877</u>	<u>34.885.451</u>	<u>-</u>	<u>624.015.119</u>
Intersegment revenue	<u>45.563.633</u>	<u>110.032.529</u>	<u>555.921</u>	<u>3.370.127</u>	<u>(159.522.210)</u>	<u>-</u>
Other income	102.828	(2.009)	44.009	68.676	-	213.504
Depreciation and amortisation	269.343	475.954	124.762	120.252	-	990.311
Personnel costs	4.463.357	7.941.362	1.889.994	3.567.221	-	17.861.934
Travelling expenses	312.992	202.057	123.347	127.516	-	765.912
Provision for bad debts	87.460	17.580	(8.225)	(13.913)	-	82.902
Professional fees	760.798	215.850	118.795	276.936	-	1.372.379
Rent	231.908	652.282	216.280	205.145	-	1.305.615
Credit insurance	313.229	1.333.456	87.753	53.416	-	1.787.854
Transportation expenses	320.616	839.944	104.229	3.517	-	1.268.306
<b>Operating profit</b>	<u>217.970</u>	<u>12.049.738</u>	<u>355.752</u>	<u>4.072.988</u>	<u>(1.031.887)</u>	<u>15.664.561</u>
Net foreign exchange profit	1.821.651	114.866	412.785	361.552	(1.882.384)	828.470
Interest receivable	3.213	-	1.004	216.922	-	221.139
Interest payable and bank charges	<u>(2.628.773)</u>	<u>(2.133.001)</u>	<u>(37.652)</u>	<u>(163.116)</u>	<u>472.241</u>	<u>(4.490.301)</u>
<b>Net finance (costs) / income</b>	<u>(803.909)</u>	<u>(2.018.135)</u>	<u>376.137</u>	<u>415.358</u>	<u>(1.410.143)</u>	<u>(3.440.692)</u>
Share of loss of jointly controlled companies and partnership after tax	-	-	(350.385)	-	-	(350.385)
<b>(Loss) / profit before tax</b>	<u>(585.939)</u>	<u>10.031.603</u>	<u>381.504</u>	<u>4.488.346</u>	<u>(2.442.030)</u>	<u>11.873.484</u>

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

## 3. OPERATING SEGMENTS (continued)

Period ended 30 September 2016	European Markets Distribution Segment €	Middle East Markets Distribution Segment €	All other Segments €	Services Segments €	Intersegment transaction €	Total €
External revenue	111.995.044	392.483.766	51.719.458	31.423.755	-	587.622.023
Intersegment revenue	33.120.293	118.088.789	1.099.650	2.924.703	(155.233.435)	-
Other income	6.891.080	23.155	57.469	43.343	(6.800.000)	215.047
Depreciation and amortisation	284.130	410.472	134.327	128.653	-	957.582
Personnel costs	4.056.065	7.867.189	1.830.743	3.294.549	(50.000)	16.998.546
Travelling expenses	293.910	153.030	66.435	131.534	-	644.909
Provision for bad debts	20.205	232.562	(16.266)	(5.019)	-	231.482
Professional fees	761.751	230.464	144.777	357.401	-	1.494.393
Rent	233.597	644.377	255.688	223.646	-	1.357.308
Credit insurance	206.885	650.708	66.475	34.425	-	958.493
Transportation expenses	214.407	997.847	118.441	5.924	-	1.336.619
<b>Operating profit</b>	<b>6.998.413</b>	<b>10.257.705</b>	<b>597.027</b>	<b>2.592.080</b>	<b>(6.015.937)</b>	<b>14.429.288</b>
Net foreign exchange profit	125.747	124.641	216.879	96.396	(320.272)	243.391
Interest receivable	6.263	-	1.994	80.812	-	89.069
Interest payable and bank charges	(2.465.537)	(2.523.232)	(81.281)	(72.836)	(427.647)	(5.570.533)
<b>Net finance (costs) / income</b>	<b>(2.333.527)</b>	<b>(2.398.591)</b>	<b>137.592</b>	<b>104.372</b>	<b>(747.919)</b>	<b>(5.238.073)</b>
Share of loss of jointly controlled companies and partnership after tax	-	-	(568.259)	-	-	(568.259)
Impairment charge on investments available for sale	-	-	(900.000)	-	-	(900.000)
<b>Profit before tax</b>	<b>4.664.886</b>	<b>7.859.114</b>	<b>1.066.359</b>	<b>2.696.453</b>	<b>(8.563.856)</b>	<b>7.722.956</b>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2017**4. 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 for the period attributable to the shareholders of the parent Company, the weighted average number of issued shares and the weighted average number of issued shares as adjusted for the effect of the warrants during the period as follows:

	Period ended 30 September 2017	Period ended 30 September 2016
Earnings attributable to owners (€)	<u>10.521.925</u>	<u>7.476.774</u>
Weighted average number of ordinary shares in issue during the period	<u>74.079.600</u>	<u>74.079.600</u>
Basic earnings per share (cent)	<u>14,20</u>	<u>10,09</u>
Diluted weighted average number of shares	<u>74.079.600</u>	<u>74.079.600</u>
Diluted earnings per share (cent)	<u>14,20</u>	<u>10,09</u>

**THE COMPANY**Basic and diluted earnings per share

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

	Period ended 30 September 2017	Period ended 30 September 2016
Loss attributable to owners (€)	<u>(3.994.111)</u>	<u>3.165.656</u>
Weighted average number of ordinary shares in issue during the period	<u>74.079.600</u>	<u>74.079.600</u>
Basic (loss) / earnings per share (cent)	<u>(5,39)</u>	<u>4,27</u>
Diluted weighted average number of shares	<u>74.079.600</u>	<u>74.079.600</u>
Diluted (loss) / earnings per share (cent)	<u>(5,39)</u>	<u>4,27</u>



## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

## 5. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Land and buildings €	Computers €	Furniture and fittings €	Motor vehicles €	Total €
<b>Acquisition cost or revaluation</b>					
<b>Balance at 1 January 2016</b>	8.908.327	6.896.300	2.998.524	1.845.867	20.649.018
Additions for the period	394.334	809.716	724.371	156.044	2.084.465
Disposals for the period	-	(347.631)	(19.768)	(213.201)	(580.600)
Write off for the period	-	(551.230)	(18.502)	-	(569.732)
Adjustment on revaluation	716.836	-	-	-	716.836
Exchange differences	165.198	59.654	33.890	21.874	280.616
<b>Balance at 31 December 2016</b>	<u>10.184.695</u>	<u>6.866.809</u>	<u>3.718.515</u>	<u>1.810.584</u>	<u>22.580.603</u>
<b>Balance at 1 January 2017</b>	10.184.695	6.866.809	3.718.515	1.810.584	22.580.603
Additions for the period	25.322	565.240	213.969	158.699	963.230
Disposals for the period	-	(303.132)	(1.364)	(269.387)	(573.883)
Exchange differences	(677.874)	(226.247)	(174.933)	(72.561)	(1.151.615)
<b>Balance at 30 September 2017</b>	<u>9.532.143</u>	<u>6.902.670</u>	<u>3.756.187</u>	<u>1.627.335</u>	<u>21.818.335</u>
<b>Depreciation</b>					
<b>Balance at 1 January 2016</b>	630.769	4.745.691	2.029.634	1.285.787	8.691.881
Charge for the period	337.741	937.640	328.461	177.870	1.781.712
Disposals for the period	-	(332.911)	(11.785)	(162.634)	(507.330)
Write off for the period	-	(526.584)	(18.502)	-	(545.086)
Exchange differences	24.130	54.199	26.635	15.894	120.858
Adjustment on revaluation	(739.055)	-	-	-	(739.055)
<b>Balance at 31 December 2016</b>	<u>253.585</u>	<u>4.878.035</u>	<u>2.354.443</u>	<u>1.316.917</u>	<u>8.802.980</u>
<b>Balance at 1 January 2017</b>	253.585	4.878.035	2.354.443	1.316.917	8.802.980
Charge for the period	273.354	649.291	271.161	129.645	1.323.451
Disposals for the period	-	(297.932)	(5.926)	(156.984)	(460.842)
Exchange differences	(25.917)	(176.942)	(90.230)	(50.608)	(343.697)
<b>Balance at 30 September 2017</b>	<u>501.022</u>	<u>5.052.452</u>	<u>2.529.448</u>	<u>1.238.970</u>	<u>9.321.892</u>
<b>Net book amount</b>					
<b>Balance at 30 September 2017</b>	<u>9.031.121</u>	<u>1.850.218</u>	<u>1.226.739</u>	<u>388.365</u>	<u>12.496.443</u>
Balance at 1 January 2017	<u>9.931.110</u>	<u>1.988.774</u>	<u>1.364.072</u>	<u>493.667</u>	<u>13.777.623</u>

## LOGICOM PUBLIC LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

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

THE COMPANY	Land and buildings €	Computers €	Furniture and fittings €	Motor vehicles €	Total €
<b>Acquisition cost or revaluation</b>					
<b>Balance at 1 January 2016</b>	3.487.500	1.773.476	583.586	421.993	6.266.555
Additions for the period	331.110	159.298	16.564	46.044	553.016
Write off for the period	-	(551.203)	(18.502)	-	(569.705)
Adjustment on revaluation	(75.610)	-	-	-	(75.610)
<b>Balance at 31 December 2016</b>	<u>3.743.000</u>	<u>1.381.571</u>	<u>581.648</u>	<u>468.037</u>	<u>6.174.256</u>
<b>Balance at 1 January 2017</b>	3.743.000	1.381.571	581.648	468.037	6.174.256
Additions for the period	-	208.868	35.085	100.612	344.565
Disposals for the period	-	(1.537)	-	(98.337)	(99.874)
<b>Balance at 30 September 2017</b>	<u>3.743.000</u>	<u>1.588.902</u>	<u>616.733</u>	<u>470.312</u>	<u>6.418.947</u>
<b>Depreciation</b>					
<b>Balance at 1 January 2016</b>	130.500	1.462.425	479.713	375.655	2.448.293
Charge for the period	85.944	126.427	25.056	15.266	252.693
Exchange differences	-	(526.584)	(18.502)	-	(545.086)
Adjustment on revaluation	(202.451)	-	-	-	(202.451)
<b>Balance at 31 December 2016</b>	<u>13.993</u>	<u>1.062.268</u>	<u>486.267</u>	<u>390.921</u>	<u>1.953.449</u>
<b>Balance at 1 January 2017</b>	13.993	1.062.268	486.267	390.921	1.953.449
Charge for the period	73.579	104.085	19.063	19.191	215.918
Disposals for the period	-	(92)	-	(76.332)	(76.424)
<b>Balance at 30 September 2017</b>	<u>87.572</u>	<u>1.166.261</u>	<u>505.330</u>	<u>333.780</u>	<u>2.092.943</u>
<b>Net book amount</b>					
<b>Balance at 30 September 2017</b>	<u>3.655.428</u>	<u>422.641</u>	<u>111.403</u>	<u>136.532</u>	<u>4.326.004</u>
Balance at 1 January 2017	<u>3.729.007</u>	<u>319.303</u>	<u>95.381</u>	<u>77.116</u>	<u>4.220.807</u>

Approximately every three years, or earlier if required by the conditions, reviews are made to estimate the net values of land and buildings. The revaluation is undertaken by independent professional valuers.

The revaluations were made according to the comparative valuation method for the computation of the market value, with the cost of construction method for the purchase price of the building under consideration as well as on the basis of future prospects of the immovable property under consideration. These valuations were made by independent professional valuers.

The subsidiary company Logicom (Overseas) Limited acquired buildings (land, offices and warehouse) in the Larnaca Free Zone Area in December 1994. Land was acquired on a long term lease agreement from the Cyprus Government to the subsidiary, ending on 30 September 2016 with an option for renewal for another two lease periods of 33 years. The land leasing was renewed for an additional period of 33 years and has been transferred to Logicom Public Limited. The buildings owned by the Group with an initial cost of €130.178 followed by additions of cost €29.672, were revalued on 10 May 2016, with a revaluation surplus of €96.108 and were distributed in the form of dividends to the parent company. The annual lease payment amounts to €3.210.

The land and buildings of Logicom Public Limited were revalued on 31 December 2016 and the surplus from revaluation amounted to €126.841.

**LOGICOM PUBLIC LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

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

The subsidiary company Logicom FZE acquired land in the Free Trade Zone Area in Jebel Ali. The land is under an operating lease for 10 years from the 1 August 2007 with an option for renewal. The subsidiary also proceeded with the construction of an office building and a warehouse in the referred land. The annual lease payment is €9.488. The land and buildings were revalued on 31 December 2016 and the revaluation surplus amounted to €1.225.959.

The land and buildings of Logicom Jordan LLC were revalued on 31 December 2016 and the revaluation surplus amounted to €6.983.

On the 31st of December 2016 the Group's Management estimates that the book value of Logicom (Middle East) SAL buildings in Lebanon is not significantly different from their fair value.

**6. INVESTMENTS IN SUBSIDIARIES**

The Company has the following investments in subsidiary companies:

Company	Country of incorporation	30 September 2017 Holding %	31 December 2016 Holding %	Cost 30 September 2017 €	Cost 31 December 2016 €
Logicom (Overseas) Limited	Cyprus	100	100	-	-
Logicom (Middle East) SAL	Lebanon	100	100	1.525.819	1.525.819
ENET Solutions Logicom S.A.	Greece	100	100	1.205.400	1.205.400
Logicom FZE	United Arab Emirates	100	100	7.759.420	7.759.420
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	100.382	100.382
Logicom Information Technology Distribution s.r.l.	Romania	100	100	63	63
Logicom Services Ltd	Cyprus	100	100	10.000	10.000
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	16.365	16.365
Najada Holdings Limited	Cyprus	100	-	100	-
				<u>14.293.065</u>	<u>14.292.965</u>

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

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 €1.343.372.

The Company owns indirectly, through the subsidiary company Verendrya Ventures Ltd, 100% of the subsidiary in Cyprus, Netcom Ltd.

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

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.

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

Period ended 30 September 2017

**6. INVESTMENTS IN SUBSIDIARIES** *(continued)*

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 €6.589.

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

The Company owns indirectly, through the subsidiaries Logicom FZE and Logicom Dubai LLC 100% of Logicom LLC in Oman, with share capital of €1.086.

The Company owns indirectly, through the 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 the subsidiary Logicom Dubai LLC 100% of Logicom Trading and Distribution LLC in Qatar, with share capital of €40.015.

On 30 September 2017, the Company made an impairment assessment of its investments by comparing the net asset value of each investment with the carrying amount. There was no indication for impairment in the value of the investments in subsidiaries, except for Logicom (Middle East) SAL and Logicom Italia srl, based on the criteria discussed above. The value of the investments in the companies Logicom (Middle East) SAL and Logicom Italia srl has not been impaired based on the calculations of the discounted cash flows of these companies for the years 2017 - 2026 divided by the weighted average capital cost that was calculated at 11%.

The Company issued a financial support commitment to the Group companies noted above, confirming that the Group will continue to provide financial support to enable them to continue as a going concern and meet their liabilities as they fall due.

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

**6. INVESTMENTS IN SUBSIDIARIES** (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	5.000
Netcom Limited	27/04/2000	EUR 1,71	10.000
Logicom (Middle East) SAL	25/07/2000	LBP 15.000	5.000
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	KWD 200	100
Logicom Trading & Distribution LLC	23/03/2014	QAR1.000	200
Najada Holdings Limited	23/05/2017	EUR 1	100

**7. CASH AND CASH EQUIVALENTS****THE GROUP**

	30 September 2017	31 December 2016
	€	€
Cash in hand	40.801	17.739
Current accounts with banks	<u>38.667.210</u>	<u>39.248.538</u>
	<u>38.708.011</u>	<u>39.266.277</u>

**THE COMPANY**

	30 September 2017	31 December 2016
	€	€
Cash in hand	1.693	2.884
Current accounts with banks	<u>8.423.378</u>	<u>9.504.272</u>
	<u>8.425.071</u>	<u>9.507.156</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2017**7. CASH AND CASH EQUIVALENTS** *(continued)*

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

**THE GROUP**

	30 September 2017 €	31 December 2016 €
Cash at bank and in hand	38.708.011	39.266.277
Bank overdrafts (Note 9)	<u>(45.816.562)</u>	<u>(52.133.395)</u>
	<u>(7.108.551)</u>	<u>(12.867.118)</u>

**THE COMPANY**

	30 September 2017 €	31 December 2016 €
Cash at bank and in hand	8.425.071	9.507.156
Bank overdrafts (Note 9)	<u>(20.488.253)</u>	<u>(30.000.235)</u>
	<u>(12.063.182)</u>	<u>(20.493.079)</u>

**8. SHARE CAPITAL**

	30 September 2017 Number of shares	30 September 2017 €	31 December 2016 Number of shares	31 December 2016 €
<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 30 September/31 December	<u>74.079.600</u>	<u>25.187.064</u>	<u>74.079.600</u>	<u>25.187.064</u>

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

	30 September 2017 €	31 December 2016 €
Long-term loans	6.894.328	3.793.410
Short term loans	72.698.029	67.114.604
Bank overdrafts (Note 7)	<u>45.816.562</u>	<u>52.133.395</u>
	<u>125.408.919</u>	<u>123.041.409</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2017**9. LOANS AND BANK OVERDRAFTS** *(continued)*

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

**THE GROUP**

	30 September 2017	31 December 2016
	€	€
Within one year	574.923	3.307.399
Between two and five years	<u>6.319.405</u>	<u>486.011</u>
	<u><u>6.894.328</u></u>	<u><u>3.793.410</u></u>

**THE COMPANY**

	30 September 2017	31 December 2016
	€	€
Long-term loans	-	3.068.295
Short term loans	22.922.640	27.611.076
Bank overdrafts (Note 7)	<u>20.488.253</u>	<u>30.000.235</u>
	<u><u>43.410.893</u></u>	<u><u>60.679.606</u></u>

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

**THE COMPANY**

	30 September 2017	31 December 2016
	€	€
Within one year	<u>-</u>	<u>3.068.295</u>

**10. 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.

**11. RISK MANAGEMENT**

The main financial assets held by the Group and the Company are cash at bank, investments and trade and other receivables. The main financial liabilities of the Group and the Company are bank facilities and loans and trade payables. The Group and the Company are exposed to the following risks from their financial assets and liabilities.

**11.1 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 insurance of the credit 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.

**LOGICOM PUBLIC LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

**11. RISK MANAGEMENT** *(continued)*

*11.1 Credit risk (continued)*

The insurance agreements for the trade receivables and the procedures required by these agreements, have improved significantly the monitoring and control of trade receivables, mainly in the approval of credit limits, which is done in cooperation with the credit insurance company that 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 physical persons.

*11.2 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 is monitoring the fluctuations of interest rates on an ongoing basis and ensures that the necessary actions are taken.

*11.3 Currency 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 foreign exchange risk and is examining alternative methods to hedge the risk.

The hedging of foreign exchange risk is managed by the Group Financial Controller together with the Executive Directors. This issue is discussed and examined at Board of Directors meetings because the Company is materially affected from the movements in foreign currencies against the Euro.

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

1. Natural Hedging. The Company maintains to the maximum possible degree, assets (investments in foreign subsidiaries) and liabilities (bank overdrafts, short and long term loans) at the same currency, mainly the 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 borrowing 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 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, 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. 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

From 1 January 2010 the Group applies hedge accounting to foreign exchange risk.

More specifically, the equity and long-term loans that are part of the net investment in subsidiaries Logicom FZE, Logicom Dubai LLC, Logicom (Middle East) SAL, Logicom Jordan LLC and Logicom Saudi Arabia LLC, where the functional currency is the U.S. Dollar are counterbalanced with the bank borrowings of the Group in U.S. Dollar. 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 the statement of comprehensive income.

On 30 September 2017 the amounts that were hedged were, USD 40.000.000 of net investment in the above foreign companies and USD 40.000.000 of bank borrowings.



**LOGICOM PUBLIC LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

**11. RISK MANAGEMENT** *(continued)*

*11.4 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 may increase but at the same time the risk for losses may also increase. The Group and the Company have 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 Management estimates that the ability of the Group to receive in advance its trade receivables through the factoring agreement without recourse in Cyprus, Greece and United Arab Emirates, reduces even further the liquidity risk.

Bank loans and overdrafts of the Group and the Company are presented in note 9.

*11.5 Management of equity*

The management of the Group and the Company 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. The Management monitors continuously the return on equity.

**12. DIRECTORS' INTEREST**

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

	30/09/2017 Fully paid Shares %	26/10/2017 Fully paid Shares %
Adamos Adamides <sup>1</sup>	0,33	0,33
Varnavas Irinarchos <sup>2</sup>	51,55	51,55
Takis Klerides	0,41	0,41
Nikos Michaelas	-	-
George Papaioannou <sup>3</sup>	0,95	0,95
Anthoulis Papachristoforou	0,50	0,50
Anastasios Athanasiades	-	-

- The direct ownership of Mr. Adamos Adamides on 26 October 2017 is 0,32% and the indirect ownership that arises from the participation of his wife Mrs. Maro Adamidou, is 0,01%.
- The indirect ownership of Mr. Varnavas Irinarchos on 26 October 2017 of 51,55% arises from the participation of the company Edcrane Ltd.
- The direct ownership of Mr. Giorgos Papaioannou on 26 October 2017 is 0,945% and the indirect ownership that arises from the participation of his son Mr. Christos Papaioannou is 0,0034% and of his son Mr. Alexandros Papaioannou is 0,0034%.

**13. SHAREHOLDERS' INTEREST**

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

	30/09/2017 %	26/10/2017 %
Varnavas Irinarchos <sup>1</sup>	51,55	51,55
Demetra Investment Public Ltd	10,28	10,28

- The indirect interest of Mr. Varnavas Irinarchos on 26 October 2017 is through the company Edcrane Ltd. The ultimate parent company of the Group is Takero Limited which owns 100% of Edcranes' Ltd issued shares.

**LOGICOM PUBLIC LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

**14. 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 2016 the annual salary of the Managing Director was €12.760. 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 2016 the allowance for entertainment expenses amounted to €25.629.

In addition, the Company provides to the Managing Director an appropriate vehicle and covers all related expenses. The contract was renewed for one year from 1 January 2017, with an annual salary (13 months) of €150.000. The Company will also pay annually (12 months), for entertainment expenses, the amount of €25.000.

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

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

Mr. Anthoulis Papachristoforou has no employment contract with the company. In 2016 the annual salary of Mr. Papachristoforou amounted to €141.950. The remuneration of Mr. Papachristoforou for 2017 will be the same as in 2016.

**15. CONTINGENCIES AND LITIGATIONS**

The most important guarantees are as follows:

- (1) The Company has provided a bank guarantee of up to USD 3.600.000 (€3.049.297) to a foreign supplier for providing a trading credit facility. This guarantee is valid from 12 August 2015 until 18 August 2018.
- (2) The Company has provided a second bank guarantee of up to USD 400.000 (€338.811) to a second foreign supplier for providing a trading credit facility. This guarantee is valid from 24 August 2015 until 18 August 2018.
- (3) The Company has provided a third bank guarantee of up to EUR 1.200.000 to a third foreign supplier for providing a trading credit facility and is valid until 11 August 2018. This guarantee was increased on 24 October 2017 for an amount of up to EUR 1.700.000.
- (4) The Company has provided a fourth bank guarantee of up to EUR 300.000 to a fourth foreign supplier for providing a trading facility and is valid up to 11 August 2018.
- (5) The Company has provided a fifth bank guarantee of up to USD 1.200.000 (€1.016.432) to a fifth supplier for providing a trading facility. This guarantee has expired on 12 April 2017 and was renewed until 12 April 2018.
- (6) The Company has provided a sixth bank guarantee of up to USD 300.000 (€254.108) to a sixth foreign supplier for providing a trading facility. This guarantee is valid from 11 September 2017 until 11 September 2018.

**LOGICOM PUBLIC LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2017

**15. CONTINGENCIES AND LITIGATIONS** *(continued)*

- (7) The Company has provided bank guarantees of up to USD 1.000.000 (€847.027) to a seventh foreign supplier for providing a trading facility. This guarantee was renewed on 11 September 2017 for an amount of up to USD 500.000 (€23.513) and is valid until 11 September 2018.
- (8) The Company has provided an eighth guarantee of up to €34.172 to the Director of Customs and Excise Department for the use of a Bonded Warehouse in the Free Trade Zone in Larnaca.
- (9) Group companies have provided bank guarantees for the purpose of participating in governmental and private sector projects.

Apart from the tax liabilities that have already been accounted for in the consolidated 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.

**16. RELATED PARTY TRANSACTIONS**

The companies of the Group buy and sell goods and services according to their needs from other Group companies. Transactions are mainly carried out at cost. There are cases where transactions are carried out at a price other than cost when this is agreed between the parties involved. When necessary, Logicom Public Limited charges every year its subsidiary companies with a fee for administration services.

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
Logicom Solutions Limited	1.373.818	985.086
Newcytech Business Solutions Ltd	2.234.187	2.711.353
ENET Solutions Logicom S.A.	12.947.356	6.596.645
Logicom Jordan LLC	3.100.941	3.700.729
Logicom (Middle East) SAL	88.534	164.630
Logicom FZE	26.795	188
Logicom Italia s.r.l.	35.691	29.232
Logicom Information Technology Distribution s.r.l.	9.042.188	6.400.160
Verendrya Ventures Ltd	<u>472.241</u>	<u>427.647</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2017**16. RELATED PARTY TRANSACTIONS** *(continued)*

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

**Long-term loans to subsidiary companies:**

	Period ended 30 September 2017	31 December 2016
	€	€
ENET Solutions Logicom S.A.	2.170.083	2.430.509
Logicom (Middle East) SAL	4.045.655	4.531.164
Logicom FZE	2.511.096	2.812.447
Logicom Jordan LLC	2.588.599	2.899.251
Verendrya Ventures Ltd	<u>16.309.777</u>	<u>15.831.117</u>
	<u><u>27.625.210</u></u>	<u><u>28.504.488</u></u>

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

The long-term loan with the subsidiary company Verendrya Ventures Limited, refers to the contract for the financing of the operations of the desalination units in Larnaka and Episkopi. The loan bears an annual interest of 4,0% and has no fixed repayment date.

No impairment has been recorded for the loan with the subsidiary company Verendrya Ventures Limited 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 desalination in Limassol. 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.

**Balances with subsidiary companies**

	30 September 2017	31 December 2016
	€	€
Logicom (Overseas) Limited	(324.306)	(386.230)
Netcom Limited	92.202	89.710
Logicom Solutions Limited	949.695	5.823.806
Logicom Services Ltd	18.546.808	19.011.535
ENET Solutions Logicom S.A.	3.225.045	(1.311.446)
Newcytech Business Solutions Ltd	636.577	699.393
ICT Logicom Solutions SA	(201.285)	(504.035)
Logicom Jordan LLC	3.061.883	2.296.441
Logicom (Middle East) SAL	348.956	424.755
Logicom FZE	(22.530.007)	13.196.985
Logicom Italia s.r.l.	6.313.701	6.964.478
Logicom IT Distribution Limited	2.615.725	86.265
Logicom Saudi Arabia LLC	26.237.289	25.515.298
Logicom Information Technology Distribution s.r.l.	5.807.148	8.822.844
Logicom Distribution Germany GmbH	(420.556)	(525.231)
Najada Holdings Limited	<u>1.782.432</u>	<u>-</u>
	<u><u>46.141.307</u></u>	<u><u>80.204.568</u></u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2017**16. RELATED PARTY TRANSACTIONS** *(continued)***Balances with jointly controlled companies**

	30 September 2017 €	31 December 2016 €
M.N. Larnaca Water Co Ltd	-	1.860
M.N. Limassol Water Co. Ltd	<u>34</u>	<u>2.790</u>
	<u>34</u>	<u>4.650</u>

The balances with the jointly controlled companies relate to the financing of the construction, maintenance and operation of the desalination plants in Cyprus. The ability of the Company to recover the amounts receivable depends on the operating environment that the Company operates in.

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

**Sales**

	Period ended 30 September 2017 €	Period ended 30 September 2016 €
Logicom Public Limited	218.665	379.559
Logicom Jordan LLC	976.669	1.302.260
Logicom (Middle East) SAL	2.342.076	3.437.692
Logicom Dubai LLC	84.818.516	90.405.371
Logicom IT Distribution Limited	-	142.919
Logicom Saudi Arabia LLC	8.875.524	7.218.249
Logicom Kuwait for Computer Company W.L.L	6.135.810	10.935.284
Logicom Trading & Distribution LLC	6.017.707	4.075.257
Logicom Solutions Limited	-	1.463
ENET Solutions Logicom S.A.	-	(5.411)
Logicom LLC	<u>561.137</u>	<u>-</u>

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

**Sales**

	Period ended 30 September 2017 €	Period ended 30 September 2016 €
Logicom Public Limited	2.983	2.361
Logicom Jordan LLC	-	528
Logicom FZE	<u>146.839</u>	<u>37.648</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2017**16. RELATED PARTY TRANSACTIONS** *(continued)*

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
Logicom (Middle East) SAL	-	316
Enet Solutions LLC	-	2.136
Logicom FZE	105	-
Logicom LLC	129	-
	<u>129</u>	<u>-</u>

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
Logicom FZE	<u>34.718</u>	<u>8.581</u>

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
Logicom Public Limited	6.816.361	5.583.489
ICT Logicom Solutions SA	11.000	35.225
Logicom Italia s.r.l.	1.187	652
Logicom IT Distribution Limited	8.788.782	4.696.638
Logicom Information Technology Distribution s.r.l.	504.179	1.300.553
Logicom FZE	-	77.424
Logicom Solutions Limited	99	-
	<u>99</u>	<u>-</u>

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
Logicom Public Limited	519.092	382.418
Newcytech Business Solutions Ltd	428.837	422.502
ICT Logicom Solutions SA	<u>1.988.787</u>	<u>1.845.774</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2017**16. RELATED PARTY TRANSACTIONS** *(continued)*

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
Logicom Public Limited	690	275.417
ENET Solutions Logicom S.A.	<u>1.487</u>	<u>6.404</u>

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
Logicom Public Limited	2.005	3.269
ENET Solutions Logicom S.A.	97.868	176.303
Logicom Italia s.r.l.	2.724	-
Logicom Solutions Limited	<u>341</u>	<u>-</u>

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
ENET Solutions Logicom S.A.	-	5.511
Logicom Jordan LLC	-	41.885
Logicom (Middle East) SAL	9.027	36.723
Logicom FZE	24.142	75.387
Logicom IT Distribution Limited	-	8.912
Logicom Solutions Limited	<u>790</u>	<u>-</u>

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
Logicom Public Limited	2.614	426
Logicom Solutions Limited	225.384	166.547
Newcytech Distribution Ltd	<u>-</u>	<u>61.835</u>

## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2017**16. RELATED PARTY TRANSACTIONS** *(continued)*

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
ENET Solutions Logicom S.A.	268.532	673.990
Logicom FZE	-	57.925
Logicom Jordan LLC	-	19.038
	<u>                    </u>	<u>                    </u>

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
Logicom Solutions Limited	124.620	45.202
Logicom Information Technology Distribution s.r.l.	9.876	-
	<u>                    </u>	<u>                    </u>

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

**Sales**

	Period ended 30 September 2017	Period ended 30 September 2016
	€	€
Logicom Italia s.r.l.	<u>112.546</u>	<u>128.820</u>



## LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2017**16. RELATED PARTY TRANSACTIONS** *(continued)*

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

**Balances with related companies**

	Period ended 30 September 2017	31 December 2016
	€	€
	Debit/ (Credit)	Debit/ (Credit)
Logicom (Overseas) Limited	324.306	386.230
Netcom Limited	(92.202)	(89.710)
Logicom Solutions Limited	(949.695)	(5.823.806)
Logicom Services Ltd	(18.546.808)	(19.011.535)
Newcytech Business Solutions Ltd	(636.577)	(699.393)
ENET Solutions Logicom S.A.	(5.395.128)	(1.119.063)
ICT Logicom Solutions SA	201.285	504.035
Logicom Jordan LLC	(5.650.482)	(5.195.692)
Logicom (Middle East) SAL	(4.394.611)	(4.955.919)
Logicom FZE	20.018.911	(16.009.432)
Logicom Italia s.r.l.	(6.313.701)	(6.964.478)
Logicom IT Distribution Limited	(2.615.725)	(86.265)
Logicom Saudi Arabia LLC	(26.237.289)	(25.515.298)
Logicom Information Technology Distribution s.r.l.	(5.807.148)	(8.822.944)
Logicom Distribution Germany GmbH	420.556	525.231
Najada Holdings Limited	(1.782.432)	-
Verendrya Ventures Ltd	<u>(15.837.536)</u>	<u>(15.831.117)</u>

**17. EVENTS AFTER THE REPORTING PERIOD**

There were no material events after the reporting period, which have a bearing on the understanding of the consolidated and separate financial statements.