

MEDSCOPE HOLDINGS PLC

INTERIM UNAUDITED CONSOLIDATED
FINANCIAL STATEMENTS

For the period from 1 January 2023 to 30 June 2023

MEDSCOPE HOLDINGS PLC

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MEDSCOPE HOLDINGS PLC

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Stavros A. Karydis Markos Drakos Venetsianos Kakkavas
Company Secretary:	K and K Secretarial Limited
Independent Auditors:	VGDA Accountants Limited Certified Public Accountants and Registered Auditors 25th Martiou 35 (Kennedy 32) 2nd Floor 1087 Nicosia, Cyprus
Registered office:	11 Kyriakou Matsi Street NIKIS CENTER, 8th floor 1082 Nicosia Cyprus
Bankers/Brokers:	Bank of Cyprus Public Company Ltd Vista Bank (Romania) S.A. Union Bancaire Privee, UBP SA The Cyprus Investment & Securities Corporation Ltd (CISCO)
Registration number:	HE259056

MEDSCOPE HOLDINGS PLC

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period from 1 January 2023 to 30 June 2023

		01/01/2023 30/06/2023	01/01/2022 30/06/2022
	Note	€	€
Revenue	6	1.347.663	927.678
Other operating income	7	1.500	7.500
Administration expenses	8	<u>(162.234)</u>	<u>(183.900)</u>
Operating profit		<u>1.186.929</u>	<u>751.278</u>
Finance income		132.894	680.987
Finance costs		<u>(182.368)</u>	<u>(4.735)</u>
Net finance (costs)/income	10	<u>(49.474)</u>	<u>676.252</u>
Μερίδιο αποτελεσμάτων συγγενών εταιρειών		<u>328.331</u>	<u>362.915</u>
Profit before tax		1.465.786	1.790.445
Tax	11	<u>(72.931)</u>	<u>(28.383)</u>
Net profit for the period		<u>1.392.855</u>	<u>1.762.062</u>
Other comprehensive income			
Financial assets at fair value through other comprehensive income - Fair value gains		1.299.876	2.689.474
Exchange difference arising on the translation and consolidation of foreign companies' financial statements		<u>(23.950)</u>	<u>(3.581)</u>
Other comprehensive income for the period		<u>1.275.926</u>	<u>2.685.893</u>
Total comprehensive income for the period		<u>2.668.781</u>	<u>4.447.955</u>
Net profit for the period attributable to:			
Equity holders of the parent		1.391.974	1.762.062
Non-controlling interests		<u>881</u>	<u>-</u>
Net profit for the period		<u>1.392.855</u>	<u>1.762.062</u>
Total comprehensive income for the period attributable to:			
Equity holders of the parent		2.667.900	4.447.955
Non-controlling interests		<u>881</u>	<u>-</u>
Total comprehensive income for the period		<u>2.668.781</u>	<u>4.447.955</u>

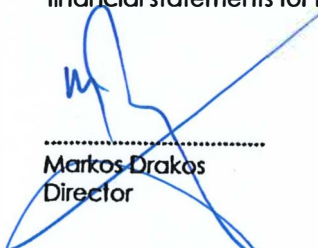
The notes on pages 7 to 17 form an integral part of these consolidated financial statements.


MEDSCOPE HOLDINGS PLC

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 30 June 2023

	Note	30/06/2023 €	31/12/2022 €
ASSETS			
Non-current assets			
Property, plant and equipment	12	9.013	-
Investment properties	13	2.254.011	2.324.937
Investments in associates	14	5.791.015	4.734.458
Financial assets at fair value through other comprehensive income	15	47.544.030	45.483.309
Non-current loans receivable	16	20.844.736	18.605.647
		<u>76.442.805</u>	<u>71.148.351</u>
Current assets			
Receivables	17	436	38.320
Refundable taxes	21	-	49
Cash and cash equivalents	18	5.377.535	2.992.441
		<u>5.377.971</u>	<u>3.030.810</u>
Total assets		<u>81.820.776</u>	<u>74.179.161</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	19	52.602.700	47.820.636
Share premium	19	2.082.250	2.082.250
Other reserves		17.730.653	16.454.727
Retained earnings		9.134.909	7.742.984
		<u>81.550.512</u>	<u>74.100.597</u>
Non-controlling interests		<u>199.933</u>	-
Total equity		<u>81.750.445</u>	<u>74.100.597</u>
Current liabilities			
Trade and other payables	20	69.327	78.564
Current tax liabilities	21	1.004	-
Total liabilities		<u>70.331</u>	<u>78.564</u>
Total equity and liabilities		<u>81.820.776</u>	<u>74.179.161</u>

On 13 September 2023 the Board of Directors of Medscope Holdings PLC authorised these consolidated financial statements for issue.


.....
Markos Drakos
Director


.....
Venetsianos Kakkavas
Director

The notes on pages 7 to 17 form an integral part of these consolidated financial statements.

MEDSCOPE HOLDINGS PLC

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from 1 January 2023 to 30 June 2023

	Share capital €	Share premium €	Fair value reserve - Financial assets at fair value through other comprehensive income €	Translation reserve €	Retained earnings €	Total €	Non- controlling interests €	Total €
Balance at 1 January 2022	47.820.636	2.082.250	11.639.884	105.571	7.634.227	69.282.568	-	69.282.568
Comprehensive income								
Net profit for the period	-	-	-	-	1.762.062	1.762.062	-	1.762.062
Other comprehensive income for the period	-	-	2.689.474	(3.581)	-	2.685.893	-	2.685.893
Total comprehensive income for the period	-	-	2.689.474	(3.581)	1.762.062	4.447.955	-	4.447.955
Transactions with owners								
Total transactions with owners	-	-	-	-	-	-	-	-
Other movements								
Other movement	-	-	-	-	147	147	-	147
Total other movements	-	-	-	-	147	147	-	147
Balance at 30 June 2022	47.820.636	2.082.250	14.329.358	101.990	9.396.436	73.730.670	-	73.730.670

The notes on pages 7 to 17 form an integral part of these consolidated financial statements.

MEDSCOPE HOLDINGS PLC

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from 1 January 2023 to 30 June 2023

	Share capital €	Share premium €	Fair value reserve - Financial assets at fair value through other comprehensive income €	Translation reserve €	Retained earnings €	Total €	Non- controlling interests €	Total €
Balance at 1 January 2023	47.820.636	2.082.250	16.350.866	103.861	7.742.984	74.100.597	-	74.100.597
Comprehensive income								
Net profit for the period	-	-	-	-	1.391.974	1.391.974	881	1.392.855
Other comprehensive income for the period	-	-	1.299.876	(23.950)	-	1.275.926	-	1.275.926
Total comprehensive income for the period	-	-	1.299.876	(23.950)	1.391.974	2.667.900	881	2.668.781
Transactions with owners								
Issue of share capital	4.782.064	-	-	-	-	4.782.064	-	4.782.064
Transactions with non-controlling interests	-	-	-	-	-	-	199.052	199.052
Total transactions with owners	4.782.064	-	-	-	-	4.782.064	199.052	4.981.116
Other movements								
Other movement	-	-	-	-	(49)	(49)	-	(49)
Total other movements	-	-	-	-	(49)	(49)	-	(49)
Balance at 30 June 2023	52.602.700	2.082.250	17.650.742	79.911	9.134.909	81.550.512	199.933	81.750.445

The notes on pages 7 to 17 form an integral part of these consolidated financial statements.

MEDSCOPE HOLDINGS PLC

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

For the period from 1 January 2023 to 30 June 2023

	Note	01/01/2023 30/06/2023 €	01/01/2022 30/06/2022 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		1.465.786	1.790.445
Adjustments for:			
Depreciation of property, plant and equipment	12	63.183	64.045
Exchange difference arising on the translation of non-current assets in foreign currencies		-	5.665.441
Exchange difference arising on the translation and consolidation of foreign companies' financial statements		(23.950)	(1.710)
Unrealised exchange profit		(249.394)	(658.170)
Share of profit from associates	14	(328.331)	(714.019)
Dividend income	6	(568.600)	(598.410)
Interest income	10	(765.975)	(237.326)
Interest expense	10	743	-
		(406.538)	5.310.296
Changes in working capital:			
Decrease/(increase) in receivables		37.884	(38.320)
Increase in financial assets at fair value through profit or loss		-	(5.665.441)
(Decrease)/increase in trade and other payables		(9.237)	11.331
		(377.891)	(382.134)
Cash used in operations			
Interest received		657.272	101.881
Dividends received		568.600	598.410
Tax paid		(71.878)	(28.432)
		776.103	289.725
Net cash generated from operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of intangible assets		-	75.660
Payment for purchase of property, plant and equipment	12	(9.013)	-
Payment for purchase of financial assets at fair value through other comprehensive income		(760.845)	(990.755)
Payment for purchase of investments in associated undertakings	14	(728.226)	(3.151.610)
Loans granted		(2.430.960)	(18.605.647)
Loans repayments received		648.011	-
Interest received		108.703	-
		(3.172.330)	(22.672.352)
Net cash used in investing activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		4.782.064	-
Interest paid		(743)	-
		4.781.321	-
Net cash generated from financing activities			
Net increase/(decrease) in cash and cash equivalents		2.385.094	(22.382.627)
Cash and cash equivalents at beginning of the period		2.992.441	25.375.068
Cash and cash equivalents at end of the period	18	5.377.535	2.992.441

The notes on pages 7 to 17 form an integral part of these consolidated financial statements.

MEDSCOPE HOLDINGS PLC

NOTES TO THE CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS For the period from 1 January 2023 to 30 June 2023

1. Incorporation and principal activities

Country of incorporation

The Company Medscope Holdings PLC (the "Company") was incorporated in Cyprus on 9 Δεκεμβρίου 2009 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 11 Kyriakou Matsi Street, NIKIS CENTER, 8th floor, 1082 Nicosia, Cyprus. Στις 20 Απριλίου 2022, η Εταιρεία μετατράπηκε σε δημόσια εταιρεία σύμφωνα με τον περί Εταιρειών Νόμο, Κεφ. 113 και οι μετοχές της είναι εισηγμένες στο Χρηματιστήριο Αξιών Κύπρου, Αναδυόμενες Αγορές.

The Company wholly owns (100%) and controls the Subsidiary, World Properties S.R.L., which is registered in Romania and operates under the laws of Romania and is active in the field of real estate investing and operating real estate. The Subsidiary was incorporated on December 15, 2021 as a Limited Liability Company under the laws of Romania. Furthermore, the Company owns 60% and controls the Subsidiary, Brasov Renewables S.R.L., which is registered in Romania and operates under the laws of Romania and is active in the field of energy production. The Subsidiary was incorporated on June 7, 2023 as a Limited Liability Company under the laws of Romania.

The company also owns 50% in the associate company Corner Properties S.R.L. which is registered in Romania and operates under the Romanian laws and is active in the real estate sector with real estate investment and exploitation. In addition, the company owns 32.63% in associate company Barniveld Enterprises Corp. Limited, which is registered in Cyprus as a private limited liability company in accordance with the provisions of the Companies Law of Cyprus, Cap. 113 and whose main activities are the holding of investments and the provision of loans.

Unaudited financial statements

The consolidated financial statements for the six months ended on 30 June 2022 and 2023 respectively, have not been audited by the external auditors of the Company.

2. Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. These consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of and investment property.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Group's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

3. Adoption of new or revised standards and interpretations

During the current period the Group adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2023. This adoption did not have a material effect on the accounting policies of the Group.

4. Significant accounting policies

The consolidated financial statements, which are presented in Euro, have been prepared in accordance with international Financial Reporting Standards, including IAS 34 "Interim Financial Reporting"

MEDSCOPE HOLDINGS PLC

NOTES TO THE CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

For the period from 1 January 2023 to 30 June 2023

4. Significant accounting policies (continued)

The accounting policies used in the preparation of the consolidated financial statements are in accordance with those used in the annual financial statements for the year ended 31 December 2022.

Costs that are incurred during the financial year are anticipated or deferred for interim reporting purposes if, and only if, it is also appropriate to anticipate or defer that type of cost at the end of the financial year.

Corporation tax is calculated based on the expected tax rates for the whole financial year.

These consolidated financial statements must be read in conjunction with the annual financial statements for the year ended 31 December 2022.

5. New accounting pronouncements

At the date of approval of these consolidated financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the consolidated financial statements of the Group.

6. Revenue

Disaggregation of revenue

	01/01/2023	01/01/2022
	30/06/2023	30/06/2022
	€	€
Dividend from overseas	568.600	598.410
Loan interest income	657.272	218.290
Rental income	121.791	110.978
	<u>1.347.663</u>	<u>927.678</u>

7. Other operating income

	01/01/2023	01/01/2022
	30/06/2023	30/06/2022
	€	€
Commissions received	<u>1.500</u>	<u>7.500</u>

MEDSCOPE HOLDINGS PLC

NOTES TO THE CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

For the period from 1 January 2023 to 30 June 2023

8. Administration expenses

	01/01/2023 30/06/2023	01/01/2022 30/06/2022
	€	€
Staff costs	6.390	460
Annual levy	350	350
Sundry expenses	3.326	3.111
Telephone, internet and postage	80	289
Accounting fees	3.570	2.975
Legal fees	4.760	5.950
Other professional fees	43.261	80.701
Inland travelling and accommodation	395	325
Management fees	7.672	25.694
Cyprus Stock Exchange fees	4.290	-
Broker fees	4.334	-
Representation fees	20.623	-
Depreciation	63.183	64.045
	<u>162.234</u>	<u>183.900</u>

9. Staff costs

	01/01/2023 30/06/2023	01/01/2022 30/06/2022
	€	€
Salaries	6.032	400
Social security costs	240	40
GHS contribution	70	12
Social cohesion fund	48	8
	<u>6.390</u>	<u>460</u>

Average number of employees:

Full time	-	-
Part time	1	1
	<u>1</u>	<u>1</u>

10. Finance income/(costs)

	01/01/2023 30/06/2023	01/01/2022 30/06/2022
	€	€
Interest income	108.703	19.036
Exchange profit	24.191	661.951
Finance income	<u>132.894</u>	<u>680.987</u>
Net foreign exchange losses	(177.737)	(2.506)
Interest expense	(743)	-
Sundry finance expenses	(3.888)	(2.229)
Finance costs	<u>(182.368)</u>	<u>(4.735)</u>
Net finance (costs)/income	<u>(49.474)</u>	<u>676.252</u>

MEDSCOPE HOLDINGS PLC

NOTES TO THE CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS For the period from 1 January 2023 to 30 June 2023

11. Tax

	01/01/2023	01/01/2022
	30/06/2023	30/06/2022
	€	€
Corporation tax	1.612	3.329
Overseas tax	71.319	25.054
Charge for the period	<u>72.931</u>	<u>28.383</u>

The Group operates in two tax jurisdictions and is subject to tax at the rates applicable in the respective countries of tax residence, the Republic of Cyprus and Romania. The tax rates for the Group are currently 12.5% in the Republic of Cyprus and 16% in Romania.

Under certain conditions interest income may be subject to defence contribution at the rate of 30%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

Gains on disposal of qualifying titles (including shares, bonds, debentures, rights thereon etc) are exempt from Cyprus income tax.

12. Property, plant and equipment

	Property under construction
	€
Cost	
Balance at 31 December 2022	<u>-</u>
Additions	<u>9.013</u>
Balance at 30 June 2023	<u>9.013</u>
Net book amount	
Balance at 30 June 2023	<u>9.013</u>
Balance at 1 January 2023	<u>-</u>

MEDSCOPE HOLDINGS PLC

NOTES TO THE CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS For the period from 1 January 2023 to 30 June 2023

13. Investment properties

	2023 €	2022 €
Cost		
Balance at 1 January	2.451.515	2.450.722
Επίδραση από την μετάφραση στο νόμισμα παρουσίασης	<u>(7.952)</u>	793
Balance at 30 June/31 December	<u>2.443.563</u>	<u>2.451.515</u>
Depreciation		
Balance at 1 January	126.578	63.279
Charge for the period	63.183	63.299
Επίδραση από την μετάφραση στο νόμισμα παρουσίασης	<u>(209)</u>	-
Balance at 30 June/31 December	<u>189.552</u>	<u>126.578</u>
Net book amount		
Balance at 30 June/31 December	<u>2.254.011</u>	<u>2.324.937</u>

Details of investment properties are as follows:

	30/06/2023 €	31/12/2022 €
Type		
Land	340.438	341.546
Buildings	<u>1.913.573</u>	<u>1.983.391</u>
	<u>2.254.011</u>	<u>2.324.937</u>

The fair value of the investment properties based on assessments made by the Board of Directors as of 31 December 2022, approximates the above value.

During the period, the Group received rental income amounting to €121.791 (2022: €110.978).

14. Investments in associates

	2023 €	2022 €
Balance at 1 January	4.734.458	868.829
Additions	728.226	3.151.610
Share of results of associates	<u>328.331</u>	714.019
Balance at 30 June/31 December	<u>5.791.015</u>	<u>4.734.458</u>

Λεπτομέρειες των επενδύσεων που αναγνωρίζονται με την χρήση της μεθόδου της καθαρής θέσης στις ενοποιημένες οικονομικές καταστάσεις είναι ως ακολούθως:

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Holding %</u>	<u>30/06/2023</u> €	<u>31/12/2022</u> €
Barniveld Enterprises Corp. Limited	Cyprus	Holding of investments and provision of finance	32,63	<u>3.412.681</u>	3.158.857
Corner Properties S.R.L.	Romania	Real estate development	50	<u>2.378.334</u>	<u>1.575.601</u>
				<u>5.791.015</u>	<u>4.734.458</u>

MEDSCOPE HOLDINGS PLC

NOTES TO THE CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

For the period from 1 January 2023 to 30 June 2023

14. Investments in associates (continued)

Since 2020, the Company owns 3,263 shares of €1 each, in the issued share capital of Barniveld Enterprises Corp. Limited. The shares were purchased by the Company at a total cost of €552.263. Barniveld Enterprises Corp. Limited owns 99.99% of the issued share capital of Vista Leasing IFN S.A., a company registered in Romania.

On 21 July 2022, the Company acquired 10 shares of LEI10 each in Corner Properties S.R.L. representing 50% of its issued share capital. The shares were acquired at their nominal value of LEI100 (equivalent in €20). On 22 July 2022, Corner Properties S.R.L. proceeded with an increase of its issued share capital by issuing 1.580.800 new shares of LEI10 each. The Company acquired 790.400 shares with a nominal value of LEI7.904.000 (equivalent in €1.600.000) and thus the Company's percentage of holding remained unchanged. On 17 March 2023, Corner Properties S.R.L. proceeded with another increase of its issued share capital by issuing 738.000 new shares of LEI10 each. The Company acquired 369.000 shares with a nominal value of LEI3.690.000 (equivalent in €750.000) and thus the Company's percentage of holding remained unchanged.

Significant aggregate amounts in respect of associated undertakings:

2023	Barniveld Enterprises Corp. Limited €	Corner Properties S.R.L. €	Total €
Percentage ownership interest	32,63%	50%	
Non-current assets	14.926.845	8.359.780	23.286.625
Current assets	59.238.678	1.997.647	61.236.325
Non-current liabilities	(61.939.674)	(5.419.977)	(67.359.651)
Current liabilities	(1.766.359)	(180.782)	(1.947.141)
Net assets (100%)	10.459.490	4.756.668	15.216.158
Group's share of net assets	3.412.681	2.378.334	5.791.015
Carrying amount of interest in associate	3.412.681	2.378.334	5.791.015
Revenue	1.748.027	468.433	2.216.460
Profit from continuing operations (100%)	801.315	133.763	935.078
Total comprehensive income (100%)	801.315	133.763	935.078
Total comprehensive income	269.450	66.881	336.331
Group's share of profit and total comprehensive income	269.450	66.881	336.331

MEDSCOPE HOLDINGS PLC

NOTES TO THE CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

For the period from 1 January 2023 to 30 June 2023

14. Investments in associates (continued)

2022	Barniveld Enterprises Corp. Limited €	Corner Properties S.R.L. €	Total €
Percentage ownership interest	32,63%	50%	
Non-current assets	12.360.618	8.336.713	20.697.331
Current assets	64.317.732	504.445	64.822.177
Non-current liabilities	(65.632.951)	(5.566.108)	(71.199.059)
Current liabilities	(1.364.563)	(123.848)	(1.488.411)
Net assets (100%)	9.680.836	3.151.202	12.832.038
Group's share of net assets	3.158.857	1.575.601	4.734.458
Carrying amount of interest in associate	3.158.857	1.575.601	4.734.458
Revenue	3.992.817	359.060	4.351.877
Profit from continuing operations (100%)	2.441.424	(44.052)	2.397.372
Total comprehensive income (100%)	2.441.424	(44.052)	2.397.372
Total comprehensive income (Group's share)	796.564	(22.026)	774.538
Exchange difference after the translation and consolidation of the financial statements of foreign companies	(34.334)	-	(34.334)
Group's share of profit and total comprehensive income	762.230	(22.026)	740.204

15. Financial assets at fair value through other comprehensive income

	30/06/2023 €	31/12/2022 €
Balance at 1 January	45.483.309	40.772.327
Additions	760.845	990.755
Revaluation difference transferred to equity	1.299.876	4.896.967
Redemption of bonds	-	(1.015.940)
Income from capital reduction	-	(160.800)
Balance at 30 June/31 December	47.544.030	45.483.309

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, Management of the Group have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

MEDSCOPE HOLDINGS PLC

NOTES TO THE CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS For the period from 1 January 2023 to 30 June 2023

16. Non-current loans receivable

	2023	2022
	€	€
Balance at 1 January	18.605.647	10.495.419
New loans granted	2.430.960	7.278.507
Repayments	(648.011)	(541.762)
Interest charged	657.272	623.143
10% deduction on interest paid	(65.727)	(62.314)
Exchange differences	(135.405)	220.869
Credit Loss Allowance	-	591.785
Balance at 30 June/31 December	<u>20.844.736</u>	<u>18.605.647</u>

On 18 June 2021, the Company ("Lender") entered into a loan agreement with Vista Leasing IFN S.A. ("Borrower") for the provision of a loan in the total amount of €10.000.000 (which was increased to €21.000.000 with related additional agreements signed during the years 2021 to 2023). The Borrower, based on the loan agreement, has the right to utilise the loan either in Euros or in United States Dollars (US\$). Until 18 June 2023, the Borrower utilised the total amounts of €12.900.000 and US\$8.770.000. According to the original agreement, the amount of the loan in Euro carried interest of three months EURIBOR plus a margin of 3% and the loan amount in United States Dollars carried interest at three months LIBORUS\$ plus a margin of 3% per annum. The amounts due were repayable by 18 June 2027.

On 14 June 2023, the two parties entered into an addendum to the loan agreement whereby they agreed to convert the above loan into two Sublimits. Sublimit 1 "Credit Line" in the maximum amount of €13.129.181 and Sublimit 2 "Subordinated loan" in the amount of US\$8.770.000. Furthermore, the two parties agreed that the final maturity dates would be 18 June 2027 for the Credit Line and 31 July 2028 for the Subordinated Loan. Additionally, the two parties agreed to convert the LIBOR to SOFR (Secured Overnight Financing Rate) and SOFR 30-Day Average. All other terms of the loan remained unchanged.

The principal balances on 30 June 2023 were €13.100.000 and US\$8.770.000 respectively.

	30/06/2023	31/12/2022
	€	€
Loans to related parties (Note 23.1)	<u>20.844.736</u>	<u>18.605.647</u>
	<u>20.844.736</u>	<u>18.605.647</u>

The loans are repayable as follows:

	30/06/2023	31/12/2022
	€	€
Between one and five years	<u>20.844.736</u>	<u>18.605.647</u>

The fair values of non-current receivables approximate to their carrying amounts as presented above.

17. Receivables

	30/06/2023	31/12/2022
	€	€
Deposits and prepayments	434	26.523
Accrued income	<u>2</u>	<u>11.797</u>
	<u>436</u>	<u>38.320</u>

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18. Cash and cash equivalents

Cash balances are analysed as follows:

	30/06/2023	31/12/2022
	€	€
Cash at bank	<u>5.377.535</u>	<u>2.992.441</u>
	5.377.535	2.992.441

19. Share capital and share premium

	2023 Number of shares	2023 €	2022 Number of shares	2022 €
Authorised				
Ordinary shares of €1 each	<u>100.000.000</u>	<u>100.000.000</u>	<u>50.000.000</u>	<u>50.000.000</u>
Issued and fully paid				
	Number of shares	Share capital €	Share premium €	Total €
Balance at 1 January 2022	47.820.636	47.820.636	2.082.250	49.902.886
Balance at 1 January 2023	47.820.636	47.820.636	2.082.250	49.902.886
Έκδοση μετοχών €1 η καθεμία	4.782.064	4.782.064	-	4.782.064
Balance at 30 June 2023	52.602.700	52.602.700	2.082.250	54.684.950

Authorised capital

On January 17, 2023, the authorised share capital of the parent Company was increased from 50.000.000 to 100.000.000 shares, with a nominal value of €1 each.

Issued capital

On March 6, 2023, the Company issued additional 4.782.064 shares, with a nominal value of €1 each.

20. Trade and other payables

	30/06/2023	31/12/2022
	€	€
Deposits received from clients	36.891	37.011
Accruals	369	14.512
Other creditors	<u>32.067</u>	<u>27.041</u>
	69.327	78.564

21. Current tax liabilities/(current tax assets)

	30/06/2023	31/12/2022
	€	€
Corporation tax	<u>1.004</u>	<u>(49)</u>
	1.004	(49)

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NOTES TO THE CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS For the period from 1 January 2023 to 30 June 2023

22. Operating Environment of the Group

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The impact on the Group largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Group has no direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

Management has considered the unique circumstances and the risk exposures of the Group and has concluded that there is no significant impact in the Group's profitability position. The event is not expected to have an immediate material impact on the business operations.

23. Related party balances and transactions

The Company is controlled by Mr. Vemetsianos Kakkavas, a non tax resident of Cyprus, who owns 99.98% of the Company's shares.

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23. Related party balances and transactions (continued)

The related party balances and transactions are as follows:

23.1 Loans to related parties (Note 16)

		30/06/2023	31/12/2022
		€	€
Vista Leasing IFN (Romania) S.A.	<u>Φύση σχέσης</u>	21.164.403	18.925.314
Expected credit losses	(Note below)	(319.667)	(319.667)
		<u>20.844.736</u>	<u>18.605.647</u>

Vista Leasing IFN (Romania) S.A. is a subsidiary of Barniveld Enterprises Corp. Limited, in which the Company owns 32.63% of its share capital.

The interest during the year amounted to €657.272 (2021: €216.602).

The details of the loans to related parties are described in note 16.

24. Contingent liabilities

The Group had no contingent liabilities as at 30 June 2023.

25. Commitments

The Group had no capital or other commitments as at 30 June 2023.

26. Events after the reporting period

As explained in note 22 the geopolitical situation in Eastern Europe intensified on 24 February 2022, with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these consolidated financial statements for issue, the conflict continues to evolve as military activity proceeds and additional sanctions are imposed.

Depending on the duration of the conflict between Russia and Ukraine, and continued negative impact on economic activity, the Group might experience further negative results, and liquidity restraints and incur additional impairments on its assets in 2023 which relate to new developments that occurred after the reporting period.

Except from the matter mentioned above, there were no other material events after the reporting period, which have a bearing on the understanding of the consolidated financial statements.