

Half-Yearly Financial Report 2022

Half-Yearly Financial Report 2022

Attachments:

1. **PND - Announcement - 6months Financial Report 2022**
2. **PND - 6months Financial Report 2022**

Regulated

Publication Date: 03/10/2022

PANDORA INVESTMENTS PUBLIC LTD



ANNOUNCEMENT FOR CYPRUS STOCK EXCHANGE **DATED 3.10.2022**

The Company's Board of Directors at a meeting on 30/9/2022 approved the unaudited consolidated results for the first six months of the year 2022, which are herewith attached.

It has been further decided to publicize the account of the results in "Alithia" newspaper on 4/10/2022.

The full report of the said results will be available to the public at the offices of the Company, 111 Ap. Pavlou Avenue, Kato Paphos, Paphos, without any financial burden and at the website of the Company www.pandora.com.cy.

Stavros Leptos
Secretary

PANDORA INVESTMENTS PUBLIC LIMITED

Unaudited interim condensed consolidated financial statements for the six months ended 30 June 2022

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Important note

The attached statements are the interim un-audited financial statements. For fuller understanding we strongly recommend to refer to the financial statements found in the web site of the Company and its announcement to the Cyprus Stock Exchange. The language of the financial statement is Greek. This report is a translation.

PANDORA INVESTMENTS PUBLIC LIMITED

Interim management report

The six-month results have been prepared in accordance with the provisions of IAS 34 and were approved by the Board of Directors on 30 September 2022. The results have not been audited by the external auditors.

The six-month comprehensive income results and the economic indications of the reported period of 2022 and the corresponding amounts for period of 2021 are set out below.

The Group uses the the European Securities and Markets Authority (ESMA) Guidelines on Alternative Performance Measures (APMs) in order to provide users with a better understanding of its performance. ESMA aims to provide to the users a better understanding and appreciation of the financial and operating results, the financial position and cash flow statement. The following APMs should be read in combination with the reported results which have been prepared in accordance with the IFRS and in no circumstances replaced them.

Assets: The detail statement of the assets is presented in pages 6-7 of the interim condensed financial statements.

Equity and reserves (net asset value) that is attributed to the shareholders of the Group: The net asset value of the Group this being the total equity (after the share of the minority interest), amounts to €271 million (2021: €263 million) for total issued shares , note 9 (page 17) corresponds to 63.86 cents per share (2021: 61.98 cents) (net asset value/by the number of the issued shares). The nominal value is 17 cents per share (2021: 17 cents).

The profit from operations (operating profit), amounted to €11.405.474 in relation to profit of €7.778.527 (that included a loss from revaluation of shares of €492.558 (2001: €488.930)) in the corresponding last year period.

The profit before interest, taxes, depreciation, amortization and gains from revaluation of investment properties and financial assets (EBITDA) of the Group recorded an increase of 48% for the period, amounting to €11.190.034 (2021: €7.548.374). The above-mentioned EBITDA exclude fair value gain from investment properties, amounting to €492.558 (2021: €488.930). the reconciliation with the relevant accounts/amounts in the financial statements is as follows:

EBITDA reconciliation		Page/note	30 Ιουτίου 2022	30 Ιουτίου 2021
			€	€
Operating profit		Page. 5	11.405.474	7.778.527
Plus (minus)				
Fair value gain from investment properties		Page. 17 (Note. 10)	(492.558)	(488.930)
Depreciation		Page. 17 (Note. 10)	277.118	258.777
EBITDA			11.190.034	7.548.374

The cash (note 12) and restricted cash (note 13) amount to €70.3 million (2021: €82.95million), out of which €3.9 million (2021: €9.95 million) relate to 50% of the cash of an associate company in which the Group holds 50% of its equity.

PANDORA INVESTMENTS PUBLIC LIMITED

Interim management report (continued)

The recognised sales/revenue of the Group amounted to €40.4 million (2021: 33.8 million) (note 7), recording an increase of €6.6 million (20%) in relation to the corresponding period last year. The difference relates to an increase in the sales of property that have been completed during 2022 €6.5 million. It should be noted that sales of property are recognized on the basis of “final completion and delivery”.

The net profit of the Group amounted to €8.496.447, in relation with the net profit of €4.844.014 of the first six months of 2021, including the impact of minority interest amounting to €824.228 (2021: €78.009). The difference of €3.652.433 relates mainly to the following increases/decreases; increase in gross profit by €1.792.646, increase in other losses by €1.287.688, increase in the loss from the revaluation of shares by €155.149, increase in selling distribution and administrative expenses by €679.775, increase in share of profit in associated companies and joint ventures by €3.818.134, increase in profit from revaluation of investment properties by €3.628, increase in finance cost by €176.669, decrease in the finance cost from lease obligations by €42.366, and a decrease in tax charge by €4.640. The share of non-controlling interest increased by €746.219.

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. There have been no changes in risk management department or in any risk management policies since the year end. Further details are set out in note 5. During the period the Group proceeded with repayment of bank loans of € 3.7 million.

As determined by the IAS 24 “Related Party Disclosures” parties are considered related if one party has the ability to control the other party or exercise significant influence over the financial or operational decisions of the other party. Further details are set out in note 18.

It must be noted that the interim condensed consolidated financial statements do not include all financial risk management information and disclosures as required in the annual financial statements for the purposes of the “risk management” and “related party transactions”; they should be read in conjunction with the group's annual financial statements as at 31 December 2021.

The current economic conditions in Cyprus and internationally as a result of the Covid-19 and the war in Ukraine could adversely affect the Group in terms of (1) the cash flow forecasts of the Management (2) the ability of trade and other receivables to repay the amounts due, (3) the Group's ability to have a satisfactory turnover, (4) the impairment assessment of financial and non-financial assets, and (5) the fair values of investment properties.

The Management at this stage cannot accurately assess the impact (1) on the turnover, (2) on the net realizable value of inventories, (3) on the fair value of investment properties, and (4) on the impairment of financial and non-financial assets.

The Management will continue to closely monitor the situation and assess additional measures as a backup plan in the event that the disruption period is extended. Within the second half of 2022 is expected the recognition of the profit from the delivery / recognition of the remaining part of Phase B of the sales for the Del Mar project in Limassol (share of profit from associated companies and joint ventures (note 11) of the company that the Group owns 50% of its share capital.

PANDORA INVESTMENTS PUBLIC LIMITED

Interim management report (continued)

The Group announced that on the 21st of September 2022 (note 19) the Agreement with the Bank of Cyprus ("Bank") in September 2019 (as subsequently amended) has been completed, whereby, amongst other rights and obligations, allowed the Group to proceed to the immediate and full repayment of the Convertible Bonds (note 14) through (i) the undertaking of a new long-term loan of €10 million by the Group from the Bank and (ii) the transfer to the Bank of the ownership of four plots of land in the outskirts to the project Neapolis Smart Eco City ("Project") that were classified as investment property (note 10), with allowable building coefficient approximate to 27% of the total allowable building coefficient of the whole Project ("Agreement"). The financial impact of the Agreement on the Group cannot be determined at present. The Management considers this a non-adjusting event.

The Board of Directors and the Management of the Group estimate that under the current conditions and taking into consideration the complexity of the Group operations, its exposure in the overseas markets, as well the uncertainties in the real estate market, the expected results of the second six months may present fluctuations whose prediction may be difficult to be estimated.

PANDORA INVESTMENTS PUBLIC LIMITED

Declaration of members of the Board of Directors and responsible officials of the Company for the preparation of financial statements


In accordance with Article 10 of the Transparency Requirements Law of 2007 (the 'Law'), we the members of the Board of Directors and the responsible officers for the condensed consolidated financial statements of Pandora Investments Public Limited in relation to the six months ended 30 June 2022 we confirm that to the best of our knowledge:

- (a) The interim condensed financial statements:
- (i) have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union and in accordance with the provisions of article 10, section (4) of the Law, and
 - (ii) give true and fair view of the assets and liabilities, the financial position and the profit or loss of the Group and the businesses that are included in the interim condensed consolidated financial statements as a total and,
- (b) The interim management report of the Board of Directors provides fair review of the information required by the Article 10, section (6) of the Law.

Members of the Board of Directors

Name and surname	Signature
George M. Leptos, Managing Director	
Pantelis M. Leptos, Deputy Managing Director	
Christos Constantinides, Executive Director	
Petros Michaelides, Non Executive Director	
Charalambos Hadjipanayiotou, Non Executive Director	
Stelios Sivitanides, Non Executive Director	
Costas Petrides, Non Executive Director	
Anna Papantoniou, Non Executive Director	
Savvas Michael, Non Executive Director	

Responsible for the preparation of the consolidated financial statements

Name and Surname	Position	Signature
Michalis Spyrou	Chief Finance Officer	

Paphos
30 September 2022

PANDORA INVESTMENTS PUBLIC LIMITED

Interim condensed consolidated statement of comprehensive income for the six months ended 30 June 2022

	Note	30 June 2022 €	30 June 2021 €
Revenue	7	40.426.115	33.849.691
Cost of sales		(20.370.441)	(15.566.663)
Gross profit		20.055.674	18.283.028
Other losses		(1.457.294)	(169.606)
Share of profit of associates and joint ventures	11	4.753.980	935.845
Fair value gain from investment properties	10	492.558	488.930
		23.844.918	19.538.196
Selling, marketing and administrative expenses		(12.439.444)	(11.759.669)
Operating profit		11.405.474	7.778.527
Finance cost from lease obligations		(392.537)	(434.903)
Finance costs		(2.247.898)	(2.071.229)
Profit before tax		8.765.039	5.272.395
Income tax charge	8	(-)	(4.640)
Net profit for the period		8.765.039	5.267.755
Other comprehensive income			
Loss from sale of Available for sale financial assets recognised at fair value through other comprehensive income	5.4	(268.592)	(423.741)
Total profit for the period		8.496.447	4.844.014
Attributable to:			
Equity holders of the Company		7.672.219	4.766.005
Non-controlling interest		824.228	78.009
Net profit for the period		8.496.447	4.844.014
		Cents	Cents
Basic and fully diluted profit per share	9	1,808	1,123

The notes on pages 10 to 25 form an integral part of these interim condensed consolidated financial statements.

PANDORA INVESTMENTS PUBLIC LIMITED

Interim condensed consolidated balance sheet as at 30 June 2022

	Note	30 June 2022 €	31 December 2021 €
Assets			
Non-current assets			
Property, plant and equipment	10	2.555.591	2.361.867
Right-of-use assets	10	4.770.729	5.080.188
Investment property	10	379.402.645	378.890.929
Investments in associates and joint ventures	11	33.472.242	28.718.262
Financial assets at fair value through other comprehensive income	5.3	8.779.260	9.047.852
Other assets		16.185.927	15.022.617
Trade and other receivables		250.786	689.022
Restricted cash	13	5.579.244	13.631.703
		450.996.424	453.442.440
Current assets			
Inventories		206.006.659	207.937.343
Trade and other receivables		17.304.547	19.893.429
Other assets		2.817.543	3.830.278
Financial assets at fair value through profit and loss		3.470	3.470
Restricted cash	13	14.593.956	14.263.315
Cash and cash equivalents	12	46.154.408	45.284.751
		286.880.583	291.212.586
Total assets		737.877.007	744.655.026
Equity and liabilities			
Equity and reserves			
Share capital		72.153.985	72.153.985
Share premium		21.149.101	21.149.101
Other reserves		(6.410.477)	(6.141.885)
Retained earnings		183.880.799	175.939.968
		270.773.388	263.101.169
Non-controlling interest		4.411.420	3.587.192
Total equity		275.184.808	266.688.361

The notes on pages 10 to 25 form an integral part of these interim condensed consolidated financial statements.

PANDORA INVESTMENTS PUBLIC LIMITED

Interim condensed consolidated balance sheet as at 30 June 2022 (continued)

	Note	30 June 2022 €	31 December 2021 €
Liabilities			
Non-current liabilities			
Borrowings	14	78.012.392	83.514.897
Convertible bonds	14	58.500.000	117.000.000
Lease Liabilities		11.738.097	11.459.035
Deferred income tax liabilities		40.466.704	40.466.704
Contract liabilities		104.692.881	99.980.958
Contingent liability	16	3.051.651	2.991.815
Trade and other payables	15	17.850.976	13.545.445
		<u>314.312.701</u>	<u>368.958.854</u>
Current liabilities			
Trade and other payables	15	41.998.015	29.256.378
Contract liabilities		18.407.642	53.979.159
Current income tax liabilities		368.061	368.947
Borrowings		27.157.019	23.555.925
Convertible bonds	14	58.500.000	-
Lease Liabilities	14	1.948.761	1.847.402
		<u>148.379.498</u>	<u>109.007.811</u>
Total liabilities		<u>462.692.199</u>	<u>477.966.665</u>
Total equity and liabilities		<u>737.877.007</u>	<u>744.655.026</u>

The notes on pages 10 to 25 form an integral part of these interim condensed consolidated financial statements.

PANDORA INVESTMENTS PUBLIC LIMITED

Interim condensed consolidated statement of changes in equity for the six months ended 30 June 2022

Attributable to the equity holders of the Company

	Share capital €	Share premium ⁽²⁾ €	Other reserves ⁽²⁾ €	Reserve of Joint Control ³ €	Retained earnings ⁽¹⁾ €	Non-controlling interest €	Total Equity €
At 1 January 2021	72.153.985	21.149.101	1.791.542	(7.658.150)	159.595.775	3.573.888	250.606.141
Loss from sale of Fair value loss on financial assets at fair value through other comprehensive income	-	-	(423.741)	-	-	-	(423.741)
Net gain for the six- month period	-	-	-	-	5.189.746	78.009	5.267.755
At 30 June 2021	72.153.985	21.149.101	1.367.101	(7.658.150)	164.785.521	3.651.894	255.450.155
At 1 January 2022	72.153.985	21.149.101	1.516.265	(7.658.150)	175.939.968	3.587.192	266.688.361
Loss from sale of Fair value loss on financial assets at fair value through other comprehensive income	-	-	(268.592)	-	-	-	(268.592)
Net gain for the six- month period	-	-	-	-	7.940.811	824.228	8.765.039
At 30 June 2022	72.153.985	21.149.101	1.247.673	(7.658.150)	183.880.779	4.411.420	275.184.808

(1) Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, by the end of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents. Special contribution for defence rate increased to 17% in respect of profits of year of assessment 2009 and to 20% in respect of profits of years of assessment 2010, 2011 and decreased to 17% for profits of years of assessment from 2012 onwards. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits refer by the end of two years from the end of the year of assessment to which the profits refer. This special contribution for defence is paid by the Company for the account of the shareholders.

(2) The share premium reserve is not available for distribution in the form of dividend.

The notes on pages 10 to 25 form an integral part of these interim condensed consolidated financial statements.

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Interim condensed consolidated statement of cash flows for the six months ended 30 June 2022

	Note	30 June 2022 €	30 June 2021 €
Cash flows from operating activities			
Profit before tax		8.765.039	5.272.395
Adjustments for depreciation, interest, revaluations, provisions, etc.		2.734.454	2.142.497
Profit from operating activities before changes in working capital		11.499.493	7.414.892
Reduction in working capital		8.293.037	6.401.151
Receipts from investors participation in subsidiary	15	8.347.060	11.200.000
Contract liabilities received		(30.859.594)	(15.795.839)
Decrease in restricted cash	13	7.721.818	6.704.837
Cash from operating activities		5.001.814	15.925.041
Taxation paid		(886)	-
Net cash from operating activities		5.000.928	15.925.041
Cash flows used in investing activities			
Purchase of property, plant and equipment and investment property	10	(470.842)	(232.224)
Net cash used in investing activities		(470.842)	(232.224)
Cash flows used in financing activities			
Repayment of bank borrowings		(3.583.101)	(1.191.613)
Proceeds from bank borrowings		-	5.800.000
Repayment of third-party borrowings		(-)	(8.590.303)
Interest paid		(161.429)	(794.564)
Net cash used in financing activities		(3.744.530)	(4.776.480)
Net increase in cash and cash equivalents		785.556	10.916.337
Cash and cash equivalents and bank Overdrafts at the beginning of the period	12	30.546.735	14.802.071
Cash and cash equivalents and bank Overdrafts at the end of the period	12	31.332.291	25.718.408

The notes on pages 10 to 25 form an integral part of these interim condensed consolidated financial statements.

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Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2022

1 General information

The main activities of Pandora Investment Public Limited (the “Company”) and its subsidiaries collectively (the “Group”), which are unchanged from last year are:

- (a) the development and sale of immovable property,
- (b) investments in securities,
- (c) application for development of a plot of land in accordance with the policy of unified developments of large and mixed used urban projects, and
- (d) healthcare and educational services.

The operations of the Group are mainly located in Cyprus, while some operations are located abroad.

The Company is a public limited company incorporated in Cyprus. The Company is listed in the Cyprus Stock Exchange.

The interim condensed consolidated financial statements of the Group for the period ended 30 June 2022 and the consolidated financial statements for the year ended 31 December 2021 are available on request from the Company’s registered office at 111 Apostolou Pavlou Avenue, Paphos, Cyprus.

The interim condensed consolidated financial statements which have not been audited by the external auditors of the Company were approved for issue by the Board of Directors on 30 September 2022.

Going concern

The interim condensed consolidated financial statements of the Group for the period ended 30 June 2022 have been prepared on a going concern basis. In assessing the Group's ability to continue operating as a going concern, the Board of Directors took into account the uncertainty arising from the Coronavirus COVID-19 pandemic as well as the war in Ukraine and its possible consequences. Having assessed the possible impacts of COVID-19 and the war in Ukraine on the Group's future cash flow, the Board of Directors concluded that the interim condensed consolidated financial information of the Group for the six-month period ended 30 June 2022 has been appropriately drawn up on a going concern basis.

Operating environment of the Group

As at 30 June 2022 there were no significant developments in relation to the operating environment of the Group as disclosed in the consolidated financial statements of the Group for the year ended 31 December 2021 except for the impact of COVID-19 and the war in Ukraine.

PANDORA INVESTMENTS PUBLIC LIMITED

1 General information (continued)

Operating environment of the Group (continued)

The current economic conditions in Cyprus and internationally as a result of the Covid-19 outbreak and the war in Ukraine could adversely affect the Group in terms of (1) the cash flow forecasts of the Management (2) the ability of trade and other receivables to repay the amounts due, (3) the Group's ability to have a satisfactory turnover and allocates existing inventories or / and to offer its services to customers, (4) the impairment assessment of financial and non-financial assets, and (5) the fair values of investment properties.

The Management at this stage cannot accurately assess the impact (1) on the turnover, (2) on the net realizable value of inventories, (3) on the fair value of investment properties, and (4) on the impairment of financial and non-financial assets. The Management will continue to closely monitor the situation and assess additional measures as a backup plan in the event that the disruption period is extended.

2 Basis of preparation

The interim condensed consolidated financial statements for the six-month period ended 30 June 2022, have been prepared in accordance with the International Accounting Standard 34 "Interim financial statements" as adopted by the European Union (EU). The interim condensed consolidated financial statements must be read in conjunction with the consolidated financial statements for the year ended 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the requirements of the Cyprus Companies Law, Cap. 113.

3 Accounting policies

All accounting policies that have been used in preparing these interim condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2021, except as stated below.

Adoption of new and revised IFRS

The Group adopted all new and revised IFRSs as adopted by the EU that are relevant to its operations and are effective for accounting periods beginning on 1 January 2022. This adoption did not have a material effect on the accounting policies of the Group except for:

PANDORA INVESTMENTS PUBLIC LIMITED

3 Accounting policies (continued)

- *Proceeds before intended use, Onerous contracts – cost of fulfilling a contract, Reference to the Conceptual Framework – narrow scope amendments to IAS 16, IAS 37 and IFRS 3, and Annual Improvements to IFRSs 2018-2020 – amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41* (issued on 14 May 2020 and effective for annual periods beginning on or after 1 January 2022). The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use. The proceeds from selling such items, together with the costs of producing them, are now recognised in profit or loss. An entity will use IAS 2 to measure the cost of those items. Cost will not include depreciation of the asset being tested because it is not ready for its intended use. The amendment to IAS 16 also clarifies that an entity is ‘testing whether the asset is functioning properly’ when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. An asset might therefore be capable of operating as intended by management and subject to depreciation before it has achieved the level of operating performance expected by management.
- The amendment to IAS 37 clarifies the meaning of ‘costs to fulfil a contract’. The amendment explains that the direct cost of fulfilling a contract comprises the incremental costs of fulfilling that contract; and an allocation of other costs that relate directly to fulfilling. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.
- IFRS 3 was amended to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. Prior to the amendment, IFRS 3 referred to the 2001 Conceptual Framework for Financial Reporting. In addition, a new exception in IFRS 3 was added for liabilities and contingent liabilities. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37 or IFRIC 21, rather than the 2018 Conceptual Framework. Without this new exception, an entity would have recognised some liabilities in a business combination that it would not recognise under IAS 37. Therefore, immediately after the acquisition, the entity would have had to derecognise such liabilities and recognise a gain that did not depict an economic gain. It was also clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.
- The amendment to IFRS 9 addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

Illustrative Example 13 that accompanies IFRS 16 was amended to remove the illustration of payments from the lessor relating to leasehold improvements. The reason for the amendment is to remove any potential confusion about the treatment of lease incentives.

PANDORA INVESTMENTS PUBLIC LIMITED

Taxation

Taxation for interim periods is calculated using the tax rate applicable to the expected income for the year.

4 Estimates and judgements

As at 30 June 2022 there are no significant developments or changes in relation to the estimates and judgements used for the preparation of the consolidated financial statements for the year ended 31 December 2021.

5 Financial risk management and financial instruments

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the group's annual financial statements as at 31 December 2021. There have been no changes in risk management department or in any risk management policies since the year end.

5.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

5.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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5 Financial risk management and financial instruments (continued)

5.3 Fair value estimation (continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June 2022.

	Level 1 €	Level 3 €	Total €
Assets			
Financial assets at fair value through profit or loss:			
- Trading securities	3.470	-	3.470
Available-for-sale financial assets:			
- Equity securities	-	8.779.260	8.779.260
	<hr/>	<hr/>	<hr/>
Total assets measured at fair value	3.470	8.779.260	8.782.730
	<hr/>	<hr/>	<hr/>
Liabilities			
Convertible bonds - subsidiary	- 117.000.000		117.000.000
Contingent liability	-	3.051.651	3.051.651
	<hr/>	<hr/>	<hr/>
	-	120.051.651	120.051.651
	<hr/>	<hr/>	<hr/>

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2021.

	Level 1 €	Level 3 €	Total €
Assets			
Financial assets at fair value through profit or loss:			
- Trading securities	3.470	-	3.470
Available-for-sale financial assets:			
- Equity securities	-	9.047.852	9.047.852
	<hr/>	<hr/>	<hr/>
Total assets measured at fair value	3.470	9.047.852	9.051.322
	<hr/>	<hr/>	<hr/>
Liabilities			
Convertible bonds - subsidiary	- 117.000.000		117.000.000
Contingent liability	-	2.991.815	2.991.815
	<hr/>	<hr/>	<hr/>
	-	119.991.815	119.991.815
	<hr/>	<hr/>	<hr/>

There were no transfers between Levels 1 and 3 during the period. Refer to Note 10 for disclosures of fair values of investment properties which are measured at fair value.

PANDORA INVESTMENTS PUBLIC LIMITED

5 Financial risk management and financial instruments (continued)

5.4 Fair value measurements using significant unobservable inputs (Level 3)

	Available-for-sale financial assets 30 June 2022 €	Available-for-sale financial assets 31 December 2021 €
Balance at 1 January	9.047.852	9.319.369
Loss for the period	(268.592)	(271.517)
Balance at 30 June	<u>8.779.260</u>	<u>9.047.852</u>

There were no changes in the valuation techniques used during the period.

5.5 Fair value of financial assets and liabilities measured at amortised cost

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Borrowings
- Trade and other receivables
- Cash and cash equivalents (excluding bank overdrafts)
- Trade and other payables

6 Critical accounting estimates and judgements

The preparation of the interim condensed consolidated financial statements requires the Group's management to make estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, revenues and expenses reported in the financial statements. Actual results may differ due to these estimates.

In preparing these interim condensed consolidated financial statements, the significant estimates made by management of the Group for the implementation of the Group's accounting policies and significant estimates and assumptions were applied as in the consolidated financial statements for the year ended 31 December 2021, with the exception of changes in estimates that are required in determining the provision for income taxes.

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7 Segment analysis

The management of the Group monitors internal reports to assess the performance of the Group and to allocate resources. The management of the Group determines operating segments by reference to these internal reports. The main sectors of activity of the Group for which analysis by sector is provided are the development and sale of property, investment property and securities, and medical and educational services.

The management of the Group assesses the performance of the operating segments based on profit/ (loss) before interest, taxes, depreciation and amortisation (EBITDA).

Result per segment:	Land development €	Investments €	Healthcare services €	Educational services €	Group €
Six months ended 30 June 2022					
Revenue	31.367.242	-	2.694.850	6.364.023	40.426.115
Results per segment	18.258.709	533.088	824.803	4.228.318	23.844.918
Expenses not allocated					(12.439.444)
Operating profit					11.405.474
Six months ended 30 June 2021					
Revenue	24.760.038	-	2.614.866	6.474.787	33.849.691
Results per segment	12.573.771	529.934	835.599	5.598.892	19.538.196
Expenses not allocated					(11.759.669)
Operating profit					7.778.527

Revenue from land development includes an amount of €1.817.350 (2021: €327.000) which emanates from sales promotion and development of a project of an associate company in which the Group holds 50% of its share capital.

The results by segment differ from profit before tax as follows:

	30 June 2022 €	30 June 2021 €
Results of segments	23.844.918	19.538.196
Selling, promotion and administrative expenses	(12.439.444)	(11.759.669)
Operating profit	11.405.474	7.778.527
Finance costs	(2.640.435)	(2.506.132)
Profit before tax	8.765.039	5.272.395

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7 Segment analysis (continued)

The segment assets and liabilities at 30 June 2022 are as follows:

	Land development €	Investments €	Healthcare services €	Educational services €	Group €
Assets	301.219.788	385.082.020	2.990.284	15.112.673	704.404.765
Available for sale financial assets	-	-	-	-	-
Investments in associates/ joint ventures	33.472.242				33.472.242
Total assets	334.692.030	385.082.020	2.990.284	15.112.673	737.877.077
Liabilities	261.286.071	181.839.968	6.461.398	13.104.762	462.692.199
Capital expenditure	10.181	-	186.445	274.216	470.842

The segment assets and liabilities at 31 December 2021 are as follows:

	Land development €	Investments €	Healthcare services €	Educational services €	Group €
Assets	310.556.780	384.820.505	2.478.564	18.080.915	715.936.764
Available for sale financial assets	-	-	-	-	-
Investments in associates/ joint ventures	28.718.262	-	-	-	28.718.262
Total assets	339.275.042	384.820.505	2.478.564	18.080.915	744.655.026
Liabilities	269.596.112	184.754.517	6.086.018	17.531.575	477.966.665
Capital expenditure	38.109	-	211.431	201.890	451.430

8 Taxation

Tax is calculated using tax rate expected to apply for the full financial year.

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9 Profit per share

	30 June 2022 €	30 June 2021 €
Profit attributable to the shareholders of the Company	7.672.219	4.766.005
Weighted average number of ordinary shares in issue during the period	424.435.205	424.435.205
Basic and fully diluted profit (cents per share)	1,808	1,123

10 Capital expenditure

	Property, plant and equipment €	Right of use €	Investment property €
Six months ended 30 June 2022			
Net book value at the beginning of the period	2.361.867	5.080.188	378.890.929
Changes in fair value	-	-	492.558
Additions	470.842	-	19.158
Depreciation	(277.118)	(309.459)	-
Net book value at the end of the period	2.555.591	4.770.729	379.402.645
Year ended 31 December 2021			
Net book value at the beginning of the year	2.436.848	5.607.677	375.624.900
Additions for the year	451.430	91.430	317.541
Changes in fair value	-	-	2.948.488
Depreciation for the year	(526.411)	(618.919)	-
Net book value at the end of the year	2.361.867	5.080.188	378.890.929
Six months ended 30 June 2021			
Net book value at the beginning of the period	2.436.847	5.607.677	375.624.900
Changes in fair value	-	-	488.930
Additions	232.224	-	-
Depreciation	(258.777)	(313.433)	-
Net book value at the end of the period	2.410.294	5.294.244	376.113.830

The Group's investment properties fair values are determined using valuation method level 3, from the Board of Directors and the Group's management who are experienced in the real estate Sector. There were no changes to the valuation techniques during the year. On 21 September 2022 (note 19) the Group, as part of the Agreement, transferred to the Bank the ownership of four plots of land that were classified as investment property.

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11 Investment in associates and joint ventures

	30 June 2022 €	31 December 2021 €
At beginning of the period	28.718.262	15.047.676
Impairment charge	()	(115.000)
Share of gain after tax	5.397.093	16.809.019
Impairment of fair value at initial recognition	(642.166)	(2.000.000)
Share of loss of fair value	(947)	(3.761)
Dividends	()	(20.020)
Deposits		348
Withdrawals	()	(1.000.000)
Net book value at the end of the period	<u>33.472.242</u>	<u>28.718.262</u>

12 Cash and cash equivalent

	30 June 2022 €	31 December 2021 €
Cash and cash equivalent	46.154.408	45.284.751
Bank overdrafts (Note 14)	(14.822.117)	(14.738.016)
Net cash and cash equivalent	<u>31.332.291</u>	<u>30.546.735</u>

The cash and cash equivalent by currency are analysed as follows:

	30 June 2022 €	31 December 2020 €
Euro	<u>46.154.408</u>	<u>45.284.751</u>

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13 Restricted cash

	30 June 2022 €	31 December 2021 €
Non-current		
Restricted cash in bank accounts of the Groups' companies	5.604.404	13.656.863
	5.604.404	13.656.863
Less: provision for impairment	(25.160)	(25.160)
	5.579.244	13.631.703
Current		
Restricted cash in bank accounts of the Group's companies	14.859.614	14.387.294
Restricted cash in bank accounts in the name of a representative of the Group and as agent of third party	-	141.679
	14.859.614	14.528.973
Less: provision for impairment	(265.658)	(265.658)
Total current	14.593.956	14.263.315
Total	20.173.200	27.895.018

The restricted cash refers to prepayments received from customers for the purchase of properties which are blocked on the basis of agreed terms and conditions. The cash is expected to be released upon completion of certain conditions and the approval of the investor's representative. Restricted cash is not included in cash and cash equivalents.

The restricted cash analyses by currency is as follows:

	30 June 2022 €	31 December 2021 €
Euro	20.173.200	27.895.018

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14 Borrowings

	30 June 2022 €	31 December 2021 €
Current		
Bank overdrafts (Note 12)	14.822.117	14.738.016
Bank borrowings	10.714.902	7.197.909
Convertible bonds – subsidiary	58.500.000	-
Third party borrowings	1.620.000	1.620.000
	<u>85.657.019</u>	<u>23.555.925</u>
Non-current		
Bank borrowings	70.213.647	75.716.152
Convertible bonds – subsidiary	58.500.000	117.000.000
Third party borrowings	7.798.745	7.798.745
	<u>136.512.392</u>	<u>200.514.897</u>
Total borrowings	<u>222.169.411</u>	<u>224.070.822</u>

The bank loans and overdrafts are secured on immovable property of the Group and in some cases by general assignment of amounts receivable from specific sales contracts.

The above borrowings do not include unused borrowing facilities which are analyzed as follows:

	30 June 2022 €	31 December 2021 €
Bank borrowings	5.261.053	5.261.053
Bank Overdrafts	<u>1.279.922</u>	<u>1.475.529</u>
	<u>6.540.975</u>	<u>6.736.582</u>

The above facilities are subject to terms and conditions and / or the progress of the construction works.

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14 Borrowings (continued)

Movement in the borrowings are analysed as follows:

	Bank borrowing €	Convertible bonds €	Loans from third parties €	Total borrowing €
Six months ended 30 June 2022				
As at 1 January 2022	82.914.061	117.000.000	9.418.745	209.332.806
Receipts from new borrowings	-	-	-	-
Early repayment discount	-	-	()	()
Repayment of borrowings (interest bearing)	(3.583.101)	-	(161.429)	(3.744.530)
Capitalised interest	1.597.589	6.747.216	161.429	8.506.234
Net loss from financial liabilities at fair value through profit or loss	-	(6.747.216)	-	(6.747.216)
	<u>80.928.549</u>	<u>117.000.000</u>	<u>9.418.745</u>	<u>207.347.294</u>
Bank overdrafts	14.822.117	-	-	14.822.117
Total borrowings	<u>95.750.666</u>	<u>117.000.000</u>	<u>9.418.745</u>	<u>222.169.411</u>

During 2016 on the basis of the restructuring Implementation agreement with Bank of Cyprus ("Bank") a Company's subsidiary has issued bonds convertible into shares (with specific terms and conditions) for a total nominal value of €100 million, in the same subsidiary, to the Bank in consideration for releasing the Company and its subsidiaries from €100.000.000 of its existing indebtedness to the Bank.

The Group announced that on the 21st September 2022 (note 19) the Agreement with the Bank, of September 2019 (as subsequently amended), has been completed, whereby, amongst other rights and obligations, allowed the Group to proceed to the immediate and full repayment of the Convertible bonds. The Agreement provides as part of the settlement, the undertaken by the Group of a new long-term loan of €10 million from the Bank.

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	30 June 2022 €	31 December 2021 €
Euro	222.169.411	224.070.822
	<u>222.169.411</u>	<u>224.070.822</u>

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15 Trade and other payables

	30 Ιουνίου 2022 €	31 Δεκεμβρίου 2021 €
Amounts due within one year:		
Trade payables and Other payables	23.991.094	17.278.117
Obligation of investor participation	11.200.000	5.600.000
Payable to related parties	6.806.921	6.378.261
Total Current	41.998.015	29.256.378
Non- current		
Other payables and accrued expenses	-	91.837
Obligation of investor participation	17.850.976	13.453.608
	17.850.976	13.545.445
Total trade and other payables	59.848.991	42.801.823

16 Contingent Liability

	30 June 2022 €	31 December 2021 €
Contingent liability	3.051.651	2.991.815

30 June 2022	Valuation €	Valuation technique
Contingent liability	3.051.651	Discounted cash flows

They are related to the future proportional increase of the building coefficient that determines the possible increase in the fair value of the Leptos Blu Marine project, in which the agreement with the investor includes the repayment of the contingent liability in cash or in property at the discretion of the subsidiary.

17 Commitments

Operating lease commitments – where the Group is the lessor

The future aggregate minimum rentals payable under non-cancellable operating leases are as follows:

	30 June 2022 €	31 December 2021 €
Up to 1 year	19.000	19.000
Between 1 and 5 years	76.000	76.000
More than 5 years	741.000	760.000
	836.000	855.000

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18 Related party transactions

The Company is controlled by Armonia Estates Limited which is registered in Cyprus, and owns 63.43% of the Company's shares and prepares the consolidated financial statements of the largest body of undertakings of which the Company forms part as a subsidiary undertaking. Armonia Estates Limited, whose the main activity is the development of land, is wholly owned by Mr. George M. Leptos and Mr. Pantelis M. Leptos, Managing Director and Deputy Managing Director of the Company respectively, who control directly and indirectly the 74.99% of the share capital of the Company.

For the purposes of these financial statements, parties are considered related if one party has the ability to control the other party or exercise significant influence over the financial or operational decisions of the other party as determined by the IAS 24 "Related Party Disclosures". In determining each possible related party relationship, consideration is given to the substance of the relationship and not the legal form. Related parties may enter into transactions that may not be possible between non-related parties and transactions between related parties may not be made on the same terms and conditions and amounts for transactions with non-related parties.

The interim condensed consolidated financial statements do not include all management information and disclosures required in the annual financial statements for the purposes of the related party transactions; they should be read in conjunction with the group's annual financial statements as at 31 December 2021.

The following transactions were carried out in accordance with the management agreement with the parent company Armonia Estates Limited:

(a) Purchase of services

	30 June 2022 €	30 June 2021 €
Management services and sales promotion	337.071	117.176
Management services and sales promotion-"Adonis Joint Venture"	-	-
	<u>337.071</u>	<u>117.176</u>

The above transactions were made on commercial terms and conditions.

(b) Reimbursable expenses

	30 June 2022 €	30 June 2021 €
Constructions works	6.132.136	5.824.390
Administration and general expenses	2.739.934	2.166.705
	<u>8.872.070</u>	<u>7.991.095</u>

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18 Related party transactions (continued)

Reimbursable expenses “Adonis” Joint Venture

	30 June 2022 €	30 June 2021 €
Constructions works	117.099	226.773
Administration and general expenses	3.107	36.746
	<u>120.206</u>	<u>263.519</u>

(c) Balances arising from the transactions above

	30 June 2022 €	31 December 2021 €
Amounts due to the parent company: Armonia Estates Limited	<u>6.806.921</u>	<u>6.378.261</u>

The balance with Armonia Estates Limited bears annual average interest of 4%.

(d) Key management personnel compensation

	30 June 2022 €	30 June 2021 €
Fees	<u>176.580</u>	<u>196.029</u>

19 Events after the balance sheet date

The Group announced that on the 21st of September 2022 the Agreement with the Bank of Cyprus (“Bank”) in September 2019 (as subsequently amended) has been completed, whereby, amongst other rights and obligations, allowed the Group to proceed to the immediate and full repayment of the Convertible Bonds (note 14) through (i) the undertaking of a new long-term loan of €10 million by the Group from the Bank and (ii) the transfer to the Bank of the ownership of four plots of land in the outskirts to the project Neapolis Smart Eco City (“Project”) that were classified as investment property (note 10), with allowable building coefficient approximate to 27% of the total allowable building coefficient of the whole Project (“Agreement”). The financial impact of the Agreement on the Group cannot be determined at present. The Management considers this a non-adjusting event.

There were no other material events which occurred after the end of the financial period which have a bearing on understanding of the unaudited interim condensed consolidated financial statements.