

Half-Yearly Financial Report 2018

Half-Yearly Financial Report 2018

Attachments:

1. **Half-Yearly Financial Report 2018 - Announcement**
2. **Half-Yearly Financial Report 2018 - Report**

Regulated

Publication Date: 11/09/2018

LEPTOS CALYPSO HOTELS PUBLIC LTD

ANNOUNCEMENT TO
CYPRUS STOCK EXCHANGE
DATED 11/9/2018

The Company's Board of Directors at a meeting on 10/9/2018 approved the unaudited consolidated results for the first six months of the year 2018, which are herewith attached.

It has been further decided to publicize the account of the results in "Alithia" newspaper on 12/9/2018.

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.leptoscalypso.com.



Stavros Leptos
Secretary

Att: 1

Leptos Calypso Hotels Public Limited

Unaudited condensed interim consolidated financial statements for the six month ended 30 June 2018

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Leptos Calypso Hotels Public Limited

Interim management report for the period ended 30 June 2018

1 On 10 September 2018, the Board of Directors examined and approved the results of the Group Leptos Calypso Hotels Public Limited for the six month period ended 30 June 2018 and it will be published on 12 September 2018.

2 The condensed interim consolidated financial statements, which have been prepared in accordance with the provisions of IAS 34 “Interim Financial Reporting”, have not been audited by the external auditors of the Company.

Analysis of the results of the Group for the six month period ended 30 June 2018

3 During the first six month period of 2018, the revenue of the Group amounted to €11,86m compared to €11,09m of the corresponding period of 2017. The increase was mainly due to the increased occupancy and higher charging room rates of the hotels of the Group.

4 The loss of the Group from operations for the first six month period of 2018 amounted to €821,5k compared to loss of €2,02m for last year’s corresponding period. The Group incurred a loss before tax amounting to €835K compared to loss of €1,97m for last year’s corresponding period. During the first six month period of 2017, the loss before tax includes an impairment charge for operating lease prepayments amounting to €1,22m. After the credit of tax benefit of €13k compared to €53k for last year’s corresponding period, the Group incurred a loss after tax amounting to €822k compared to loss of €2,02m for the corresponding period of 2017.

5 The results of the Group for the first six month period of 2018 are not representative for the entire year, due to the seasonality of the operations of the Group’s hotel units. The bulk of the operations of the hotels are conducted during the main touristic period which falls within the second six month period of the financial year of the Group.

Principal risk and uncertainties

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

7 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 16.

8 It must be noted that the condensed interim consolidated financial statements do not include all the financial information and disclosures as required in the annual financial statements regarding the “risk management” and “related party transactions” and therefore these should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2017.

9 The principal risks and uncertainties faced by the Group are disclosed in Note 5 of the condensed interim consolidated financial statements.

Leptos Calypso Hotels Public Limited

Interim management report for the period ended 30 June 2018 (continued)

Principal risk and uncertainties (continued)

Contracts with Directors and connected persons

10 Other than the agreements disclosed in Note 16 of the condensed interim consolidated financial statements, on 30 June 2018 there were no other significant contracts with the Group in which Directors or persons connected to them had material interest.



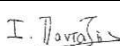






Leptos Calypso Hotels Public Limited

Declaration of members of the Board of Directors and responsible officials of the Company

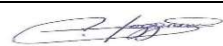
In accordance with Article 10 sections (3) (c) and (7) of the Transparency Requirements (Securities for Trading on Regulated Markets) Law of 2007 until 2016 ("Law"), we the members of the Board of Directors and the Financial Controller of Leptos Calypso Hotels Public Limited, for the six month period ended 30 June 2018 confirm that, based on our knowledge:

- (a) the unaudited condensed interim consolidated financial statements which are presented on pages 4 to 19:
- (i) have been prepared in accordance to IAS 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 a true and fair view of the assets and liabilities, the financial position and the profit or loss of the Company and the businesses that are included in the condensed interim consolidated financial statements as a total, and
- (b) the interim management report of the Board of Directors provide fair review of the information required by the Article 10, section (6) of the Law.

Members of the Board of Directors

Name and surname	Capacity	Signature
Michael G. Leptos	Chairman and Managing Director	
Pantelis M. Leptos	Substitute Chairman and Non-Executive Director	
Ioannis Pantazis	Executive Director	
Savvas Michail	Non-Executive Director Appointed on 15/5/2018	
Andreas Ataliotis	Non-Executive Director	
Andreas Demetriades	Non-Executive Director	
Andreas Iacovides	Non-Executive Director	
George M. Leptos	Non-Executive Director	
Paris Gavriel	Non-Executive Director	

Financial Controller

Name and surname	Capacity	Signature
Longginos Christodoulou	Financial Controller	

Paphos
10 September 2018

Leptos Calypso Hotels Public Limited

Condensed interim consolidated statement of comprehensive income

		<u>Six month ended at</u>	
	Note	<u>30 June 2018</u>	<u>30 June 2017</u>
		€	€
Revenue	8	11.861.229	11.092.847
Cost of sales		(10.005.318)	(9.577.681)
		<u>1.855.911</u>	<u>1.515.166</u>
Gross profit			1.515.166
Other income		13.324	483.375
Selling and marketing costs		(394.533)	(312.152)
Administrative expenses		(1.220.010)	(1.230.438)
		<u>254.692</u>	<u>455.951</u>
Operating profit			455.951
Finance costs – net	9	(1.089.650)	(1.204.725)
Impairment of operating lease prepayments		-	(1.222.536)
		<u>(834.958)</u>	<u>(1.971.310)</u>
Loss before tax			(1.971.310)
Tax – benefit/ (charge)	13	13.386	(53.492)
		<u>(821.572)</u>	<u>(2.024.802)</u>
Loss for the six month period			(2.024.802)
Attributable to:			
Equity holders of the Company		(731.998)	(1.953.821)
Non-controlling interest		(89.574)	(70.981)
		<u>(821.572)</u>	<u>(2.024.80)</u>
Loss per share attributable to equity holders of the Company during the six month period			
- Basic and fully diluted loss per share	14	<u>(0,56)</u>	<u>(1,51)</u>

The notes on pages 8 to 20 are an integral part of these condensed interim consolidated financial statements.

Leptos Calypso Hotels Public Limited

Condensed interim consolidated balance sheet as at 30 June 2018

	Note	30 June 2018	31 December 2017
		€	€
Assets			
Non-current assets			
Property, plant and equipment	10	120.575.945	120.959.888
Investment property		14.997.409	14.997.409
Available-for-sale financial assets		17.602.570	17.750.283
Deferred tax asset		42.706	42.706
Operating lease prepayments		450.000	600.000
		153.668.630	154.350.286
Current assets			
Inventories		959.932	727.252
Trade and other receivables		4.476.275	3.501.571
Cash and bank balances		978.632	1.763.537
		6.414.839	5.992.360
Total assets		160.083.469	160.342.646
Equity and liabilities			
Capital and reserves attributable to the shareholders of the Company			
Share capital	11	43.856.392	43.856.392
Share premium	11	2.870.968	2.870.968
Other reserves		49.075.603	49.106.639
Accumulated losses		(28.301.569)	(27.600.607)
		67.501.394	68.233.392
Non-controlling interest		1.597.436	1.687.010
Total equity		69.098.830	69.920.402
Non-current liabilities			
Borrowings	12	50.105.553	52.144.067
Deferred tax liabilities		20.000.161	20.013.547
Trade and other payables		1.129.928	1.035.758
		71.235.642	73.193.372
Current liabilities			
Trade and other payables		14.830.221	12.535.917
Borrowings	12	4.904.521	4.678.700
Tax liabilities		14.255	14.255
		19.748.997	17.288.872
Total liabilities		90.984.639	90.422.244
Total equity and liabilities		160.083.469	160.342.646

The notes on pages 8 to 20 are an integral part of these condensed interim consolidated financial statements.

Leptos Calypso Hotels Public Limited

Condensed interim consolidated statement of changes in equity for the six month ended 30 June 2018

	Attributable to equity holders of the Company					
	Share capital €	Share premium €	Other reserves €	Accumulated loss €	Non-controlling interest €	Total €
Balance at 1 January 2017	43.856.392	2.870.968	49.251.445	(28.592.808)	698.215	68.084.212
Comprehensive loss						
Loss for the six month period	-	-	-	(1.953.821)	(70.981)	(2.024.802)
Other comprehensive gain/(loss)						
Land and buildings:						
Depreciation transfer, net of tax	-	-	(161.942)	161.942	-	-
Total other comprehensive gain/(loss)	-	-	(161.942)	161.942	-	-
Total comprehensive loss for the six months period	-	-	(161.942)	(1.791.879)	(70.981)	(2.024.802)
Balance at 30 June 2017	<u>43.856.392</u>	<u>2.870.968</u>	<u>49.089.503</u>	<u>(30.384.687)</u>	<u>627.234</u>	<u>66.059.410</u>
Balance at 1 January 2018	43.856.392	2.870.968	49.106.639	(27.600.607)	1.687.010	69.920.402
Comprehensive loss						
Loss for the six month period	-	-	-	(731.998)	(89.574)	(821.572)
Other comprehensive gain/(loss)						
Land and buildings:						
Depreciation transfer, net of tax	-	-	(31.036)	31.036	-	-
Total other comprehensive gain/(loss)	-	-	(31.036)	31.036	-	-
Total comprehensive loss for the six months period	-	-	(31.036)	(700.962)	(89.574)	(821.572)
Balance at 30 June 2018	<u>43.856.392</u>	<u>2.870.968</u>	<u>49.075.603</u>	<u>(28.301.569)</u>	<u>1.597.436</u>	<u>69.098.830</u>

The notes on pages 8 to 20 are an integral part of these condensed interim consolidated financial statements.

Leptos Calypso Hotels Public Limited

Condensed interim consolidated statement of cash flows

		<u>Six month ended at</u>	
	Note	<u>30 June 2018</u>	<u>30 June 2017</u>
		€	€
Cash flows from operating activities			
Loss before income tax		(821.572)	(2.024.802)
Adjustments for:			
Depreciation of property, plant and equipment	10	1.009.362	1.151.010
Amortisation of operating lease prepayments		150.000	455.634
Notional interest on receivables from joint venture		-	(474.532)
Impairment of operating lease prepayments		-	1.222.536
Interest expense	9	1.089.650	1.204.725
Taxation for the period- benefit		(13.386)	53.492
		<u>1.414.054</u>	<u>1.588.063</u>
Changes in working capital:			
Inventories		(232.680)	(320.149)
Trade and other receivables		(974.704)	(1.359.915)
Trade and other payables		2.388.474	3.457.787
Net cash inflows from operating activities		<u>2.595.144</u>	<u>3.365.786</u>
Cash flows from investing activities			
Purchases of property, plant and equipment	10	(625.419)	(810.173)
Decrease of financial assets available for sale		147.713	-
Net cash used in investing activities		<u>(477.706)</u>	<u>(810.173)</u>
Cash flows from financing activities			
Repayment of bank borrowings		(2.370.905)	(3.851.080)
Interest paid		(1.089.650)	(50.242)
Net cash used in financing activities		<u>(3.460.555)</u>	<u>(3.901.322)</u>
Net decrease in cash and cash equivalents and bank overdrafts		<u>(1.343.117)</u>	<u>(1.345.709)</u>
Cash and cash equivalents and bank overdrafts at the beginning of the period		<u>1.344.043</u>	<u>906.896</u>
Cash and cash equivalents and bank overdrafts at the end of the		<u>926</u>	<u>(438.813)</u>

The notes on pages 8 to 20 are an integral part of these condensed interim consolidated financial statements.

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements

1 Condensed interim consolidated financial statements

The condensed interim consolidated financial statements have not been audited by the external auditors of the Company.

On 10 September 2018, the Board of Directors examined and approved the results of the Group Leptos Calypso Hotels Public Limited for the six month period ended 30 June 2018.

2 General information

Country of incorporation

The Company was incorporated in Cyprus on 29 December 1982, as a private limited liability company in accordance with the provisions of the Cyprus Companies Law, Cap. 113. On 29 March 1996 the Company's shares were listed on the Cyprus Stock Exchange.

The Company's registered office is at 111 Apostolou Pavlou Avenue, CY-8046 Paphos, Cyprus.

Principal activities

The principal activities of the Group, which are unchanged from last year, are the ownership and management of hotels and tourist resorts in Cyprus and Greece.

(a) Operating environment of the Group

There were no significant changes on 30 June 2018 regarding the disclosed operating environment in the Group's consolidated financial statements for the year ended 31 December 2017.

3 Basis of preparation

The condensed interim consolidated financial statements of the Group for the six month period ended 30 June 2018 have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union (EU). The condensed consolidated interim financial statements must be read in conjunction with the consolidated financial statements for the year ended 31 December 2017 which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. This set of financial statements represents an English translation of the original which have been prepared in Greek. In the event of any inconsistency between the Greek text and the English translation, the Greek text shall prevail.

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

4 Accounting policies

All accounting policies that have been used in preparing these condensed interim consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2017.

Taxation

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

4.1 Adoption of new and revised IFRS

During the current period the Group adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2018. This adoption did not have a material effect on the accounting policies of the Group.

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, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk, liquidity risk and fair value risk.

The condensed interim 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 2017. 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 the 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).

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

5 Financial risk management and financial instruments

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 2018.

	Level 3	Total
	€	€
30 June 2018		
Assets		
Available-for-sale financial assets:		
- Equity securities	346.847	346.847
- Receivables from joint venture classified as available-for-sale financial asset	17.255.723	17.255.723
Total assets measured at fair value	<u>17.602.570</u>	<u>17.602.570</u>

The following table presents the Group's assets and liabilities measured at fair value at 31 December 2017:

	Level 3	Total
	€	€
31 December 2017		
Assets		
Available-for-sale financial assets:		
- Equity securities	346.847	348.847
- Receivables from joint venture classified as available-for-sale financial asset	17.403.436	17.403.436
Total assets measured at fair value	<u>17.750.283</u>	<u>17.750.283</u>

There were no transfers between Levels 1 and 3 during the period.

5.4 Fair value estimation based on unobservable market data (Level 3)

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

The fair value of Level 3 investments which relate to equity securities is determined based on the sales comparable method with regards to the properties held by the investments. The higher the selling price, the higher the fair value.

The fair value of Level 3 investments which relate to joint venture classified as financial asset available for sale is determined based on technical analysis of discounted cash flows based on the share of profit from the investment with effective interest rate 5,5%.

The carrying amount less provision for trade receivables and payables approximates their fair value. The fair value of financial liabilities is calculated based on the discounted future cash flows using the existing market interest rate which is available to the Group for similar financial instruments.

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

5.5 Fair value of financial assets and liabilities carried at amortised cost using the effective interest rate method

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

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Current and non-current borrowings

5.6 Offsetting financial assets and liabilities

The Group does not have any financial assets or financial liabilities that are subject to offsetting, enforceable master netting arrangements or any similar agreements.

6 Critical accounting estimates and judgements

The preparation of the condensed interim 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 2017, with the exception of changes in estimates that are required in determining the provision for income taxes.

7 Nature of operations

Due to the fact that the operations of the Group concentrate on the sector of tourism industry it is expected that during the second six month period of the year the results will be improved as the occupancy of the hotels and the incoming number of tourists will be higher than the first six month period. This is mainly due to the increased occupancy of the Group's hotels during the summer touristic peak period.

8 Segmental reporting

The Group prepared segmental information according to IAS 8 "Operating Segments". The segmental information for 2017 which is presented as comparative information for 2018, has been adjusted in order to follow the requirements of IAS 8.

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

8 Segmental reporting (continued)

Description of the main segments and their operations

According to Management's approach regarding IFRS 8, the operating segments are presented on the basis of internal information that is being provided to the Board of Directors (the highest level where operating decisions are taken), which is responsible for the distribution of resources in the reported segments and the evaluation of their performance. All operating segments used by the Group meet the definition of reporting segment in accordance with IFRS 8.

At 30 June 2018, the Board of Directors identified the following three main operating segments, considering both the principal activities of the Group and the country in which they operate:

- **Hotel operations – Cyprus:** The hotel operations in Cyprus comprise of the Company's hotel units, Coral Beach Hotel & Resort and Sentido Thalassa Coral Bay, both located in Paphos and the activities of the subsidiary, Vesta Tourist Management Limited, which is renting and managing tourist resorts in Paphos.
- **Hotel operations – Greece:** The hotel operations in Greece comprise of the hotel of the subsidiary, Karkavatsos & Co Touristikis Epichirisis S.A, "Panorama Hotel" located in Chania, Crete.
- **Ownership of land:** This operating segment comprises of investment property and fixed assets held for sale.

The main segments of the Group for which a segmental analysis is provided are the hotel operations and the ownership of land. All the operating segments of the Group are based in Cyprus, except from the operations of the hotel of the subsidiary, Karkavatsos & Co Touristikis Epichirisis S.A which are in Greece.

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

This measurement excludes the effects of non-recurring expenditure from the operating segments, such as provisions for restructuring costs, legal expenses and impairment when the impairment is the result of an isolated, non-recurring event. Interest income and expenditure are not included in the result for each operating segment. Other information provided, except as noted below, are accounted for in accordance with the consolidated financial statements.

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

8 Segmental reporting (continued)

Results per segment

	Hotel operations - Cyprus	Hotel operations – Greece	Total hotel operations	Investment property and financial assets available for sale	Total
	€	€	€	€	€
Six month ended 30 June 2018					
Revenue per segment	10.842.963	1.018.266	11.861.299	-	11.861.229
Profit before interest, tax, depreciation and amortisation and impairment	1.276.276	137.778	1.414.054	-	1.414.054
Depreciation of property, plant and equipment (Note 10)	(791.106)	(218.256)	(1.009.362)	-	(1.009.362)
Impairment of operating lease prepayments	(150.000)		(150.000)	-	(150.000)
Amortisation of operating lease prepayments				-	
Interest income				-	
Finance cost (Note 9)	(977.529)	(112.121)	(1.089.650)	-	(1.089.650)
Loss before income tax	(642.359)	(192.599)	(834.958)	-	(834.958)
Tax benefit	-	13.386	13.386	-	13.386
Loss for the period	(642.359)	(179.213)	(821.572)	-	(821.572)

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

8 Segmental reporting (continued)

Results per segment (continued)

	Hotel operations -Cyprus	Hotel operations - Greece	Total hotel operations	Investment property and financial assets available for sale	Total
	€	€	€	€	€
Six month ended 30 June 2017					
Revenue per segment	10.170.698	922.149	11.092.847	-	11.092.847
Profit before interest, tax, depreciation and amortisation and impairment	1.403.604	184.459	1.588.063	-	1.588.063
Depreciation of property, plant and equipment (Note 10)	(924.634)	(226.376)	(1.151.010)	-	(1.151.010)
Impairment of operating lease prepayments	(1.222.536)	-	(1.222.536)	-	(1.222.536)
Amortisation of operating lease prepayments	(455.634)	-	(455.634)	-	(455.634)
Interest income	-	-	-	474.532	474.532
Finance cost (Note 9)	(1.091.173)	(113.552)	(1.204.725)	-	(1.204.725)
(Loss)/profit before income tax	(2.290.373)	(155.469)	(2.445.842)	474.532	(1.971.310)
Tax	(67.000)	13.508	(53.492)	-	(53.492)
(Loss)/profit for the period	(2.357.373)	(141.961)	(2.499.334)	474.532	(2.024.802)

Revenue from hotel operations in Cyprus consists of revenue amounting to €8.195.891 (2017: €8.189.394) generated from the Company's hotels and revenue amounting to €2.647.072 (2017: €1.981.304) generated from Vesta Tourist Management Limited. In addition, profit before interest, tax, depreciation, amortization and impairment consists of €1.316.502 (2017: €1.378.706) generated from the Company's hotels and €40.226 (2017: loss of €24.898) generated from Vesta Tourist Management Limited.

Assets per segment

	Hotel operations Cyprus €	Hotel operations Greece €	Total hotel operations €	Investment properties and financial assets available for sale €	Total €
30 June 2018	107.520.390	19.963.100	127.483.490	32.599.479	160.083.469
30 June 2017	107.758.187	20.497.506	128.255.693	14.997.409	143.253.102

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

8 Segmental reporting (continued)

Liabilities per segment

	Hotel operations Cyprus €	Hotel operations Greece €	Total hotel operations €	Investment property and available for sales financial assets €	Total €
30 June 2018	<u>56.674.064</u>	<u>11.296.159</u>	<u>70.970.223</u>	-	<u>70.970.223</u>
30 June 2017	<u>63.720.579</u>	<u>6.673.861</u>	<u>70.394.490</u>	-	<u>70.394.440</u>

Liabilities per segment differ from total liabilities as per the consolidated balance sheet as follows:

	30 June 2018 €	31 December 2017 €
Total liabilities from reportable operating segments	70.970.223	70.394.440
Deferred income tax liabilities	20.000.161	20.013.547
Tax liabilities	14.255	14.255
Total liabilities as per consolidated balance sheet	<u>90.984.639</u>	<u>90.422.242</u>

9 Finance costs – net

	Six month ended 30 June	
	2018 €	2017 €
Interest expense:		
Bank borrowings and overdrafts	1.044.650	1.169.035
Payable to the parent entity (Note 16 (d))	45.000	35.690
	<u>1.089.650</u>	<u>1.204.725</u>

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

10 Property, plant and equipment

	Property, plant and equipment €
Six month ended at 30 June 2017	
Net book value at 1 January 2017	121.251.961
Additions	1.393.459
Depreciation	(1.685.532)
Net book value at 30 June 2017	<u>120.959.888</u>
Six month ended at 30 June 2018	
Net book value at 1 January 2018	120.959.888
Additions	625.419
Depreciation	(1.009.362)
Net book value at 30 June 2018	<u>120.575.945</u>

11 Share capital and share premium

	Number of shares			Total €
	Fully paid ordinary and preference shares	Share capital €	Share premium €	
At 1 January 2017/31 December 2017	<u>128 989 389</u>	<u>43.856.392</u>	<u>2.870.968</u>	<u>46.727.360</u>
At 1 January 2018/30 June 2018	<u>128 989 389</u>	<u>43.856.392</u>	<u>2.870.968</u>	<u>46.727.360</u>

The authorised share capital is 1 000 000 000 shares (2017: 1 000 000 000 shares) with par value of €0,34 per share from which 128 989 389 were issued – 101 683 294 ordinary and 27 306 095 preference.

The preference shares have the same rights with the ordinary shares, but in the case of a dissolution of the Company they have priority against the ordinary shares in the distribution.

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

12 Borrowings

	30 June 2018	31 December 2017
	€	€
Current		
Bank overdrafts	997.706	419.494
Bank borrowings	3.906.815	4.259.206
	<u>4.904.521</u>	<u>4.678.700</u>
Non-current		
Bank borrowings	47.057.778	49.144.067
Borrowings from third parties	3.047.775	3.000.000
	<u>50.105.553</u>	<u>52.144.067</u>
Total borrowings	<u><u>55.010.074</u></u>	<u><u>56.822.767</u></u>

The movement of bank borrowings can be analysed as follows:

	30 June 2018	31 December 2017
	€	€
Six month ended at 30 June		
At 1 January	56.822.767	62.506.435
Loan repayment	(2.902.343)	(5.647.168)
Capitalised interest	1.089.650	30.650
At 30 June	<u><u>55.010.074</u></u>	<u><u>56.822.767</u></u>

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

	30 June 2018	30 June 2017
	€	€
Euro – functional and presentation currency	<u>55.010.074</u>	<u>59.809.839</u>

13 Taxation

Tax is calculated using the tax rate that is expected to be applied for the full financial year.

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

14 Loss per share

	Six month ended at 30 June	
	2018	2017
	€	€
Loss attributable to the shareholders of the Company	(731.998)	(1.953.821)
Weighted average number of shares in issue during the period	128.989.389	128.898.389
Basic and fully diluted loss per share (cents)	(0,56)	(1,51)

15 Commitments

Operating lease commitments - where the Group is the lessee

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	30 June 2018 €	31 December 2018 €
Not later than 1 year	53.188	291.625
Between 1 and 5 years	-	102.163
	53.188	393.788

Commitments of €53.188 (31 December 2018: €393.788) relate to an operating lease agreement entered into by the Group for the use of land until December 2019. The Group proceeded to the construction of "Sentido Thalassa Coral Bay" hotel on this land which was completed in 2005. The Group will operate the hotel for the whole period of the lease.

In addition, the Group rents tourist apartments under non-cancellable operating leases. The rental expenses for the period were charged in the profit and loss.

Leptos Calypso Hotels Public Limited

Notes to the condensed interim consolidated financial statements (continued)

16 Related party transactions

The Group is controlled by the Chairman and Managing Director, Mr Michael G. Leptos, who owns 58,50% of the Company's shares and is also the ultimate controlling party of the Group.

The following transactions which were carried out with related parties relate to transactions with the parent entity Armonia Estates Limited and companies under common control:

(a) Sales of services

	Six month ended at 30 June	
	2018	2017
	€	€
Accommodation and other hotel services	<u>597.141</u>	<u>610.459</u>

(b) Purchases of services

	Six month ended at 30 June	
	2018	2017
	€	€
Management services	<u>20.760</u>	<u>191.058</u>

(c) Financing facilities

	Six month ended at 30 June	
	2018	2017
	€	€
Financing facilities from related party - amounts received	<u>-</u>	<u>1.171</u>

(d) Interest payable

		<u>Six month ended at</u> <u>30</u> <u>June</u>	
	2017		2018
Balance with parent entity (Note 9)		45.000 35.690	
		<u> </u>	<u> </u>

17 Events after the balance sheet date

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