



LOGICOM PUBLIC LIMITED

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
Period ended 30 September 2022

LOGICOM PUBLIC LIMITED

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Period from 1 January 2022 to 30 September 2022

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BOARD OF DIRECTORS AND PROFESSIONAL ADVISERS**DIRECTORS**

Takis Klerides, Chairman
Varnavas Irinarchos, Vice Chairman and Managing Director
Anthoulis Papachristoforou, Deputy Managing Director
George Papaioannou, Director
Anastasios Athanasiades, Director
Andreas Constantinides, Director
Christoforos Hadjikyprianou, Director
Neoclis Nicolaou, Director (appointed on 19 May 2022)

GROUP CHIEF FINANCIAL OFFICER

Anthoulis Papachristoforou

SECRETARY

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

REGISTERED OFFICE

Zenonos Sozou 3,
 1st floor
 3105 Limassol

MANAGEMENT OFFICE

26 Stasinou Street, Ayia Paraskevi
 2003 Strovolos, Nicosia

INDEPENDENT AUDITORS

KPMG Limited
 14 Esperidon street
 1087 Nicosia

LEGAL ADVISERS

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

BANKERS

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

BANKERS

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

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

According to the articles of the Conditions for Transparency (Movable Securities for Trading in Controlled Market) Law of 2007 (190(I)/2007) (“Law”), we the members of the Board of Directors and Anthoulis Papachristoforou, BA (Hons) FCCA, Group Financial Controller responsible for the preparation of the financial statements, of the Group and the Company Logicom Public Ltd, for the period ended 30 September 2022, we confirm that to the best of our knowledge:

(a) The Interim Consolidated Financial Statements which are presented on pages 7 to 59,

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

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

b) the interim management report provides a fair view of the information provided in section 10(6) of the Law in accordance with the provisions of section 10(7)(b) of the Law.

Members of the Board of Directors:

Takis Klerides, Chairman

Varnavas Irinarchos, Vice Chairman and Managing Director

Anthoulis Papachristoforou, Deputy Managing Director

George Papaioannou

Anastasios Athanasiades

Andreas Constantinides

Christoforos Hadjikyprianou

Neoclis Nicolaou

Responsible for drafting the financial statements

Anthoulis Papachristoforou (Group Chief Financial Officer)

Nicosia, 2 December 2022

LOGICOM PUBLIC LIMITED

BOARD OF DIRECTORS' INTERIM REPORT

ACCOUNTING STANDARDS FOR THE PREPARATION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S ACTIVITIES AND POSITION

1. **The turnover** increased significantly by 26,3% in relation to the corresponding period in 2021. The Turnover of the Distribution Sector increased significantly by 28,2%, mainly due to the increased sales in the markets of Gulf region and Saudi Arabia, as well as, sales in the Moroccan market, compared to the nine month period of 2021. The turnover of the Software and Integrated Solutions Sector increased by 1,0%, compared with the corresponding period last year.
2. **The percentage of gross profit margin** decreased to 7,6% compared to 7,9% in the corresponding period of 2021 (2022: Gross profit: €64.782.200 to Sales: €851.698.600, 2021: Gross profit: €52.942.396 to Sales: €674.140.311 as reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income), mainly due to the increase in sales of the Distribution Sector during the nine month period of 2022, where the gross profit margin is lower.
3. **Other Income** mainly relates to contributions from suppliers for the promotion of their products and income from collaborations with third parties. The significant increase in other income during the nine month period of 2022 compared to the corresponding period last year, is due to the collection of a compensation of €1.050.000 from the subsidiary company ICT Logicom Solutions S.A., in relation to a settlement arrangement for the termination of the contract agreement with C.A. Europe S.A.R.L.
4. **The Group's Expected Credit Losses** are increased compared to the nine month period of 2021 and amounted to €1.415.051 from €240.315 in the corresponding period last year. The increase is due to the recognition of an additional provision of impairment of Cash and Cash Equivalents amounting to €1.175.033 which derived entirely from the subsidiary company Logicom (Middle East) SAL in Lebanon, as a result of the prolonged political and economic instability that had a severe negative impact on the country. The Expected Credit Losses were recognised in the results in accordance with the provisions of IFRS9.
5. The **Administration Expenses** increased by €6.468.569 and by 20,2% in percentage terms compared to the nine month period of 2021, mainly due to the increase of personnel and infrastructure expenses, as a result of the Group's expansion plan to new markets and the expansion of the range of available products. Administration expenses include an amount of €102.530 concerning expenditures on prevention and hygiene measures directly related to the Coronavirus pandemic (COVID-19) (nine month period of 2021: €209.661). The term 'Administration Expenses' encompasses all the operating expenses of the Group, including Administrative, Distribution and Operational expenses.
6. **The Profit from Operating Activities** increased significantly by 24,8% compared to the corresponding period of 2021 and amounts to €26.134.102 compared to €20.935.992 in the nine month period of 2021, mainly due to the increase in turnover, despite the decrease in Gross Profit Margin and the increase in the Administration Expenses. The term 'Operating Activities' encompasses all the activities of the Group.
7. **The Net Bank Finance Cost**, including Interest Receivable and Payable, and related Bank Charges resulting from the banking facilities used for the execution of the Group's operations, increased to €5.212.378 compared to €3.352.942 during the corresponding period of 2021 and by 55,5%, in percentage terms, due to the increased use of banking facilities used to finance the increased turnover, as well as, due to the significant increase of the borrowing rates in US Dollars and Euro, compared to the corresponding period last year.

LOGICOM PUBLIC LIMITED

BOARD OF DIRECTORS' INTERIM REPORT

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

8. **The Foreign Exchange Difference** resulting mainly from the exchange rate fluctuation between the US Dollar and the Euro, had a negative impact on the Group's Results amounting to a loss of €2.224.075 (nine month period of 2021 loss: €918.628). It is clarified that the provisions of IFRS 9 in relation to Hedge Accounting have been adopted, with the aim to reduce the effects of the exchange rate fluctuations between the US Dollar and the Euro in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

According to the directives of the IAS21, the increase in the value of the Company's long term investments in its foreign subsidiaries, due to foreign exchange differences, amounting to €1.543.185, is transferred to the Reserves until the date of liquidation, where any result will be transferred in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

9. References to the **Share of Profit from associated companies after tax** refer to the share of profit of €5.939.088 for the nine month period of 2022 compared to share of profit of €2.147.824 for the prior year's corresponding period from the associated company Demetra Holdings Plc ('Demetra'). The financial results of Demetra include 21,33% of the results of Hellenic Bank Public Company Ltd ('Hellenic'). During 2019, Demetra increased its shareholding in Hellenic to 21,01% and evaluated, based on the provisions of the International Financial Reporting Standards, that it exercises significant influence, which recognised the investment using the equity accounting method. It is noted that the results of Demetra for the nine month period of 2022 include an amount of €2.104.764 related to negative goodwill resulting from the increase in the participation in Hellenic from 21,02% to 21,33%.

References to the **Share of Profit from joint ventures and to the Profit attributable to Non-controlling Interest** refer to the net operating profit of the investments in the Desalination Plants in Larnaca and Episkopi.

10. **The Profit attributable to the Company's shareholders** increased significantly by 32,4% compared to the corresponding period of 2021, from €17.104.252 to €22.637.575, mainly due to the increase in turnover and the share of profit from associated companies, despite the increase of the administration expenses and the net financing costs due to the increased interests payable and foreign exchange loss, in relation to the nine month period of 2021.
11. **The Group's Cash and Cash Equivalent** compared to the bank overdrafts present a credit balance of €11.236.533 at the end of the nine month period of 2022 compared to a credit balance of €699.548 at the end of 2021. **The short term loans** increased to €119.806.454 from €72.609.182. **The long term loans** decreased to €12.760.528 from €15.242.650.
12. Verendrya Ventures Limited, of which the Company holds 60% of its share capital, in a joint venture with a 50% share:
- Completed the construction of the Desalination plant in Episkopi based on the agreement with the Water Development Department dated 7 August 2009. As announced, as per the agreement dated 20 July 2011 Demetra Holdings Plc, participates indirectly to the execution and operation of the desalination project in Episkopi as a result of the indirect 40% share in Verendrya Ventures Limited. The construction of the project was completed in June 2012 and the desalination unit remained in stand by mode from 1 July 2012 until 27 April 2014. The desalination unit started production on the 28th of April 2014. As of today, claims are pending in regards to the execution of this contract, which are before on the International Court of Arbitration.
 - On 26 January 2012, signed an agreement with the Water Development Department for the renovation and operation of the existing desalination unit in Larnaca. Demetra Holdings Plc participates indirectly in the implementation and operation of the desalination project in Larnaca with 40% share in Verendrya Ventures Limited. The renovation of the unit was completed in June 2015 and started operations on the 4th of July 2015. As of today, claims are pending in regards to the execution of this contract, which are before on the International Court of Arbitration.
13. During the nine month period of 2022, the Turnover and the Profit from Operations are significantly increased, and in connection with the increase in the share of profit from associated companies, despite the increase of the net financing costs, due to the increase in interests payable and foreign exchange loss, the Profit attributable to the Shareholders is significantly increased in comparison to the corresponding period of 2021.
14. During the nine month period of 2022 there was not any income from non-recurring or extraordinary activities, apart from those mentioned in paragraph 3 of this report.

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

15. The economic performance measurement indicators used in the above report for the performance and position of the Group serve a better analysis and understanding of these results.
16. The results are within the estimations of the Board of Directors.

RISKS AND UNCERTAINTIES

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

OPERATIONS OF THE COMPANY AND ITS SUBSIDIARY COMPANIES

During the nine month period of 2022, the Group continued the distribution of high technology products, the supply of services and integrated information technology, telecommunication and software solutions, and the participation in large infrastructure projects in the water sector, as well as, participation in public companies.

FORESEEABLE DEVELOPMENT OF THE GROUP

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

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

The Management of the Group is closely monitoring the developments, in order to maintain and strengthen growth prospects without affecting the strong financial position of the Group. The planning for 2022 has been formed on the basis of continuous effort for growth both in existing, but also in new markets, and by taking advantage of the opportunities offered by the market.

RESEARCH AND DEVELOPMENT ACTIVITIES

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

RELATED PARTIES TRANSACTIONS AND BALANCES

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

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

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

USE OF FINANCIAL INSTRUMENTS

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

The profit arising from the change in the fair value of derivative financial instruments for the period, that was recognised in the Group's results amounted to €3.842.183 (nine month period of 2021, profit: €1.656.669).

SHARE CAPITAL

There was no change in the issued share capital of the company during the nine month period of 2022.

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

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

The members of the Board of Directors as at 30 September 2022 and at the date of the present report are presented on page 2.

The percentages of participation in the Company's share capital that was held directly or indirectly by the members of the Board of Directors of the Company on 30 September 2022 and on 2 December 2022 are presented in notes 15 and 16 to the Interim Consolidated Financial Statements.

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

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

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

PUBLICATION

1. The Interim Financial Report will not be sent to the shareholders but the Consolidated Statement of Profit or loss and Other Comprehensive Income will be published in the newspapers 'Politis' on 06/12/2022 and 'o Phileleftheros' on 07/12/2022.
2. The whole content of the Interim Financial Report, is available, free of charge, from the Registered Office of the Company (Zenonos Sozou 3, 1st Floor, 3105 Limassol. P.O Box : 51094,3501 Limassol. Tel.: +357 25 818444, Fax: +357 25 372282, E mail: (log@adamides.com) and from the Head Offices of the Company (Stasinou 26, Agia Paraskevi, 2003 Strovolos, Nicosia. P.O. Box.: 23472, 1683 Nicosia. Tel.: +357 22 551000, Fax: +357 22 514294) and it is uploaded in the Company's websites (www.logicom.net) and of the Cyprus Stock Exchange(www.cse.com.cy).

THE BOARD OF DIRECTORS

2 December 2022

LOGICOM PUBLIC LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Period ended 30 September 2022

	Note	Period ended 30 September 2022	Period ended 30 September 2021	Year ended 31 December 2021
		€	€	€
Revenue		851.698.600	674.140.311	949.209.173
Cost of sales		(786.916.400)	(621.197.915)	(874.252.247)
Gross profit		64.782.200	52.942.396	74.956.926
Other income		1.310.540	308.929	899.612
Expected credit losses	14.1	(1.415.051)	(240.315)	(75.318)
Administrative expenses		(38.543.587)	(32.075.018)	(43.764.019)
Profit from operations		26.134.102	20.935.992	32.017.201
Net foreign exchange loss		(2.224.075)	(918.628)	(1.432.559)
Interest receivable		422.239	411.547	595.992
Interest payable and bank charges		(5.634.617)	(3.764.489)	(5.096.787)
Net finance costs		(7.436.453)	(4.271.570)	(5.933.354)
Net share of profit from associated companies after tax	9	5.939.088	2.147.824	1.581.313
Net share of profit from joint ventures after tax	9	236.691	22.797	107.298
Profit before tax		24.873.428	18.835.043	27.772.458
Tax		(2.146.365)	(1.724.954)	(2.995.789)
Profit for the period/year		22.727.063	17.110.089	24.776.669
Other comprehensive income that will not be reclassified to profit or loss in future periods				
Increase from revaluation of investments at fair value through other comprehensive income		933.619	720.715	912.931
Deferred taxation arising from revaluation of land and buildings		2.482	(443)	3.309
Adjustment on remeasurement of obligation		-	-	595.970
Deferred taxation arising from the remeasurement of obligation		-	-	(48.679)
		936.101	720.272	1.463.531
Other comprehensive income that will be reclassified to profit or loss in future periods				
Exchange difference from translation and consolidation of financial statements from foreign operations		19.384.667	6.739.755	7.579.741
Exchange difference in relation to hedge of a net investment in a foreign operation		(8.307.202)	(1.764.979)	(2.633.110)
Share of (loss)/profit from associated company	9	(447.618)	29.933	(214.823)
		10.629.847	5.004.709	4.731.808
Other comprehensive income for the period/year		11.565.948	5.724.981	6.195.339
Total comprehensive income for the period/year		34.293.011	22.835.070	30.972.008
Profit for the period/year attributable to:				
Company's shareholders		22.637.575	17.104.252	24.745.689
Non-controlling interest		89.488	5.837	30.980
Profit for the period/year		22.727.063	17.110.089	24.776.669
Total comprehensive income for the period/year attributable to:				
Company's shareholders		34.203.523	22.829.233	30.941.028
Non-controlling interest		89.488	5.837	30.980
Total comprehensive income		34.293.011	22.835.070	30.972.008
Basic earnings per share (cent)	5	30,56	23,09	33,40
Diluted earnings per share (cent)	5	30,56	23,09	33,40

The notes on pages 12 to 59 are an integral part of these consolidated interim financial statements.

LOGICOM PUBLIC LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONAs at 30 September 2022

	Note	30 September 2022	31 December 2021
		€	€
ASSETS			
Property, plant and equipment	6	22.456.028	22.246.895
Right-of-use assets	7	5.580.660	4.896.969
Intangible assets and goodwill		8.292.370	8.697.465
Investments in associated companies and joint ventures	9	86.040.038	80.144.277
Investments at fair value through other comprehensive income		12.658.787	11.725.167
Trade and other receivables		23.614.416	24.174.092
Deferred taxation		1.939.490	1.179.785
Total non-current assets		<u>160.581.789</u>	<u>153.064.650</u>
Inventories		103.288.259	79.362.639
Trade and other receivables		307.161.244	241.847.813
Investments at fair value through profit or loss		14.943	14.943
Derivative financial instruments		3.127.974	-
Current tax assets		981.592	529.879
Cash and cash equivalents	10	29.202.989	40.515.953
Total current assets		<u>443.777.001</u>	<u>362.271.227</u>
Total assets		<u>604.358.790</u>	<u>515.335.877</u>
Equity			
Share capital	11	25.187.064	25.187.064
Reserves		204.517.219	176.240.064
Equity attributable to shareholders of the Company		229.704.283	201.427.128
Non-controlling interest		(2.505.259)	(2.594.747)
Total equity		<u>227.199.024</u>	<u>198.832.381</u>
Liabilities			
Long-term loans	12	9.355.176	11.509.386
Obligations under finance leases		4.446.621	3.831.093
Trade and other payables		12.060.882	11.863.763
Deferred taxation		462.236	462.236
Provision for other liabilities and termination of employment		3.560.046	2.746.538
Total non-current liabilities		<u>29.884.961</u>	<u>30.413.016</u>
Trade and other payables		179.447.966	162.633.317
Bank overdrafts	12	40.439.522	41.185.501
Short term loans	12	119.806.454	72.609.182
Current portion of long-term loans	12	3.405.352	3.733.264
Obligations under finance leases		1.371.657	1.157.660
Promissory notes		1.687.569	1.997.842
Derivative financial instruments		-	421.946
Current tax liabilities		1.004.523	2.205.164
Provision for other liabilities and termination of employment		111.762	146.604
Total current liabilities		<u>347.274.805</u>	<u>286.090.480</u>
Total liabilities		<u>377.159.766</u>	<u>316.503.496</u>
Total equity and liabilities		<u>604.358.790</u>	<u>515.335.877</u>

The notes on pages 12 to 59 are an integral part of these consolidated interim financial statements.

LOGICOM PUBLIC LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITYPeriod ended 30 September 2022

	Share capital	Share Premium Reserve	Revaluation Reserve	Difference arising on the conversion the share capital to Euro	Hedge reserve	Statutory reserve	Translation reserve	Retained earnings	Total	Non-controlling interest	Total
	€	€	€	€	€	€	€	€	€	€	€
Balance at 1 January 2021	25.187.064	10.443.375	6.385.240	116.818	(6.681.882)	2.774.277	(9.437.395)	147.943.302	176.730.799	(2.497.363)	174.233.436
Total comprehensive income											
Profit for the period	-	-	-	-	-	-	-	17.104.252	17.104.252	5.837	17.110.089
Other comprehensive income	-	-	(443)	-	(1.764.979)	-	6.739.755	750.648	5.724.981	-	5.724.981
Transactions with owners recognized directly in equity											
Share of other transactions with owners from an associated company	-	-	-	-	-	-	-	102.246	102.246	-	102.246
Proposed dividend for 2020 that was paid in 2021	-	-	-	-	-	-	-	(5.926.368)	(5.926.368)	-	(5.926.368)
Other movements											
Transfer to retained earnings	-	-	-	-	-	75.361	-	(75.361)	-	-	-
Balance at 30 September 2021	<u>25.187.064</u>	<u>10.443.375</u>	<u>6.384.797</u>	<u>116.818</u>	<u>(8.446.861)</u>	<u>2.849.638</u>	<u>(2.697.640)</u>	<u>159.898.719</u>	<u>193.735.910</u>	<u>(2.491.526)</u>	<u>191.244.384</u>
Balance at 1 January 2022	25.187.064	10.443.375	6.388.549	116.818	(9.314.992)	2.849.638	(1.857.654)	167.614.330	201.427.128	(2.594.747)	198.832.381
Total comprehensive income											
Profit for the period	-	-	-	-	-	-	-	22.637.575	22.637.575	89.488	22.727.063
Other comprehensive income	-	-	2.482	-	(8.307.202)	-	19.384.667	486.001	11.565.948	-	11.565.948
Transactions with owners recognized directly in equity											
Share of other transactions with owners from an associated company	-	-	-	-	-	-	-	-	-	-	-
Proposed dividend for 2021 that was paid in 2022	-	-	-	-	-	-	-	(5.926.368)	(5.926.368)	-	(5.926.368)
Other movements											
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2022	<u>25.187.064</u>	<u>10.443.375</u>	<u>6.391.031</u>	<u>116.818</u>	<u>(17.622.194)</u>	<u>2.849.638</u>	<u>17.527.013</u>	<u>184.811.538</u>	<u>229.704.283</u>	<u>(2.505.259)</u>	<u>227.199.024</u>

The notes on pages 12 to 59 are an integral part of these consolidated interim financial statements.

LOGICOM PUBLIC LIMITED

CONSOLIDATED CASH FLOW STATEMENT
Period ended 30 September 2022

	Note	Period ended 30 September 2022 €	Period ended 30 September 2021 €
Cash flows from/(used in) operations			
Profit for the period		22.727.063	17.110.089
Adjustments for:			
Exchange differences		8.655.806	4.115.800
Depreciation	6	1.023.579	1.128.946
Depreciation on leased property, plant and equipment	6	171.363	159.444
Depreciation on right of use assets	7	1.329.173	1.191.498
Interest payable		5.001.480	2.914.931
Interest receivable		(422.239)	(411.547)
Expected credit losses		1.415.051	240.315
Provision for the decrease in the value of inventories		325.976	197.425
Share of profit from investments in associated companies	9	(5.939.088)	(2.147.824)
Share of profit from joint ventures		(236.691)	(22.797)
Change in fair value of derivative financial instruments		(3.549.920)	(1.633.789)
Profit from the disposal of property, plant and equipment		(9.107)	(19.266)
Amortisation of research and development		427.309	404.540
Charge to profit or loss for provisions for other liabilities and termination of employment		473.860	427.902
Tax		2.146.365	1.724.954
		<u>33.539.980</u>	<u>25.380.621</u>
Increase in inventories		(24.251.596)	(19.353.854)
Increase in trade and other receivables		(64.993.773)	(5.836.427)
Increase/(decrease) in trade and other payables		17.011.768	(16.927.057)
Decrease in promissory notes		(310.273)	(351.449)
Benefits paid for termination of employment		(246.674)	(206.289)
		<u>(39.250.568)</u>	<u>(17.294.455)</u>
Interest paid		(4.786.554)	(2.710.482)
Tax paid		(3.798.719)	(1.818.466)
Net cash flows used in operations		<u>(47.835.841)</u>	<u>(21.823.403)</u>
Cash flows (used in)/from investing activities			
Proceeds from disposal of property, plant and equipment		18.306	36.031
Payment to acquire intangible assets		(21.708)	-
Payments to acquire investments at fair value through other comprehensive income		-	(3.826.277)
Payments to acquire property, plant and equipment	6	(671.135)	(1.346.926)
Interest received		422.239	411.547
Net cash flows used in investing activities		<u>(252.298)</u>	<u>(4.725.625)</u>
Net cash flow from/(used in) financing activities			
Proceeds from issue of new loans		184.995.250	93.832.010
Repayment of loans		(140.280.100)	(82.525.175)
Repayments of obligations under finance leases		(1.267.628)	(1.290.739)
Dividends paid		(5.926.368)	(5.926.368)
Net cash flows from financing activities		<u>37.521.154</u>	<u>4.089.728</u>
Net change in cash and cash equivalents		(10.566.985)	(22.459.300)
Cash and cash equivalents at beginning of the period		<u>(669.548)</u>	<u>19.617.545</u>
Cash and cash equivalents at end of the period	10	<u>(11.236.533)</u>	<u>(2.841.755)</u>

The notes on pages 12 to 59 are an integral part of these consolidated interim financial statements.

LOGICOM PUBLIC LIMITED

STATEMENT OF FINANCIAL POSITIONAs at 30 September 2022

	Note	30 September 2022 €	31 December 2021 €
ASSETS			
Property, plant and equipment	6	4.021.580	4.299.511
Right of use assets	7	287.280	383.451
Investments in subsidiary companies	8	53.331.217	53.331.217
Long-term loans to subsidiary companies	19	29.705.277	27.562.770
Deferred taxation		91.760	91.760
Total non-current assets		<u>87.437.114</u>	<u>85.668.709</u>
Inventories		857.992	845.009
Trade and other receivables		20.989.951	21.380.880
Receivables from subsidiary companies	19	42.321.327	33.209.766
Investments at fair value through profit or loss		6.758	6.758
Derivative financial instruments		2.593.188	-
Cash and cash equivalents	10	553.908	2.648.299
Total current assets		<u>67.323.124</u>	<u>58.090.712</u>
Total assets		<u>154.760.238</u>	<u>143.759.421</u>
Equity			
Share capital	11	25.187.064	25.187.064
Reserves		17.850.424	25.797.129
Total equity		<u>43.037.488</u>	<u>50.984.193</u>
Liabilities			
Long-term loans	12	4.734.487	6.230.046
Obligations under finance leases		176.690	278.808
Deferred taxation		462.236	462.236
Total non-current liabilities		<u>5.373.413</u>	<u>6.971.090</u>
Trade and other payables		27.318.389	22.852.659
Bank overdrafts	12	27.211.697	21.526.226
Short term loans	12	47.609.563	35.838.206
Current portion of long-term loans	12	2.383.398	2.718.412
Obligations under finance leases		135.714	129.378
Promissory notes		1.687.569	1.997.842
Derivative financial instruments		-	738.388
Current tax liabilities		3.007	3.027
Total current liabilities		<u>106.349.337</u>	<u>85.804.138</u>
Total liabilities		<u>111.722.750</u>	<u>92.775.228</u>
Total equity and liabilities		<u>154.760.238</u>	<u>143.759.421</u>

The notes on pages 12 to 59 are an integral part of these consolidated interim financial statements.

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Period ended 30 September 2022****1. UNAUDITED FINANCIAL STATEMENTS**

The interim consolidated financial statements for the nine months ended on 30 September 2022 and 30 September 2021 respectively, have not been audited by the statutory auditors of the Company.

2. OPERATING ENVIRONMENT**Impact of the Russian invasion to Ukraine on the interim financial statements**

At the end of February 2022, Russia commenced its invasion to Ukraine, which in connection with the consequent global sanctions imposed on Russia and other natural and legal persons, have not at this stage directly affected the activities of the Company and the Group. The Company does not maintain a subsidiary, nor any activity, in these countries

The effort of European countries to find alternative solutions in the field of energy is proving to be time consuming and the reduction in availability has led to significant increase in energy costs. The prolonged crisis with the Russian-Ukrainian war further affects the supply chain and creates additional inflationary trends, mainly in the energy and transport sectors, in productions costs and extends to consumer products in general.

The Group is indirectly influenced both by the disturbance of the supply chain and the inflationary trends and the significant increase in the borrowing rates of US Dollars and Euro.

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

Effect of the pandemic

The Coronavirus pandemic (COVID-19) continued during the nine month period of 2022 to negatively affect the supply chain.

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

The turnover increased significantly by 26,3% compared to nine month period of 2021. The growth rate could have been higher, but the impact of the pandemic cannot be accurately determined mainly due to the impact of the supply chain, with production shortages and delays in deliveries.

The Administration expenses include an amount of €102.530 concerning expenditures on prevention and hygiene measures directly related to the Coronavirus pandemic (COVID-19) (nine month period 2021: €209.661).

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

The accounting policies used in the preparation of the interim financial statements are in accordance with those used in the annual financial statements for the year ended 31 December 2021. During the current period, the Group assesses the effect of the new and revised International Financial Reporting Standards (IFRSs) and Interpretations that refer to accounting periods beginning on or after 1 January 2022, on the consolidated financial statements. The new standards and interpretations that are relevant to the Group operations will be adopted in accordance with the relevant IFRSs guidelines.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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

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

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

4. OPERATING SEGMENTS

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

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

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

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

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

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

4. OPERATING SEGMENTS *(continued)*

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

	Revenue		Total non-current assets	
	Period ended 30 September 2022 €	Period ended 30 September 2021 €	30 September 2022 €	31 December 2021 €
Cyprus	83.286.281	73.727.289	148.275.857	142.642.918
Greece	82.162.696	95.414.763	1.233.283	1.397.110
United Arab Emirates	226.723.523	191.028.818	5.767.221	5.171.957
Other foreign countries	<u>459.526.100</u>	<u>313.969.441</u>	<u>5.305.428</u>	<u>3.852.665</u>
	<u>851.698.600</u>	<u>674.140.311</u>	<u>160.581.789</u>	<u>153.064.650</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

4. OPERATING SEGMENTS (continued)

Period ended 30 September 2022	European Markets Distribution Segment €	Middle East Markets Distribution Segment €	All other Segments €	Services Segment €	Transactions between Operating Segments €	Total €
Revenue from sale of products	159.192.778	561.074.122	85.704.615	27.988.816	-	833.960.331
Revenue from rendering of services	-	-	-	17.738.269	-	17.738.269
Revenue from third parties	<u>159.192.778</u>	<u>561.074.122</u>	<u>85.704.615</u>	<u>45.727.085</u>	-	<u>851.698.600</u>
Intersegment revenue	<u>37.563.309</u>	<u>124.587.390</u>	<u>2.493.470</u>	<u>2.443.916</u>	<u>(167.088.085)</u>	-
Other income	3.454.854	4.453.999	48.803	4.107.869	(10.754.985)	1.310.540
Depreciation and amortisation	756.385	884.807	546.289	592.580	-	2.780.061
Personnel costs	6.386.402	12.402.912	2.648.590	3.816.130	-	25.254.034
Travelling expenses	371.109	147.781	29.638	49.865	-	598.393
Provision for doubtful debts	27.703	196.402	1.188.732	2.213	-	1.415.050
Professional fees	807.756	836.228	164.058	283.143	(185.063)	1.906.122
Rent	26.941	230.040	81.948	23.760	-	362.689
Credit insurance	303.887	1.269.982	161.487	76.456	(233.132)	1.578.680
Transportation expenses	387.206	938.303	191.560	4.147	-	1.521.216
Profit from operations	<u>2.891.560</u>	<u>19.215.007</u>	<u>42.521</u>	<u>8.078.330</u>	<u>(4.093.316)</u>	<u>26.134.102</u>
Net foreign exchange loss	(2.347.695)	(493.958)	(4.796.110)	(1.415.834)	6.829.522	(2.224.075)
Interest receivable	171	1.478.093	384.793	37.275	(1.478.093)	422.239
Interest payable and bank charges	<u>(2.671.578)</u>	<u>(3.870.256)</u>	<u>(1.431.283)</u>	<u>(211.275)</u>	<u>2.549.775</u>	<u>(5.634.617)</u>
Net finance income/(expenses)	<u>(5.019.102)</u>	<u>(2.886.121)</u>	<u>(5.842.600)</u>	<u>(1.589.834)</u>	<u>7.901.204</u>	<u>(7.436.453)</u>
Net share of profit from associated companies and joint ventures after tax	-	-	236.691	5.939.088	-	6.175.779
Profit/(loss) before tax	<u>(2.127.542)</u>	<u>16.328.886</u>	<u>(5.563.388)</u>	<u>12.427.584</u>	<u>3.807.888</u>	<u>24.873.428</u>
Tax	<u>(30.487)</u>	<u>(1.459.178)</u>	<u>(56.200)</u>	<u>(600.500)</u>	-	<u>(2.146.365)</u>
Profit/(loss) after tax	<u>(2.158.029)</u>	<u>14.869.708</u>	<u>(5.619.588)</u>	<u>11.827.084</u>	<u>3.807.888</u>	<u>22.727.063</u>
Acquisition of property, plant and equipment	105.039	134.739	204.889	189.756	-	634.423
Acquisition of right-of-use assets	26.667	937.962	576.719	180.910	-	1.722.258
Total assets	318.362.436	388.057.797	96.553.118	162.042.318	(360.656.879)	604.358.790
Total liabilities	258.919.337	253.253.679	103.022.429	60.966.792	(299.002.471)	377.159.766
Net investment assets in associated companies and joint ventures	-	-	555.327	85.484.711	-	86.040.038

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

4. OPERATING SEGMENTS (continued)

Period ended 30 September 2021	European Markets Distribution Segment €	Middle East Markets Distribution Segment €	All other Segments €	Services Segment €	Transactions between operating segments €	Total €
Revenue from sale of products	152.494.776	409.718.108	66.655.228	38.808.342	-	667.676.454
Revenue from rendering of services	-	-	-	6.463.857	-	6.463.857
Revenue from third parties	<u>152.494.776</u>	<u>409.718.108</u>	<u>66.655.228</u>	<u>45.272.199</u>	<u>-</u>	<u>674.140.311</u>
Intersegment revenue	31.596.096	96.854.982	2.718.102	2.379.418	(133.548.598)	-
Other income	3.966.445	3.002.159	57.435	3.025.823	(9.742.933)	308.929
Depreciation and amortisation	844.908	799.708	503.551	576.817	-	2.724.984
Personnel costs	5.755.267	8.894.274	2.048.649	3.829.844	-	20.528.034
Travelling expenses	203.969	49.897	16.853	19.244	-	289.963
Provision for doubtful debts	8.647	220.704	11.770	(806)	-	240.315
Professional fees	999.198	670.541	224.641	265.158	(332.626)	1.826.912
Rent	3.840	157.776	49.282	16.581	-	227.479
Credit insurance	372.207	1.136.489	120.111	74.881	(263.993)	1.439.695
Transportation expenses	347.244	774.060	101.310	2.822	-	1.225.436
Profit from operations	<u>3.828.979</u>	<u>11.732.355</u>	<u>631.272</u>	<u>6.323.141</u>	<u>(1.579.755)</u>	<u>20.935.992</u>
Net foreign exchange loss	(1.251.740)	27.646	(920.826)	(64.108)	1.290.400	(918.628)
Interest receivable	7.546	632.660	376.061	27.941	(632.661)	411.547
Interest payable and bank charges	(2.080.056)	(1.751.220)	(933.046)	(305.077)	1.304.910	(3.764.489)
Net finance income/(expenses)	<u>(3.324.250)</u>	<u>(1.090.914)</u>	<u>(1.477.811)</u>	<u>(341.244)</u>	<u>1.962.649</u>	<u>(4.271.570)</u>
Net share of profit from associated companies and joint ventures after tax	-	-	22.797	2.147.824	-	2.170.621
Profit/(loss) before tax	<u>504.729</u>	<u>10.641.411</u>	<u>(823.742)</u>	<u>8.129.721</u>	<u>382.924</u>	<u>18.835.043</u>
Tax	<u>(427.033)</u>	<u>(510.206)</u>	<u>-</u>	<u>(352.178)</u>	<u>-</u>	<u>(1.724.954)</u>
Profit/(loss) after tax	<u>818.633</u>	<u>8.104.370</u>	<u>(186.047)</u>	<u>1.589.582</u>	<u>1.615.701</u>	<u>17.110.089</u>
Acquisition of property, plant and equipment	595.972	154.079	336.838	259.398	639	1.346.926
Acquisition of right-of-use assets	52.439	275.598	296.447	-	-	624.484
Total assets	301.947.833	243.664.240	87.449.419	147.639.368	(330.333.144)	450.367.716
Total liabilities	244.534.045	144.993.063	88.424.215	53.033.458	(271.861.449)	259.123.332
Net investment assets in associated companies and joint ventures	-	-	538.684	81.353.448	-	81.892.132

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022

5. EARNINGS PER SHARE

THE GROUP

Basic and diluted earnings per share

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

	Period ended 30 September 2022	Period ended 30 September 2021
Earnings attributable to shareholders (€)	<u>22.637.575</u>	<u>17.104.252</u>
Weighted average number of issued shares during the period	<u>74.079.600</u>	<u>74.079.600</u>
Basic earnings per share (cent)	<u>30,56</u>	<u>23,09</u>
Diluted weighted average number of shares	<u>74.079.600</u>	<u>74.079.600</u>
Diluted earnings per share (cent)	<u>30,56</u>	<u>23,09</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

6. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Land and buildings €	Computers €	Furniture and fittings €	Motor vehicles €	Total €
Acquisition cost or revaluation					
Balance at 1 January 2021	19.292.839	7.845.672	3.259.406	1.706.864	32.104.781
Additions for the period	288.158	924.934	180.861	223.201	1.617.154
Disposals and write offs for the year	(197.879)	(515.089)	(61.072)	(62.816)	(836.856)
Exchange differences	367.254	175.851	114.644	54.305	712.054
Balance at 31 December 2021	<u>19.750.372</u>	<u>8.431.368</u>	<u>3.493.839</u>	<u>1.921.554</u>	<u>33.597.133</u>
Balance at 1 January 2022	19.750.372	8.431.368	3.493.839	1.921.554	33.597.133
Additions for the period	136.980	403.030	83.799	47.326	671.135
Disposals and write offs for the period	-	(145.349)	(30.641)	(84.510)	(260.500)
Exchange differences	743.485	378.650	244.926	123.903	1.490.964
Balance at 30 September 2022	<u>20.630.837</u>	<u>9.067.699</u>	<u>3.791.923</u>	<u>2.008.273</u>	<u>35.498.732</u>
Depreciation					
Balance at 1 January 2021	704.374	5.560.576	2.593.027	1.192.919	10.050.896
Charge for the year	395.650	839.589	250.097	186.106	1.671.442
Disposals and write offs for the year	(197.879)	(412.139)	(44.978)	(62.475)	(717.471)
Exchange differences	54.719	155.274	94.160	41.218	345.371
Balance at 31 December 2021	<u>956.864</u>	<u>6.143.300</u>	<u>2.892.306</u>	<u>1.357.768</u>	<u>11.350.238</u>
Balance at 1 January 2022	956.864	6.143.300	2.892.306	1.357.768	11.350.238
Charge for the period	283.069	617.123	151.912	142.838	1.194.942
Disposals and write offs for the period	-	(136.150)	(30.641)	(84.510)	(251.301)
Exchange differences	117.223	328.831	208.391	94.380	748.825
Balance at 30 September 2022	<u>1.357.156</u>	<u>6.953.104</u>	<u>3.221.968</u>	<u>1.510.476</u>	<u>13.042.704</u>
Net book value					
Balance at 30 September 2022	<u>19.273.681</u>	<u>2.114.595</u>	<u>569.955</u>	<u>497.797</u>	<u>22.456.028</u>
Balance at 31 December 2021	<u>18.793.508</u>	<u>2.288.068</u>	<u>601.533</u>	<u>563.786</u>	<u>22.246.895</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

6. PROPERTY, PLANT AND EQUIPMENT (continued)

THE COMPANY	Land and buildings €	Computers €	Furniture and fittings €	Motor vehicles €	Total €
Acquisition cost or revaluation					
Balance at 1 January 2021	3.443.904	2.353.796	303.039	485.982	6.586.721
Additions for the period	5.000	298.563	34.783	98.915	437.261
Disposals and write offs for the year	-	(112.971)	-	(13.000)	(125.971)
Balance at 31 December 2021	<u>3.448.904</u>	<u>2.539.388</u>	<u>337.822</u>	<u>571.897</u>	<u>6.898.011</u>
Balance at 1 January 2022	3.448.904	2.539.388	337.822	571.897	6.898.011
Additions for the period	-	60.644	8.715	47.313	116.672
Disposals and write offs for the period	-	(4.236)	-	-	(4.236)
Balance at 30 September 2022	<u>3.448.904</u>	<u>2.595.796</u>	<u>346.537</u>	<u>619.210</u>	<u>7.010.447</u>
Depreciation					
Balance at 1 January 2021	68.633	1.386.694	210.477	359.367	2.025.171
Charge for the year	142.224	361.046	20.898	76.802	600.970
Disposals and write offs for the year	-	(14.641)	-	(13.000)	(27.641)
Balance at 31 December 2021	<u>210.857</u>	<u>1.733.099</u>	<u>231.375</u>	<u>423.169</u>	<u>2.598.500</u>
Balance at 1 January 2022	210.857	1.733.099	231.375	423.169	2.598.500
Charge for the period	106.810	220.588	15.098	49.756	392.252
Disposals and write offs for the period	-	(1.885)	-	-	(1.885)
Balance at 30 September 2022	<u>317.667</u>	<u>1.951.802</u>	<u>246.473</u>	<u>472.925</u>	<u>2.988.867</u>
Net book value					
Balance at 30 September 2022	<u>3.131.237</u>	<u>643.994</u>	<u>100.064</u>	<u>146.285</u>	<u>4.021.580</u>
Balance at 31 December 2021	<u>3.238.047</u>	<u>806.289</u>	<u>106.447</u>	<u>148.728</u>	<u>4.299.511</u>

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

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

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

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

On land and buildings, borrowing costs of €651.800 as well as professional and legal costs of €873.084 for the design and licensing of the building under construction of Najada Holdings Limited, have been capitalised. During 2022, amounts of €110.603 in relation to borrowing costs and €26.377 in relation to professional and legal costs have been capitalised (2021: borrowing costs €154.965, professional and legal expenses €75.162). The cost of the building under construction is not depreciated.

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

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

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

The subsidiary company Logicom FZE acquired land in the Free Trade Zone Area in Jebel Ali. The land is leased under an operating lease for 10 years from the 1 August 2007 with an option for renewal. During the year, the subsidiary proceeded with the construction of an office building and a warehouse in the land. The annual lease payment is €154,090. The land and buildings were revalued on 31 December 2019 and the revaluation loss amounted to €610,844.

The land and buildings of Logicom Jordan LLC were revalued on 31 December 2019 and the revaluation surplus amounted to €23,978.

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

Land and buildings are classified as Level 3 for the calculation of their fair value, where the valuation technique is performed by independent qualified appraisers using a variety of valuation methods and assumptions based mainly on the market situation at each valuation date, as mentioned in note 14.4.

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

Type of property	Assessment method	Non observable data	Data fluctuation range	30 September 2022 €	31 December 2021 €
Land and buildings	Comparative method	Sale price per sq.m.	€500/sq.m. - €1.700/sq.m.	2.529.237	2.636.047
Land	Comparative method	Sale price per sq.m.	€1.000/sq.m.	602.000	602.000
Land	Comparative method	Sale price per sq.m.	€300/sq.m. - €800/sq.m.	10.225.000	10.225.000
Buildings	Cost price	Capitalised borrowing costs and professional costs		1.524.884	1.327.550
Land and buildings	Comparative method	Sale price per sq.m.	JOD 270/sq.m. - 728/sq.m.	917.704	793.695
Buildings	Comparative method	Transfer price per sq.m.	USD 1.720 (€1.532)/sq.m.	<u>3.470.861</u>	<u>3.121.363</u>

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

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

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022

7. RIGHT-OF-USE ASSETS

THE GROUP

	Right of use land €	Right of use buildings and warehouse €	Right of use motor vehicles €	Total €
Acquisition cost				
Balance at 1 January 2021	1.765.435	5.660.343	545.600	7.971.378
Additions for the period	-	1.007.984	180.130	1.188.114
Write offs for the year	-	(563.210)	(141.985)	(705.195)
Exchange differences	151.208	93.682	3.421	248.311
Balance at 31 December 2021	<u>1.916.643</u>	<u>6.198.799</u>	<u>587.166</u>	<u>8.702.608</u>
Period ended 30 September 2022				
Balance at 1 January 2022	1.916.643	6.198.799	587.166	8.702.608
Additions for the period	-	1.519.481	202.776	1.722.257
Write-offs for the period	-	(911.354)	(47.723)	(959.077)
Exchange differences	310.265	266.272	11.067	587.604
Balance at 30 September 2022	<u>2.226.908</u>	<u>7.073.198</u>	<u>753.286</u>	<u>10.053.392</u>
Depreciation				
Balance at 1 January 2021	176.544	2.350.523	250.778	2.777.845
Charge	91.773	1.441.934	131.981	1.665.688
Write offs for the year	-	(563.210)	(141.903)	(705.113)
Exchange differences	19.179	78.372	(332)	97.219
Balance at 31 December 2021	<u>287.496</u>	<u>3.277.619</u>	<u>240.524</u>	<u>3.805.639</u>
Period ended 30 September 2022				
Balance at 1 January 2022	287.496	3.277.619	240.524	3.805.639
Charge	76.522	1.124.463	128.187	1.329.172
Write-offs for the period	-	(911.206)	(47.723)	(958.929)
Exchange differences	53.527	239.581	3.742	296.850
Balance at 30 September 2022	<u>417.545</u>	<u>3.730.457</u>	<u>324.730</u>	<u>4.472.732</u>
Net book value				
Balance at 30 September 2022	<u>1.809.363</u>	<u>3.342.741</u>	<u>428.556</u>	<u>5.580.660</u>
Balance at 31 December 2021	<u>1.629.147</u>	<u>2.921.180</u>	<u>346.642</u>	<u>4.896.969</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 20227. **RIGHT-OF-USE ASSETS** *(continued)***THE COMPANY**

	Right of use buildings and warehouse €
Acquisition cost	
Balance at 1 January 2021	703.475
Additions for the period	<u>36.986</u>
Balance at 31 December 2021	<u>740.461</u>
Period ended 30 September 2022	
Balance at 1 January 2022	740.461
	<u>-</u>
Balance at 30 September 2022	<u>740.461</u>
Depreciation	
Balance at 1 January 2021	234.486
Charge	<u>122.524</u>
Balance at 31 December 2021	<u>357.010</u>
Period ended 30 September 2022	
Balance at 1 January 2022	357.010
Charge	<u>96.171</u>
Balance at 30 September 2022	<u>453.181</u>
Net book value	
Balance at 30 September 2022	<u>287.280</u>
Balance at 31 December 2021	<u>383.451</u>

The Group and the Company used prior knowledge to determine the lease period. The average borrowing cost applied, at recognition, for Europe is 3,17% for land, warehouse and buildings and 3,5% for motor vehicles and for the Middle East is 5,44% for land, warehouse and buildings and 2,95% for motor vehicle. For new lease contracts, the weighted average cost of borrowing that was in effect at the time of the inception of the contract is applied.

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

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

8. INVESTMENTS IN SUBSIDIARY COMPANIES

The Company has the following investments in subsidiary companies:

Company	Country of incorporation	30 September 2022 Holding %	31 December 2021 Holding %	30 September 2022 €	31 December 2021 €
Logicom (Overseas) Limited	Cyprus	100	100	-	-
Logicom (Middle East) SAL	Lebanon	100	100	-	-
ENET Solutions Logicom S.A.	Greece	100	100	1.205.400	1.205.400
Logicom FZE	United Arab Emirates	100	100	18.693.825	18.693.825
Logicom Trading & Distribution LLC	Qatar	100	100	46.313	46.313
Logicom Jordan LLC	Jordan	100	100	78.372	78.372
Logicom Italia s.r.l.	Italy	100	100	3.569.544	3.569.544
Rehab Technologies Limited	Saudi Arabia	100	100	-	-
Logicom Information Technology Distribution s.r.l.	Romania	100	100	2.200.063	2.200.063
Logicom Bulgaria EOOD	Bulgaria	100	100	-	-
Logicom Services Ltd	Cyprus	100	100	24.010.000	24.010.000
Verendrya Ventures Ltd	Cyprus	60	60	600	600
Logicom Distribution Germany GmbH	Germany	100	100	27.000	27.000
Cadmus Tech Points S.A.L	Lebanon	100	100	-	-
Najada Holdings Limited	Cyprus	100	100	3.500.100	3.500.100
				<u>53.331.217</u>	<u>53.331.217</u>

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

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

The Company owns indirectly, through the subsidiary companies Enet Solutions Logicom S.A. and Logicom FZE, 100% of Logicom IT Distribution Ltd in Turkey with share capital of €8.713.606.

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

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

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

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

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

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

Period ended 30 September 2022

8. INVESTMENTS IN SUBSIDIARY COMPANIES *(continued)*

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

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

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

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

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

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

The Company owns indirectly through its subsidiaries Logicom FZE and Logicom Egypt LLC 100% of Logicom Distribution Egypt LLC in Egypt, with share capital of €107.541.

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

As at 31 December 2021, the Company made an impairment assessment on the value of the investments in subsidiary companies by comparing the net asset value of each investment with the carrying amount as stated in the Company's books. There was no indication for impairment in the value of the investments in subsidiaries, except for Logicom Information Technology Distribution s.r.l and Logicom Italia s.r.l, according to the comparison mentioned above. The value of the investment in Logicom (Middle East) SAL was fully impaired in 2020. The value of the investments in the companies Logicom Information Technology Distribution s.r.l. and Logicom Italia srl were not impaired based on the calculation of the expected future cash flows of these companies for the years 2022-2024 divided by the weighted average cost of capital that was calculated at 6,07%, with growth rate to perpetuity of 2% and based on the fact that the discounted future cash flows exceed the value of these investments. Impairments on the values of the investments are presented in the Statement of Profit or Loss.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

8. INVESTMENTS IN SUBSIDIARY COMPANIES *(continued)*

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

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

9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES

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

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

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

The Group recognizes the above investments using the equity method.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022

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

THE GROUP

	Period ended				
	30 September 2022	31 December 2021			
	€	€			
M.N. Limassol Water Co. Ltd	555.328	151.037			
M.N. E.P.C Water Co.	-	-			
M.N. Larnaca Desalination Co. Ltd	-	-			
Demetra Holdings Plc	<u>85.484.710</u>	<u>79.993.240</u>			
	<u>86.040.038</u>	<u>80.144.277</u>			
			M.N. Larnaca Desalination Co. Ltd	M.N. E.P.C Water Co.	M.N. Limassol Water Co. Ltd
			€	€	€
Balance at 1 January 2022	-	-	151.037	79.993.240	80.144.277
Reclassification of loss/ (profit) from investments in joint ventures after tax	167.200	400			167.600
Share of profit/(loss) from investments in joint ventures after tax	(167.200)	(400)	404.291	-	236.691
Net share of profit from associated companies after tax	-	-	-	5.939.088	5.939.088
Share of loss through other comprehensive income	-	-	-	(447.618)	(447.618)
Share of other transactions with owners	-	-	-	-	-
Balance at 30 September 2022	<u>-</u>	<u>-</u>	<u>555.328</u>	<u>79.545.622</u>	<u>86.040.038</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)*

	M.N. Larnaca Desalination Co. Ltd €	M.N. E.P.C Water Co. €	M.N. Limassol Water Co. Ltd €	Demetra Holdings Plc €	Total €
Balance at 1 January 2021	-	-	349.218	79.073.445	79.422.663
Dividend	-	-	(219.560)	-	(219.560)
Reclassification of loss from investments in joint ventures after tax	243.377	(16.056)			227.321
Share of profit/(loss) from investments in joint ventures after tax	(243.377)	16.056	334.619	-	107.298
Adjustment	-	-	(313.240)	-	(313.240)
Net share of profit from associated companies after tax	-	-	-	1.581.313	1.581.313
Share of loss through other comprehensive income	-	-	-	(214.823)	(214.823)
Share of other transactions with the owners	-	-	-	(446.695)	(446.695)
Balance at 31 December 2021	-	-	<u>151.037</u>	<u>79.993.240</u>	<u>80.144.277</u>

The profit that resulted from M.N. Limassol Water Co. Limited of €404.921 was debited to the amount of investment in Verendrya Ventures Limited in M.N. Limassol Water Co. Limited.

The loss that resulted from M.N. Larnaca Desalination Co. Ltd of €167.200 was credited to the loan granted from Verendrya Ventures Limited to M.N. Larnaca Desalination Co. Ltd.

The loss that resulted from M.N.E.P.C. Water Co. of €400 was credited to the loan granted from Verendrya Ventures Limited to M.N. Limassol Water Co. Limited.

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

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

Regarding the investment in the desalination unit of Larnaca, M.N. Larnaca Desalination Co's Limited management has prepared its financial statements for the year ended 31 December 2021 using estimates, assumptions and evidence that include the legal opinion in relation to the validity of claims in favor and against the company and an opinion from its consultants in respect of the level of compensation that the company is expected to be entitled to. Judgement has also been applied in the allocation of the expected compensation in the financial model of the company between financial and intangible asset. In accordance with the provisions of the paragraph 92 of IAS 37 'Provisions, contingent liabilities and contingent assets' no further information is disclosed in relation to the subject matter on the grounds that it may prejudice the position of the company in a dispute with other parties.

The production of the desalination plants M.N. Limassol Water Co. and M.N. Larnaca Desalination Co. may fluctuate according to the instructions of the Water Development Department.

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

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)*

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

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

<u>Period ended 30 September 2022</u>	M.N. Larnaca			
	Desalination Co. Ltd	M.N. Limassol Water Co. Ltd	M.N. E.P.C Water Co.	Total
Percentage	50%	50%	50%	
Reporting Date	30/09/2022	30/09/2022	30/09/2022	
	€	€	€	€
Non-current assets	16.617.116	28.430.264	-	45.047.380
Cash and cash equivalents	294.482	527.077	-	821.559
Current assets	9.350.350	10.769.416	-	20.119.766
Total assets	26.261.948	39.726.757	-	65.988.705
Current liabilities	(4.002.114)	(4.021.367)	(2.145)	(8.025.626)
Short-term borrowing	(35.242.228)	(3.126.000)	-	(38.368.228)
Long-term loans	-	(31.469.600)	-	(31.469.600)
Total liabilities	(39.244.342)	(38.616.967)	(2.145)	(77.863.454)
Net assets	(12.982.394)	1.109.790	(2.145)	(11.874.749)
Revenue	11.937.162	8.310.782	455	20.248.399
Interest receivable	576.086	1.612.215	(1.254)	2.187.047
Expenses	(12.801.285)	(7.739.551)	-	(20.540.836)
Depreciation and amortisation	(45.425)	(319.001)	-	(364.426)
Interest payable	(938)	(945.842)	-	(946.780)
Tax	-	(110.022)	-	(110.022)
(Loss)/profit	(334.400)	808.581	(799)	473.382
Group's share in net assets	(6.491.197)	554.895	(1.073)	(5.937.375)
Group's share in (loss)/profit	(167.200)	404.291	(400)	236.691

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)*

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

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**9. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES** *(continued)*

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

Reporting date	30/09/2022	31/12/2021
Percentage	29,62%	29,62%
	€	€
Non-current assets	267.172.586	249.158.077
Cash and cash equivalents	967.290	917.223
Current assets	<u>30.499.590</u>	<u>32.552.304</u>
Total assets	<u>298.639.466</u>	<u>282.627.604</u>
Current liabilities	(3.354.337)	(3.700.538)
Short-term borrowing	(1.834.810)	(1.838.302)
Long-term loans	<u>(4.845.626)</u>	<u>(7.023.808)</u>
Total liabilities	<u>(10.034.773)</u>	<u>(12.562.648)</u>
Net assets	<u>288.604.693</u>	<u>270.064.956</u>
Revenue	21.088.213	9.363.002
Interest receivable	161.828	203.697
Expenses	(944.662)	(3.743.939)
Depreciation and amortisation	(48.243)	(64.063)
Interest payable	(184.786)	(359.262)
Tax	<u>(21.411)</u>	<u>(60.770)</u>
Profit	<u>20.050.939</u>	<u>5.338.665</u>
Group's share in net assets	<u>85.484.710</u>	<u>79.993.240</u>
Group's share in profit for the period	<u>5.939.088</u>	<u>1.581.313</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**10. CASH AND CASH EQUIVALENTS****THE GROUP**

	30 September 2022 €	31 December 2021 €
Cash in hand	96.239	60.174
Current accounts with banks	<u>32.740.182</u>	<u>42.624.344</u>
	32.836.421	42.684.518
Expected credit losses	<u>(3.633.432)</u>	<u>(2.168.565)</u>
	<u><u>29.202.989</u></u>	<u><u>40.515.953</u></u>

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

THE COMPANY

	30 September 2022 €	31 December 2021 €
Cash in hand	85.960	50.171
Current accounts with banks	<u>467.948</u>	<u>2.598.128</u>
	<u><u>553.908</u></u>	<u><u>2.648.299</u></u>

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

THE GROUP

	30 September 2022 €	31 December 2021 €
Cash at bank and in hand	29.202.989	40.515.953
Bank overdrafts (Note 12)	<u>(40.439.522)</u>	<u>(41.185.501)</u>
	<u><u>(11.236.533)</u></u>	<u><u>(669.548)</u></u>

THE COMPANY

	30 September 2022 €	31 December 2021 €
Cash at bank and in hand	553.908	2.648.299
Bank overdrafts (Note 12)	<u>(27.211.697)</u>	<u>(21.526.226)</u>
	<u><u>(26.657.789)</u></u>	<u><u>(18.877.927)</u></u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

11. SHARE CAPITAL

	30 September 2022 Number of shares	30 September 2022 €	31 December 2021 Number of shares	31 December 2021 €
Authorised				
Ordinary shares of €0,34 each	<u>100.000.000</u>	<u>34.000.000</u>	<u>100.000.000</u>	<u>34.000.000</u>
Issued and fully paid				
Balance at 1 January	<u>74.079.600</u>	<u>25.187.064</u>	<u>74.079.600</u>	<u>25.187.064</u>
Balance at 31 December 2021	<u>74.079.600</u>	<u>25.187.064</u>	<u>74.079.600</u>	<u>25.187.064</u>

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

12. LOANS AND BANK OVERDRAFTS

THE GROUP

	30 September 2022 €	31 December 2021 €
Long-term loans	12.760.528	15.242.650
Short term loans	119.806.454	72.609.182
Bank overdrafts (Note 10)	<u>40.439.522</u>	<u>41.185.501</u>
	<u>173.006.504</u>	<u>129.037.333</u>

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

THE GROUP

	30 September 2022 €	31 December 2021 €
Within one year	3.405.352	3.733.264
Between two and five years	<u>9.355.176</u>	<u>11.509.386</u>
	<u>12.760.528</u>	<u>15.242.650</u>

THE COMPANY

	30 September 2022 €	31 December 2021 €
Long-term loans	7.117.885	8.948.458
Short term loans	47.609.563	35.838.206
Bank overdrafts (Note 10)	<u>27.211.697</u>	<u>21.526.226</u>
	<u>81.939.145</u>	<u>66.312.890</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

12. LOANS AND BANK OVERDRAFTS *(continued)*

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

THE COMPANY

	30 September 2022	31 December 2021
	€	€
Within one year	2.383.398	2.718.412
Between two and five years	<u>4.734.487</u>	<u>6.230.046</u>
	<u><u>7.117.885</u></u>	<u><u>8.948.458</u></u>

13. FAIR VALUES

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

14. RISK MANAGEMENT

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

14.1 Credit risk

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

The Group entered into an agreement with Atradius Credit Insurance N.V. ('Insurance Company') for the credit insurance that the Group offers to its customers. The issuance of such insurance agreement is considered to be the most appropriate method for hedging against credit risk. The insurance company was evaluated in January 2022 by the rating agency Moody's as A2 with negative prospects. The Group also signed an agreement in March 2020 for additional insurance beyond the credit limits provided by Atradius with Cooper Gay SA (representative of Lloyd's Insurance Company S.A.).

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

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**14. RISK MANAGEMENT** *(continued)**14.1 Credit risk (continued)*

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

THE GROUP

	30 September 2022	31 December 2021
	€	€
Receivables from associated companies and joint ventures	23.561.297	23.354.742
Trade and other receivables	303.666.612	238.307.551
Cash and cash equivalents	<u>29.106.750</u>	<u>40.455.779</u>
	<u>356.334.659</u>	<u>302.118.072</u>

THE COMPANY

	30 September 2022	31 December 2021
	€	€
Long-term loans to subsidiary companies	29.705.277	27.562.770
Trade and other receivables	20.980.616	21.371.541
Cash and cash equivalents	467.948	2.598.128
Balances with subsidiary companies	<u>42.321.327</u>	<u>33.209.766</u>
	<u>93.475.168</u>	<u>84.742.205</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**14. RISK MANAGEMENT** (continued)*14.1 Credit risk (continued)*

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

Period ended 30 September 2022	Europe €	Middle East €	Total €
Cash and cash equivalents	15.365.388	13.741.362	29.106.750
Receivables from joint ventures	23.561.297	-	23.561.297
Trade and other receivables	97.109.170	206.557.442	303.666.612
Contract asset	<u>4.909.552</u>	<u>-</u>	<u>4.909.552</u>
	<u>140.945.407</u>	<u>220.298.804</u>	<u>361.244.211</u>
31 December 2021	Europe €	Middle East €	Total €
Cash and cash equivalents	17.190.327	23.265.452	40.455.779
Receivables from joint ventures	23.354.742	-	23.354.742
Trade and other receivables	97.897.491	133.807.008	231.704.499
Contract asset	<u>6.603.052</u>	<u>-</u>	<u>6.603.052</u>
	<u>145.045.612</u>	<u>157.072.460</u>	<u>302.118.072</u>

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

THE GROUP

	30 September 2022 €	31 December 2021 €
Europe	79.068.978	87.967.930
Middle East	<u>205.177.318</u>	<u>139.747.222</u>
	<u>284.246.296</u>	<u>227.715.152</u>

THE COMPANY

	30 September 2022 €	31 December 2021 €
Europe	10.209.828	11.956.814
Middle East	-	-
	<u>10.209.828</u>	<u>11.956.814</u>

In accordance with the above analysis 28% of the Group's trade receivables (2021: 39%) originates from Europe. 72% (2021: 61%) of the Group's trade receivables originates from the Middle East.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

14. RISK MANAGEMENT (continued)

14.1 Credit risk (continued)

The ageing of the remaining trade receivables is as follows:

THE GROUP

	30 September 2022	31 December 2021
	€	€
0 until 90 days	270.497.513	218.740.502
91 until 180 days	11.123.440	4.852.611
more than 180 days	2.625.343	4.122.039
	<u>284.246.296</u>	<u>227.715.152</u>

THE COMPANY

	30 September 2022	31 December 2021
	€	€
0 until 90 days	10.018.197	11.289.468
91 until 180 days	114.397	110.433
more than 180 days	77.234	556.913
	<u>10.209.828</u>	<u>11.956.814</u>

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

THE COMPANY

	30 September 2022	31 December 2021
	€	€
0 until 180 days	42.321.327	33.209.766
more than 180 days	29.705.277	27.562.770
	<u>72.026.604</u>	<u>60.772.536</u>

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

THE GROUP

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
Trade receivables	240.018	240.315
Cash and cash equivalents	1.175.033	-
	<u>1.415.051</u>	<u>240.315</u>

THE COMPANY

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
Trade receivables	-	7.640
	<u>-</u>	<u>7.640</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

14. RISK MANAGEMENT (continued)

14.1 Credit risk (continued)

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

The provision for doubtful debts is analysed as follows:

THE GROUP

	Trade receivables €	Loans receivable from joint ventures €	Total €
Balance at 1 January 2021	2.973.480	433.816	3.407.296
Expected credit losses	(125.159)	908	(124.251)
Provision for doubtful debts	191.907	-	191.907
Exchange differences	178.281	-	178.281
	<u>2.973.480</u>	<u>433.816</u>	<u>3.407.296</u>
Balance at 1 January 2022	3.218.509	434.724	3.653.233
Expected credit losses	238.856	1.162	240.018
Provision for doubtful debts	-	-	-
Exchange differences	344.687	-	344.687
	<u>3.218.509</u>	<u>434.724</u>	<u>3.653.233</u>
Balance at 30 September 2022	<u>3.802.052</u>	<u>435.886</u>	<u>4.237.938</u>

THE COMPANY

	Trade receivables €	Long-term loans with subsidiary companies €	Receivables from subsidiary companies €	Total €
Balance at 1 January 2021	115.869	1.953.335	226.343	2.295.547
Expected credit losses	7.196	41.699	(56.771)	(7.876)
	<u>115.869</u>	<u>1.953.335</u>	<u>226.343</u>	<u>2.295.547</u>
Balance at 1 January 2022	123.065	1.995.034	169.572	2.287.671
Expected credit losses	-	-	-	-
	<u>123.065</u>	<u>1.995.034</u>	<u>169.572</u>	<u>2.287.671</u>
Balance at 30 September 2022	<u>123.065</u>	<u>1.995.034</u>	<u>169.572</u>	<u>2.287.671</u>

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

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

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

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

14. RISK MANAGEMENT (continued)

14.1 Credit risk (continued)

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

The total expected credit losses are presented below:

	THE GROUP		THE COMPANY	
	Period ended 30 September 2022	31 December 2021	Period ended 30 September 2022	31 December 2021
	€	€	€	€
Specific provision for bad debts	3.173.978	2.527.683	115.208	115.208
Expected credit losses	<u>628.074</u>	<u>690.826</u>	<u>7.857</u>	<u>7.857</u>
	<u>3.802.052</u>	<u>3.218.509</u>	<u>123.065</u>	<u>123.065</u>

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

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

THE GROUP

	Weighted-aver age loss rate 30/09/2022 %	Gross carrying amount 30/09/2022 €	Impairment loss allowance 30/09/2022 €	Weighted-aver age loss rate 31/12/2021 %	Gross carrying amount 31/12/2021 €	Impairment loss allowance 31/12/2021 €
Balances not impaired	0,0370	169.312.859	62.646	0,0301	200.133.408	60.205
1 to 90 days	0,3103	104.358.632	323.825	0,3915	25.225.776	98.764
91 to 180 days	0,8846	11.123.440	98.398	6,3086	1.268.828	80.046
More than 180 days	<u>4,4017</u>	<u>3.253.417</u>	<u>143.205</u>	<u>14,6090</u>	<u>3.092.678</u>	<u>451.810</u>
		<u>288.048.348</u>	<u>628.074</u>		<u>229.720.690</u>	<u>690.825</u>

THE COMPANY

	Weighted-aver age loss rate 30/09/2022 %	Gross carrying amount 30/09/2022 €	Impairment loss allowance 30/09/2022 €	Weighted-aver age loss rate 31/12/2021 %	Gross carrying amount 31/12/2021 €	Impairment loss allowance 31/12/2021 €
Balances not impaired	0,0169	6.538.982	1.105	0,0437	11.031.268	4.816
1 to 90 days	0,1373	3.479.216	4.777	0,2700	1.061.839	2.884
91 to 180 days	1,2423	114.397	1.421	-	(42.325)	-
More than 180 days	<u>0,7175</u>	<u>77.234</u>	<u>554</u>	<u>0,5400</u>	<u>29.097</u>	<u>157</u>
		<u>10.209.829</u>	<u>7.857</u>		<u>12.079.879</u>	<u>7.857</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

14. RISK MANAGEMENT *(continued)*

14.2 Market risk

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

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

14.2.1 Interest rate risk

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

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

14.2.2 Foreign exchange risk

This risk arises from adverse movements in foreign exchange rates.

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

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

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

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

Hedging of net investment in foreign operation

The Group applies hedge accounting to decrease foreign exchange risk.

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Period ended 30 September 2022****14. RISK MANAGEMENT** *(continued)**14.2 Market risk (continued)*

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

On 30 September 2022 the amounts that were hedged were, USD 60.000.000 of net investment in the above foreign companies and USD 60.000.000 of bank borrowings.

14.2.3 Other market price risks

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

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

14. RISK MANAGEMENT (continued)14.3 Liquidity risk

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

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

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

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

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

THE GROUP**Liquidity Risk**

	Balance	Cash outflows arising from contractual liabilities				
		6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	€	€	€	€	€	€
<u>30 September 2022</u>						
Long-term loans	12.760.528	1.861.725	1.543.623	3.094.810	4.742.107	1.518.263
Short term loans	119.806.454	119.806.454	-	-	-	-
Trade and other payables	191.508.848	179.459.470	-	-	-	12.049.378
Bank overdrafts	40.439.522	40.439.522	-	-	-	-
Provision for other liabilities	93.801	93.801	-	-	-	-
Promissory notes	1.687.569	1.687.569	-	-	-	-
Obligation under finance leases	5.818.278	831.328	540.324	1.116.232	1.463.856	1.866.538
	<u>372.115.000</u>	<u>344.179.869</u>	<u>2.083.947</u>	<u>4.211.042</u>	<u>6.205.963</u>	<u>15.434.179</u>
<u>31 December 2021</u>						
Long-term loans	15.242.650	1.865.478	1.867.785	3.229.258	6.439.496	1.840.633
Short term loans	72.609.182	72.609.182	-	-	-	-
Trade and other payables	174.497.080	162.633.317	-	17.115	4.507	11.842.141
Bank overdrafts	41.185.501	41.185.501	-	-	-	-
Provision for other liabilities	93.801	93.801	-	-	-	-
Promissory notes	1.997.842	1.997.842	-	-	-	-
Obligations under finance leases	4.988.753	550.267	607.393	903.820	1.224.208	1.703.065
	<u>310.614.809</u>	<u>280.935.388</u>	<u>2.475.178</u>	<u>4.150.193</u>	<u>7.668.211</u>	<u>15.385.839</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

14. RISK MANAGEMENT (continued)

14.3 Liquidity risk (continued)

THE COMPANY

Liquidity Risk

	Balance	Cash outflows arising from contractual liabilities				
		6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	€	€	€	€	€	€
<u>30 September 2022</u>						
Long-term loans	7.117.885	1.351.877	1.031.517	2.063.034	2.671.457	-
Short term loans	47.609.563	47.609.563	-	-	-	-
Trade and other payables	27.318.388	27.318.388	-	-	-	-
Bank overdrafts	27.211.697	27.211.697	-	-	-	-
Promissory notes	1.687.569	1.687.569	-	-	-	-
Obligations under finance leases	312.404	66.939	68.775	141.287	35.403	-
	<u>111.257.506</u>	<u>105.246.033</u>	<u>1.100.292</u>	<u>2.204.321</u>	<u>2.706.860</u>	<u>-</u>
<u>31 December 2021</u>						
Long-term loans	8.948.458	1.359.208	1.359.204	2.204.890	4.025.156	-
Short term loans	35.838.206	35.838.206	-	-	-	-
Trade and other payables	22.852.659	22.852.659	-	-	-	-
Bank overdrafts	21.526.226	21.526.226	-	-	-	-
Promissory notes	1.997.842	1.997.842	-	-	-	-
Obligations under finance leases	408.186	63.956	65.422	137.556	141.252	-
	<u>91.571.577</u>	<u>83.638.097</u>	<u>1.424.626</u>	<u>2.342.446</u>	<u>4.166.408</u>	<u>-</u>

14.4 Fair Value

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

Assets and liabilities in amortised cost:

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**14. RISK MANAGEMENT** *(continued)**14.4 Fair Value (continued)***THE GROUP**

	30 September 2022 €	31 December 2021 €
Trade and other receivables	330.775.658	266.021.905
Cash and cash equivalents	29.202.989	40.515.953
Long-term loans	(12.760.528)	(15.242.650)
Short term loans	(119.806.454)	(72.609.182)
Bank overdrafts	(40.439.522)	(41.185.501)
Provision for other liabilities	(93.801)	(93.801)
Trade and other payables	(191.508.848)	(174.497.080)
Promissory notes	(1.687.569)	(1.997.842)
	<u>(6.318.075)</u>	<u>911.802</u>

THE COMPANY

	30 September 2022 €	31 December 2021 €
Long-term loans to subsidiary companies	29.705.277	27.562.770
Balances with subsidiary companies	42.321.327	33.209.766
Trade and other receivables	20.989.951	21.380.880
Cash and cash equivalents	553.908	2.648.299
Long-term loans	(7.117.885)	(8.948.458)
Short term loans	(47.609.563)	(35.838.206)
Bank overdrafts	(27.211.697)	(21.526.226)
Trade and other payables	(27.318.389)	(22.852.659)
Promissory notes	(1.687.569)	(1.997.842)
	<u>(17.374.640)</u>	<u>(6.361.676)</u>

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

Assets and liabilities in fair value:

THE GROUP

	30 September 2022 €	31 December 2021 €
Investments at fair value through profit and loss	14.943	14.943
Investments at fair value through other comprehensive income	12.658.787	11.725.167
Land and buildings	19.273.681	18.793.508
Derivative financial instruments	3.127.974	(421.946)
	<u>35.075.385</u>	<u>30.111.672</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**14. RISK MANAGEMENT** *(continued)**14.4 Fair Value (continued)***THE COMPANY**

	30 September 2022	31 December 2021
	€	€
Investments at fair value through profit and loss	6.758	6.758
Land and buildings	3.131.237	3.261.782
Derivative financial instruments	<u>2.593.188</u>	<u>(738.388)</u>
	<u>5.731.183</u>	<u>2.530.152</u>

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

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

THE GROUP

30 September 2022	Level 1	Level 2	Level 3	Total
	€	€	€	€
Financial assets and liabilities				
Investments at fair value through profit and loss	14.943	-	-	14.943
Investments at fair value through other comprehensive income	12.658.787	-	-	12.658.787
Land and buildings	-	-	19.273.681	19.273.681
Derivative financial instruments	<u>-</u>	<u>3.127.974</u>	<u>-</u>	<u>3.127.974</u>
Total	<u>12.673.730</u>	<u>3.127.974</u>	<u>19.273.681</u>	<u>35.075.385</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**14. RISK MANAGEMENT** *(continued)**14.4 Fair Value (continued)*

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

During the nine month period of 2022, as well as in 2021 there were no transfers between the two levels mentioned above.

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

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

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

THE COMPANY

30 September 2022	Level 1	Level 2	Level 3	Total
	€	€	€	€
Financial assets and liabilities				
Investments at fair value through profit and loss	6.758	-	-	6.758
Land and buildings	-	-	3.131.237	3.131.237
Derivative financial instruments	-	2.593.188	-	2.593.188
Total	<u>6.758</u>	<u>2.593.188</u>	<u>3.131.237</u>	<u>5.731.183</u>
31 December 2021	Level 1	Level 2	Level 3	Total
	€	€	€	€
Financial assets and liabilities				
Investments at fair value through profit and loss	6.758	-	-	6.758
Land and buildings	-	-	3.261.782	3.261.782
Derivative financial instruments	-	(738.388)	-	(738.388)
Total	<u>6.758</u>	<u>(738.388)</u>	<u>3.261.782</u>	<u>2.530.152</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**14. RISK MANAGEMENT** (continued)**14.5 Capital Management**

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

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

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

The gearing ratio is as follows:

	THE GROUP		THE COMPANY	
	Period ended 30 September 2022 €	31 December 2021 €	Period ended 30 September 2022 €	31 December 2021 €
Total borrowings	174.694.073	131.035.175	81.939.145	68.310.732
Less: Cash and cash equivalents (Note 10)	<u>(29.202.989)</u>	<u>(40.515.953)</u>	<u>(553.908)</u>	<u>(2.648.299)</u>
Net debt	145.491.084	90.519.222	81.385.237	65.662.433
Total equity	<u>227.199.024</u>	<u>198.832.381</u>	<u>43.037.488</u>	<u>50.984.193</u>
Gearing ratio	<u>0,64</u>	<u>0,46</u>	<u>1,89</u>	<u>1,29</u>

15. DIRECTORS' INTEREST

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

	30/09/2022	02/12/2022
	Fully paid Shares %	Fully paid Shares %
Varnavas Irinarchos ¹	51,55	51,55
Takis Klerides ²	0,55	0,55
George Papaioannou ³	1,09	1,09
Anthoulis Papachristoforou	0,76	0,76
Anastasios Athanasiades	0,07	0,07
Andreas Constantinides	-	-
Christoforos Hadjikyprianou	-	-
Neoclis Nicolaou	-	-

- The indirect ownership of Mr. Varnavas Irinarchos on 2 December 2022 of 51,55% arises from the participation of the company Edcrane Ltd.
- The direct ownership of Mr. Takis Klerides on 2 December 2022 is 0,28% and the indirect ownership, which arises from the participation of his daughter Mrs. Pamela Klerides, is 0,27%.
- The direct ownership of Mr. George Papaioannou on 2 December 2022 is 1,0813% and the indirect ownership, which arises from the participation of his sons Mr. Christos Papaioannou is 0,0034% and Mr. Alexandros Papaioannou is 0,0034%.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

16. SHAREHOLDERS' INTEREST

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

	30/09/2022	02/12/2022
	%	%
Varnavas Irinarchos ¹	51,55	51,55
Demetra Holdings Plc	10,28	10,28

1. The indirect ownership of Mr. Varnavas Irinarchos on 2 December 2022 arises through the company Edcrane Ltd. The ultimate parent company of the Group is Takero Limited which holds 100% of Edcrane's Ltd shares.

17. DIRECTORS' CONTRACTS

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

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

Employment contract as Managing Director of the Company for two years from 1 January 2005, with annual salary (13 months) of €93.973 which will be increasing at a proportion equal to the annual rate of inflation, as determined by the annual index on 31 January each year or at a rate equal to 4% over his last salary, whichever is higher. For 2021 the annual salary of the Managing Director was €151.200. The Company will also pay annually (12 months) for entertainment expenses an amount of €25.629, that will be increasing in every following annual period at a proportion equal to the rate of inflation, as determined by the annual index on 31 January each year or at a rate equal to 4%, whichever is higher. For 2021 the allowance for entertainment expenses amounted to €25.000.

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

The contract was renewed for one year from 1 January 2022, with an annual salary (13 months) of €150.000. The Company will also pay annually (12 months), for entertainment expenses the amount of €25.000.

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

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

In 2021 the annual salary of Mr. Anthoulis Papachristoforou amounted to €197.000, plus bonus of €50.000 and the allowance for entertainment expenses amounted to €24.000. The remuneration of Mr. Anthoulis Papachristoforou for 2022 will be the same as 2021. The Company provides to the Director an appropriate vehicle and covers all related expenses.

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Period ended 30 September 2022****18. CONTINGENCIES AND LITIGATIONS**

The most important guarantees are as follows:

- (1) The Company has provided a bank guarantee of up to USD 4.000.000 (€4.103.406) to a foreign supplier for providing a trading credit facility. This guarantee is valid from 08 June 2021 until 18 August 2022. The guarantee was increased on 09 February 2022 for an amount up to USD 4.400.000 (€4.513.746). This guarantee was renewed until 18 August 2023.
- (2) The Company has provided a second bank guarantee of up to USD 400.000 (€410.341) to a second foreign supplier for providing a trading credit facility. This guarantee is valid from 18 August 2021 until 18 August 2022. This guarantee was renewed until 18 August 2023.
- (3) The Company has provided a third bank guarantee of up to EUR 1.500.000 to a third foreign supplier for providing a trading credit facility. This guarantee is valid from 11 August 2021 until 11 August 2022. This guarantee was reduced to EUR 1.200.000 and renewed until 11 August 2023.
- (4) The Company has provided a fourth bank guarantee of up to EUR450.000 to a fourth foreign supplier for providing a trading facility. This guarantee is valid from 11 August 2021 until 11 August 2022. This guarantee was renewed until 11 August 2023.
- (5) The Company has provided a fifth bank guarantee of up to USD 800.000 (€820.681) to a fifth supplier for providing a trading facility. This guarantee is valid from 15 April 2022 until 15 April 2023.
- (6) The Company has provided a sixth bank guarantee of up to USD 3.000.00 (€3.077.554) to a sixth foreign supplier for providing a trading facility. This guarantee is valid from 15 April 2022 until 15 April 2023.
- (7) The Company has provided a seventh bank guarantee of up to USD 300.000 (€307.755) to a seventh foreign supplier for providing a trading facility. This guarantee is valid from 25 April 2021 until 15 April 2022. This guarantee was not renewed.
- (8) The Company has provided an eighth guarantee of up to USD 150.000 (€153.878) to an eighth foreign supplier for providing a trading facility. The guarantee is valid from 25 April 2021 until 15 April 2022. This guarantee was renewed until 15 April 2023.
- (9) Companies of the Group have provided bank guarantees in order to participate to government projects and private sector projects.
- (10) Verendrya Ventures Ltd committed not to request repayment of the loan receivable from M.N. Larnaca Desalination Co. Ltd for the following 12 months or until it becomes possible without affecting the company's ability to continue to operate as a going concern.
- (11) The Company committed to provide financial and other assistance to Verendrya Ventures Ltd, to the extent of its participation in the company, which will enable it to continue its activities and meets its obligation as they fall due. As part of the financial assistance provided, the Company has also committed not to claim repayment of the amounts due from Verendrya Ventures Ltd, until the company has the necessary liquidity.

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Period ended 30 September 2022****18. CONTINGENCIES AND LITIGATIONS** *(continued)*

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

In October 2020 the General Secretariat of Tax Affairs ('GSTC') asked the company to resubmit its position in writing, which the company did. The General Secretariat of Tax Affairs ('GSTC') should have submitted its assessment, however, the company has not receive any response on the matter.

As there was a tax amnesty, to avoid fines and other charges, the Company paid the corporate tax on 31 March 2021 in protest. At the moment the company considers that it is possible to recover the amount and for this reason did not recognise any provision. In May 2021, The General Secretariat of Tax Affairs ("GSTC") issued a decision in favor of the company, accepting most of its positions. Both the company and the General Authority of Zakat and Tax have appealed but a date has not yet been set by the appeals committee of the tax authorities. At this time the company considers that it is possible to recover the amount and for this reason did not proceed with a forecast.

The company has submitted the Zakat and Income tax forms up to 2021 and is expecting the assessment of the local authorities.

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

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**Period ended 30 September 2022**19. RELATED PARTY TRANSACTIONS**

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

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

i. Transactions and balances between Group Companies

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

Administration services

	Period ended 30 September 2022 €	Period ended 30 September 2021 €
Logicom Solutions Limited	441.045	163.744
Newcytech Business Solutions Ltd	245.536	191.792
ENET Solutions Logicom S.A.	366.948	510.235
Logicom Saudi Arabia LLC	862.267	818.230
Logicom FZE	1.420.048	1.565.300
ICT Logicom Solutions SA	24.611	36.727
Logicom Information Technology Distribution s.r.l.	266.058	313.682
Logicom Italia s.r.l.	117.083	130.706
Logicom Jordan LLC	<u>142.856</u>	<u>185.119</u>
	<u><u>3.886.452</u></u>	<u><u>3.915.535</u></u>

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

Interest

	Period ended 30 September 2022 €	Period ended 30 September 2021 €
Logicom Saudi Arabia LLC	317.598	91.390
Logicom Information Technology Distribution s.r.l.	448.950	265.000
Logicom Italia s.r.l.	83.450	67.800
Logicom Jordan LLC	-	19.017
	<u><u>849.998</u></u>	<u><u>443.207</u></u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**19. RELATED PARTY TRANSACTIONS** *(continued)*

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

Sales

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
Logicom Solutions Limited	1.946.895	4.136.841
Newcytech Business Solutions Ltd	4.184.268	3.455.935
ENET Solutions Logicom S.A.	14.537.262	10.922.761
Logicom Jordan LLC	3.769.675	1.787.834
Logicom (Middle East) SAL	28.561	3.924
Logicom FZE	3.456	74.679
Logicom Italia s.r.l.	10.970	12.631
Logicom Information Technology Distribution s.r.l.	4.802.541	5.119.436
Logicom Saudi Arabia LLC	603	2.616
Logicom Distribution Egypt LLC	47.743	-
ICT Logicom Solutions SA	-	11.005
Elogicomnet Morocco Distribution SARL	(9.093)	60.352

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 2022	31 December 2021
	€	€
ENET Solutions Logicom S.A.	2.628.232	2.262.052
Logicom (Middle East) SAL	4.899.774	4.217.111
Logicom FZE	3.041.239	2.617.517
Logicom Jordan LLC	3.135.105	2.698.305
Verendrya Ventures Ltd	<u>17.995.961</u>	<u>17.762.819</u>
	31.700.311	29.557.804
Expected credit losses	<u>(1.995.034)</u>	<u>(1.995.034)</u>
	<u><u>29.705.277</u></u>	<u><u>27.562.770</u></u>

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

The long term loan with the subsidiary company Verendrya Ventures Limited, relates to a contract for the financing of the operations of the desalination units in Larnaca and Episkopi. The loan bears an annual interest of 1,75% (2021: 1,75%) and has no fixed repayment date.

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

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**19. RELATED PARTY TRANSACTIONS** *(continued)***Balances with subsidiary companies**

	Nature of transactions	30 September 2022	31 December 2021
		€	€
		Debit/ (Credit)	Debit/ (Credit)
Logicom (Overseas) Limited	Other	(366.411)	(282.218)
Netcom Limited	Other	129.356	128.054
Logicom Solutions Limited	Trading	1.952.492	(822.127)
Logicom Services Ltd	Financing	26.380.219	27.354.222
ENET Solutions Logicom S.A.	Trading	4.164.477	4.189.025
Newcytech Business Solutions Ltd	Trading	617.289	345.024
ICT Logicom Solutions SA	Other	(92.435)	(117.046)
Logicom Jordan LLC	Trading	(1.191.621)	(2.089.668)
Logicom (Middle East) SAL	Trading/Financing	(574.486)	(585.293)
Logicom FZE	Trading/Financing	(38.608.255)	(18.997.267)
Logicom Italia s.r.l.	Trading/Financing	3.934.843	4.868.957
Logicom Saudi Arabia LLC	Trading/Financing	18.251.701	628.129
Logicom Information Technology Distribution s.r.l.	Trading	24.241.252	17.245.467
Logicom Trading & Distribution LLC	Trading	-	-
Logicom Distribution Germany GmbH	Other	(515.751)	(620.332)
Najada Holdings Limited	Financing	2.283.721	1.827.655
Logicom Egypt LLC	Other	54.019	-
Verendrya Ventures Ltd	Financing	252.864	243.259
Elogicomnet Morocco Distribution SARL	Financing	1.577.625	63.496
		42.490.899	33.379.337
Expected credit losses		(169.572)	(169.572)
		<u>42.321.327</u>	<u>33.209.765</u>

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

Balances with joint ventures

	30 September 2022	31 December 2021
	€	€
	Debit/ (Credit)	Debit/ (Credit)
M.N. E.P.C Water Co.	(350)	(350)
M.N. Larnaca Desalination Co. Ltd	37.414	(18.357)
M.N. Limassol Water Co. Ltd	32.777	(16.204)
	<u>69.841</u>	<u>(34.911)</u>

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**Period ended 30 September 2022**19. RELATED PARTY TRANSACTIONS (continued)**

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

Sales

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
Logicom Public Limited	5.660	13.984
Logicom Jordan LLC	1.020.305	1.191.699
Logicom (Middle East) SAL	76.906	255.588
Logicom Dubai LLC	76.694.374	62.892.096
Logicom Saudi Arabia LLC	3.959.767	6.545.806
Logicom Kuwait for Computer Company W.L.L	12.143.211	5.980.536
Logicom Trading & Distribution LLC	13.863.010	6.360.624
Logicom LLC	13.687.163	10.162.010
Logicom Bahrain W.L.L	2.710.531	2.179.839
ENET Solutions Logicom S.A.	-	3.387
Logicom Distribution Egypt LLC	15.452	-
Logicom Information Technology Distribution s.r.l.	-	1.721
	<u> -</u>	<u> 1.721</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**19. RELATED PARTY TRANSACTIONS** *(continued)*

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

Administration services

	Period ended 30 September 2022 €	Period ended 30 September 2021 €
Logicom Public Limited	1.263.840	597.963
Logicom Dubai LLC	1.423.530	991.026
Logicom Kuwait for Computer Company W.L.L	633.983	514.653
Logicom Trading & Distribution LLC	769.942	572.622
Logicom LLC	260.987	219.247
Elogicomnet Morocco Distribution SARL	40.188	-
Logicom Saudi Arabia LLC	-	14.341
	<u>4.392.470</u>	<u>2.909.852</u>

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

Interest

	Period ended 30 September 2022 €	Period ended 30 September 2021 €
Logicom Dubai LLC	542.732	237.891
Logicom Kuwait for Computer Company W.L.L	252.127	150.679
Logicom LLC	164.136	92.858
Logicom Trading & Distribution LLC	244.546	75.052
Logicom Saudi Arabia LLC	19.154	47.251
Elogicomnet Morocco Distribution SARL	203.913	-
Logicom Jordan LLC	51.483	28.930
	<u>1.478.091</u>	<u>632.661</u>

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

Sales

	Period ended 30 September 2022 €	Period ended 30 September 2021 €
Logicom FZE	-	124.193

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**19. RELATED PARTY TRANSACTIONS** *(continued)*

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

Sales

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
Logicom Public Limited	5.634.067	4.681.592
ICT Logicom Solutions SA	29.627	9.260
Logicom Information Technology Distribution s.r.l.	821.575	445.850
Logicom LLC	-	163.142
Logicom Solutions Limited	1.769	56.327
Logicom Italia s.r.l.	35.297	67.049
Logicom FZE	<u>563.116</u>	<u>-</u>

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

Sales

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
Logicom Public Limited	28.373	25.475
Newcytech Business Solutions Ltd	590.200	96.283
ICT Logicom Solutions SA	<u>1.449.427</u>	<u>1.863.655</u>

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

Sales

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
ENET Solutions Logicom S.A.	220.496	61.253
Logicom Italia s.r.l.	2.260.275	2.532.540
Logicom Public Limited	<u>-</u>	<u>115</u>

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

Sales

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
Logicom Public Limited	3.619	2.685
Logicom FZE	<u>228.924</u>	<u>360.085</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**19. RELATED PARTY TRANSACTIONS** *(continued)*

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

Sales

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
Logicom Public Limited	9.003	79.165
Logicom Solutions Limited	286.549	194.472
Newcytech Distribution Ltd	<u>58.985</u>	<u>82.836</u>

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

Sales

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
Logicom Solutions Limited	<u>21.379</u>	<u>37.533</u>

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

Sales

	Period ended 30 September 2022	Period ended 30 September 2021
	€	€
Logicom Italia s.r.l.	<u>178.046</u>	<u>115.719</u>

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSPeriod ended 30 September 2022**19. RELATED PARTY TRANSACTIONS** *(continued)*

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

Balances with related companies

	Nature of transactions	Period ended 30 September 2022 €	31 December 2021 €
		Debit/ (Credit)	Debit/ (Credit)
Logicom (Overseas) Limited	Other	366.411	282.218
Netcom Limited	Other	(129.356)	(128.054)
Logicom Solutions Limited	Trading	(1.952.492)	822.127
Logicom Services Ltd	Financing	(26.380.219)	(27.354.222)
Newcytech Business Solutions Ltd	Trading	(617.289)	(345.024)
ENET Solutions Logicom S.A.	Trading/Financing	(6.792.709)	(6.451.077)
ICT Logicom Solutions SA	Other	92.435	117.046
Logicom Jordan LLC	Trading	(1.943.484)	(608.637)
Logicom (Middle East) SAL	Trading/Financing	(4.325.289)	(3.631.818)
Logicom FZE	Trading/Financing	35.567.015	16.379.750
Logicom Italia s.r.l.	Trading/Financing	(3.934.843)	(4.868.957)
Logicom Saudi Arabia LLC	Trading/Financing	(18.251.701)	(628.129)
Logicom Information Technology Distribution s.r.l.	Trading	(24.241.252)	(17.245.467)
Logicom Trading & Distribution LLC	Trading	-	-
Logicom Distribution Germany GmbH	Other	515.751	620.332
Najada Holdings Limited	Financing	(2.283.721)	(1.827.655)
Logicom Egypt LLC	Other	(54.019)	-
Verendrya Ventures Ltd	Financing	(18.248.825)	(18.006.078)
Elogicomnet Morocco Distribution SARL	Financing	<u>(1.577.625)</u>	<u>(63.496)</u>

ii. Transactions and balances between related parties

There were no significant transactions and balances with related parties, including the Directors, during the period ended 30 September 2022.

LOGICOM PUBLIC LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period ended 30 September 2022

20. BALANCES WITH ASSOCIATED COMPANIES AND JOINT VENTURES

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

The balances with joint ventures are as follows:

Balances with joint ventures

	Period ended 30 September 2022	31 December 2021
	€	€
M.N Larnaca Desalination Co. Limited	10.032.722	10.199.922
M.N. Limassol Water Co. Limited	<u>13.964.461</u>	<u>13.589.544</u>
	<u>23.997.183</u>	<u>23.789.466</u>
Expected credit losses	<u>(435.886)</u>	<u>(434.724)</u>
	<u>23.561.297</u>	<u>23.354.742</u>

The amounts receivable from joint ventures are presented after the deduction of the accumulated impairments and loss in addition to the value of the investment. The net value of the balances as at 30 September 2022 is considered recoverable based on the expected discounted future cash flows from these companies. For the calculation of the expected future cash flows of the M.N. Larnaca Desalination Co. Ltd estimates, assumptions, judgements and evidence which include the legal opinion in relation to the validity of claims in favor and against the company and an opinion from its consultants in respect of the level of compensation that the company is expected to be entitled to, have been made. The Group considers that there was no evidence for impairment of the amount receivable from joint venture M.N. Limassol Water Co..

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

Interest receivable for the nine month period of 2022 amounts to €375.316 (nine month period of 2021: €375.316).

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

The balances with associated companies were as follows:

Balances with associated companies

	Period ended 30 September 2022	31 December 2021
	€	€
	Credit	Credit
Demetra Holdings Plc	<u>11.997.569</u>	<u>11.842.141</u>

The long term loan of the subsidiary company Verendrya Ventures Limited, with Demetra Holdings Plc, relates to the financing of the desalination projects in Larnaca and Limassol. The loan bears an interest rate of 1,75% (2021: 1,75%) per annum and does not have a specified repayment date.

LOGICOM PUBLIC LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Period ended 30 September 2022****21. EVENTS AFTER THE REPORTING PERIOD**

Demetra Holdings Plc recognises with the equity method the results of Hellenic Bank Public Ltd in which it owns 21,33% of the share capital. On 14th November 2022, Hellenic Bank put into effect, until 25th November 2022, a Voluntary Early Exit Scheme aiming to reduce the number of employees.

As announced by Hellenic Bank, upon completion of the Voluntary Early Exit Scheme, approximately 450 employees were approved to participate in the scheme, with an expected total cost to the Bank of approximately €70 million. The scheme cost is expected to adversely affect Hellenic Bank's financial results for the quarter ending 31 December 2022. Consequently, the final results of the Group are expected to be negatively affected through the equity method recognition of the results of Demetra Holdings Plc. The extent of the impact on the results of the year cannot be accurately assessed.

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