

INTERIM FINANCIAL STATEMENTS FOR THE FIRST SIX MONTHS OF 2022

Vassiliko Cement Works Public Company Ltd announces that the Board of Directors of the Company at its meeting held on 28 July 2022 has approved the Consolidated Interim Financial Statements of the Company for the first six months of 2022, a copy of which is attached herewith.

Please note that an extract of the Consolidated Interim Financial Statements for the first six months of 2022 will be published in the local press; hard copies will not be mailed to the shareholders.

Copies of the Consolidated Interim Financial Statements for the first six months of 2022 are available to the shareholders and the investors, at the Registered Offices of the Company, at 1A Kyriakos Matsis Avenue, "Koupadi" Building, 4th Floor, 1082 Nicosia and on the Company's webpage www.vassiliko.com

Attachment:

1. **Report and Consolidated Interim Financial Statements - First Half of 2022**

Regulated

Publication Date: 29/07/2022



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report and Consolidated Interim Financial Statements
Six months ended 30 June 2022



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report and Consolidated Interim Financial Statements Six months ended 30 June 2022

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VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report for the Six Months Ended 30 June 2022

On July 28th 2022, the Board of Directors of Vassiliko Cement Works Public Company Ltd approved the financial results of the Group for the first half of the year that ended 30 June 2022.

Financial results

Revenues for the first half of 2022 reached €60.675.000 compared to €50.386.000 for the respective period of 2021. Revenues increased as a result of higher export sales and improved pricing, in response to the increase of electricity, fuels and other production costs.

The price increases though were not adequate to cover the continuing increases of energy costs which continued increasing to unprecedented levels. Rising inflationary pressure and devaluation of euro against the US dollar are impacting the cost structure of the Company even further.

Following the above, the profit for the period reached €5.392.000 compared to €8.783.000 for the same period of 2021.

Transactions with related parties

The transactions with related parties for the first half of 2022 are presented on note 4 of the consolidated interim financial statements.

Main risks and uncertainties

The main risks and uncertainties faced by the Group are presented on note 5 of the Consolidated Interim Financial Statements.

Prospects for the year

Energy and fuel costs continue to increase rapidly and are expected to increase production costs as well as price levels even further. The war between Russia and Ukraine keeps putting pressure on economic and global financial markets causing disruptions in supply chains as well as limiting the fuels and materials availability, impacting consumer confidence and increasing uncertainty over estimates both in costs as well as in sales for the second half.

VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Six months ended 30 June 2022

	Six months ended 30 June	
	2022 €000	2021 €000
Revenue	60.675	50.386
Cost of sales	(50.658)	(36.157)
Gross profit	10.017	14.229
Other operating income	713	753
Distribution expenses	(2.479)	(2.313)
Administrative expenses	(1.863)	(1.815)
Other operating expenses	(695)	(1.044)
Operating profit before financing costs	5.693	9.810
Financial income	127	39
Financial expenses	(173)	(146)
Net financial expenses	(46)	(107)
Profit from investing activities	352	-
Share of profit from equity-accounted investees	276	405
Profit before tax	6.275	10.108
Taxation expense	(883)	(1.325)
Profit for the financial period	5.392	8.783
Other comprehensive (loss)/income		
Revaluation gain / (loss) on financial assets at fair value through other comprehensive income	(14)	3
Other comprehensive (loss)/income for the period	(14)	3
Total comprehensive income for the period	5.378	8.786
Profit attributable to:		
Equity holders of the parent	5.392	8.783
Non-controlling interest	-	-
	5.392	8.783
Total comprehensive income attributable to:		
Equity holders of the parent	5.378	8.786
Non-controlling interest	-	-
	5.378	8.786
Basic and diluted earnings per share (cents)	7,5	12,2



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Financial Position

30 June 2022

	30 June 2022	31 December 2021
	€000	€000
ASSETS		
Property, plant and equipment	219.593	221.837
Intangible assets	12.332	12.332
Investment property	5.533	5.533
Rights of use assets	1.524	1.583
Investment in equity-accounted investee	1.857	1.625
Financial assets at fair value through other comprehensive income	217	232
Total non-current assets	241.056	243.142
Inventories	51.766	42.078
Trade and other receivables	10.265	6.885
Total current assets	62.031	48.963
Total assets	303.087	292.105
EQUITY AND LIABILITIES		
Equity and reserves		
Share capital	30.933	30.932
Reserves	212.679	216.654
Total equity attributable to equity holders of the parent	243.612	247.586
Non-controlling interest	-	-
Total equity	243.612	247.586
LIABILITIES		
Interest-bearing loans and borrowings	11.657	3.801
Lease liabilities	1.507	1.542
Deferred taxation	23.410	23.910
Total non-current liabilities	36.574	29.253
Bank overdraft	3.269	6.149
Interest bearing-loan and borrowings	6.249	959
Lease liabilities	115	115
Trade and other payables	10.593	6.868
Provisions for liabilities and charges	300	300
Income tax payable	2.375	875
Total current liabilities	22.901	15.266
Total liabilities	59.475	44.519
Total equity and liabilities	303.087	292.105


VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD
Consolidated Statement of Changes in Equity
Six months ended 30 June 2022

	Share Capital	Share premium reserve	Revaluation reserve	Fair value reserve	Retained profits	Equity attributable to holders of parent	Non-controlling interest	Total equity
	€000	€000	€000	€000	€000	€000	€000	€000
Six months ended 30 June 2022								
Balance 1 January 2022	30.932	45.388	34.160	(399)	137.505	247.586	-	247.586
Profit for the period	-	-	-	-	5.392	5.392	-	5.392
Other comprehensive loss for the period	-	-	-	(14)	-	(14)	-	(14)
Total comprehensive income for the period	-	-	-	(14)	5.392	5.378	-	5.378
Dividends	-	-	-	-	(9.352)	(9.352)	-	(9.352)
Balance 30 June 2022	30.932	45.388	34.160	(413)	133.545	243.612	-	243.612
Six months ended 30 June 2021								
Balance 1 January 2021	30.932	45.388	35.503	(413)	135.655	247.065	-	247.065
Profit for the period	-	-	-	-	8.783	8.783	-	8.783
Other comprehensive income for the period	-	-	-	3	-	3	-	3
Total comprehensive income for the period	-	-	-	3	8.783	8.786	-	8.786
Dividends	-	-	-	-	(10.790)	(10.790)	-	(10.790)
Balance 30 June 2021	30.932	45.388	35.503	(410)	133.648	245.061	-	245.061



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Cash Flows Six months ended 30 June 2022

	Six months ended 30 June	
	2022 €000	2021 €000
Cash flows from operating activities		
Profit for the period	5.392	8.783
Adjustments for:		
Depreciation and amortisation charges	7.205	7.049
Unrealised exchange profit	(127)	(39)
Dividends income	(5)	-
Interest expense	173	146
Share of profit of equity-accounted investees	(276)	(405)
Loss on sale of property, plant and equipment	74	75
Taxation expense	1.032	1.325
Operating profit before changes in working capital	13.468	16.934
Changes in:		
Trade and other receivables	(3.033)	(1.032)
Inventories	(9.688)	(7.787)
Trade and other payables	3.318	(655)
Cash generated from operations	4.065	7.460
Interest paid	(173)	(127)
Taxes paid	-	(13)
<i>Net cash inflow from operating activities</i>	3.892	7.320
Cash outflows to investing activities		
Proceeds from sale of property, plant and equipment	-	3
Dividends received	105	220
Acquisition of property, plant and equipment	(4.977)	(4.925)
<i>Net cash used in investing activities</i>	(4.872)	(4.702)
Cash flows from financing activities		
Proceeds from new loans raised	13.719	-
Repayment of loans	(573)	(4.417)
Repayment of leases	(61)	(57)
Dividends paid	(9.352)	(10.790)
<i>Net cash inflows/(outflows) from/(to) financing activities</i>	3.733	(15.264)
<i>Effect of exchange rate fluctuations on cash held</i>	127	-
Net increase/(decrease) of cash and cash equivalents	2.880	(12.646)
Cash and cash equivalents at 1 January	(6.149)	13.782
Cash and cash equivalents at 30 June	(3.269)	1.136

Notes to the Consolidated Interim Financial Statements

1. The interim financial statements relate to the period from 1 January to 30 June 2022, are not audited by the Company's auditors and were approved by the Board of Directors on 28 July 2022.
2. The interim financial statements comply with the International Accounting Standard 34 "Interim Financial Statements".
3. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements. The interim financial statements are expressed in thousands of Euro.

4. Transactions with related companies

The Company entered into various transactions with associated and related companies. These transactions include the rendering of technical, administrative, commercial and other services to the Group as well as the purchase and sale of raw materials, spare parts and other goods and services at mutually agreed prices. During the period, the transactions with the above were as follows:

	Sales		Purchases	
	30 June		30 June	
	2022	2021	2022	2021
	€000	€000	€000	€000
Hellenic Mining Group	-	-	81	74
HeidelbergCement Group	3.989	-	13	-
KEO Plc	-	-	3	2
Cyprus Cement Group	-	-	60	60
Enerco - Energy Recovery Ltd	483	835	856	866
	4.472	835	1.013	1.002

5. Main risks and uncertainties

The uncertain economic conditions, the increased regulatory conditions imposed by the EU ETS, energy prices and exchange rates, could affect:

- (1) the Group's income and operating costs,
- (2) the ability of the Group's trade and other debtors to repay the amounts due to the Group, and
- (3) the cash flow forecasts of the Group and the assessment of impairment of other financial and non financial assets.

The uncertainty regarding the course of developments in the markets does not allow a safe prediction for the remaining of the current year, which may affect negatively the future financial performance, cash flows and financial position of the Group. Considering the above uncertainties the Group's Management is taking measures to limit exposure to certain risks and mitigate any possible negative consequences.

Other risks and uncertainties faced by the Group are detailed in note 34 of the Annual Report and Financial Statements for 2021.

 **VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD**

Statement of the members of the Board of Directors and other responsible persons of the Company for the interim financial statements

In accordance with Article 10 of the Transparency Requirements (Securities for Trading on Regulated Market) Law 190(I)/2007 ("Law"), we the members of the Board of Directors, General Manager and the Chief Financial Officer of Vassiliko Cement Works Public Company Ltd, confirm that to the best of our knowledge:

- (a) The interim financial statements for the period from 1 January 2022 to 30 June 2022 that are presented on pages 1 to 6:
 - i. were prepared in accordance with the International Financial Reporting Standards and in accordance with the provisions of Article 10 (4) of the Law, and
 - ii. give a true and fair view of the assets and liabilities, the financial position and the profits of Vassiliko Cement Works Public Company Ltd and the businesses that are included in the consolidated financial statements as a total, and
- (b) the interim report gives a fair review of the information required under Article 10 (6) of the Law.

Members of the Board of Directors

Antonios Antoniou - Executive Chairman

George Galatariotis

Costas Galatariotis

Stavros Galatariotis

Costas Koutsos

Charalambos Panayiotou

Maurizio Mansi Montenegro

Antonios Mikellides

Stelios Anastasiades

Hakan Gürdal

Mihail Polendakov



Company Officials

George Savva

General Manager

Melina Kyriakou

Chief Financial Officer

28 July 2022