

G. ARVANITAKIS GROUP PLC

**CONSOLIDATED INTERIM FINANCIAL
STATEMENTS**

Period from 1 January 2020 to 30 June 2020

G. ARVANITAKIS GROUP PLC

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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G. ARVANITAKIS GROUP PLC

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Georgios Arvanitakis
Kleanthis Onisiforou
Filaktis Roumpas

Company Secretary:

Wepetito Services Ltd

Registered office:

Anexartusias & Athinon, NORA COURT, 2nd floor, Office
203
Limassol
3040
Cyprus

Registration number:

HE366283

CONSOLIDATED CONCISE INTERIM FINANCIAL STATEMENTS 1/1 - 30/06/2020

DECLARATION BY THE MEMBERS OF THE BOARD OF DIRECTORS AND THE MANAGERS OF THE COMPANY FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Article 9, paragraphs (3) (c) and (7) of the Law on Transparency Conditions (Securities to be Traded in a Regulated Market) of 2007 (Law 190 (I) / 2007) (the 'Law'), we, the members of the Board of Directors and the persons responsible for the consolidated financial statements of G. ARVANITAKIS GROUP PLC (the 'Company') for the period from 1 January 2020 to 30 June 2020, confirm that, as far as we know:

- (a) the concise interim consolidated financial statements of the Group presented on pages 3 to 16:
- (i) have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and in accordance with the provisions of Article 9, paragraph (4) of the Law, and
 - (ii) provide a true and fair view of the assets and liabilities, financial position and profit or loss of the Group and the companies included in the consolidated financial statements as a whole.

Members of the Board of Directors

Georgios Arvanitakis

Kleanthis Onisiforou

Filaktis Roumpas

Person responsible for preparing the financial statements

KLEANTHIS ONISIFOROU - (Chief Financial Officer)

06/10/2020

(signed)



CONSOLIDATED INCOME STATEMENT AND STATEMENT OF OTHER COMPREHENSIVE INCOME

For the period between 1 January 2020 and 30 June 2020

		30 June 2020	30 June 2019
	Note:	€	€
Income	2	614,280	-
Spent raw materials and consumables		(18,711)	-
Personnel benefits	6	(131,722)	-
Depreciations		(270,180)	-
Other operating incomes	3	4,064	-
Administrative and other expenses	4	(262,952)	-
Loss from operations	5	(65,221)	-
Net financing expenses	7	(66,390)	-
Share of results of associate companies before taxes		7,783	-
Net period loss		(123,828)	-
Other total income		-	-
Total period income		(123,828)	-
Net year loss that is attributable to:			
Parent company shareholders		(84,384)	-
Non-controlling interests		(39,444)	-
Net period loss		123,828	-
Total revenue for the year attributable to:			
Parent company shareholders		(84,384)	-
Non-controlling interests		(39,444)	-
Total period income		(123,828)	-

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the period between 1 January 2020 and 30 June 2020

		30 June	31
		2020	December
	Note:	€	2019
		€	€
ASSETS			
Non-current assets			
Real property, industrial facilities, and equipment	8	10,380,506	10,634,718
Investments in real property	9	283,954	297,476
Intangible assets	10	18,419,263	18,008,225
Investments in associate businesses	12	55,499	47,717
		29,139,222	28,988,136
Current assets			
Inventories	13	75,691	-
Trade and other amounts receivable	14	11,035,174	10,541,739
Cash in bank and at hand	15	46,892	49,732
		11,157,757	10,591,471
Total assets		40,296,979	39,579,607
EQUITY AND LIABILITIES			
Equity			
Share capital	16	19,662,520	19,662,520
Accumulated losses		(923,304)	(989,760)
		18,739,216	18,672,760
Non-controlling interests		(59,028)	(79,954)
Total equity		18,680,188	18,592,806
Non short-term liabilities			
Liabilities from finance leases	17	18,132,411	17,824,911
Provisions for other liabilities and charges		457,425	457,425
Short-term liabilities		18,589,836	18,282,336
Trade and other creditors	19	2,334,848	1,955,910
Liabilities from finance leases	17	590,000	635,000
Current tax liabilities	20	102,107	113,555
		3,026,955	2,704,465
Total liabilities		21,616,791	20,986,801
Total equity and liabilities		40,296,979	39,579,607

On 6 October 2020, the Board of Directors of G. ARVANITAKIS GROUP PLC approved these financial statements and released them for issuance.

(signed)
Kleanthis Onisiforou
Director

(signed)
Filaktis Roumpas
Director



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period between 1 January 2020 and 30 June 2020
Equity attributable to the shareholders of the Company

	Note:	Share capital €	Accumulated losses €	Total €	Non- controlling interests €	Total €
Balance on 01/01/2019		1000	(2,737)	(1,737)	-	(1,737)
Total income		-	-	-	-	-
Net losses for the year closing on 31 December 2019		-	(987,023)	(987,023)	(158,726)	(1,145,749)
Total period income		-	(987,023)	(987,023)	(158,726)	(1,145,749)
Shareholder transactions						
Issuance of shares	16	19,661,520	-	19,661,520		19,661,520
Total transactions with shareholders		19,661,520	-	19,661,520	78,772	19,740,292
Balance on 31 December 2019 / 1 January 2020		19,662,520	(989,760)	18,672,760	(79,954)	18,592,806
Total income						
Net period loss		-	(84,384)	(84,384)	(39,444)	(23,828)
Total period income		-	(84,384)	(84,384)	(39,444)	(123,828)
Shareholder transactions			150,840	150,840	60,370	211,210
Total transactions with shareholders		-	150,840	150,840	60,370	211,210
Balance on 31 December 2020		19,662,520	1928.8041	18,739,216	(59.028)	18,680,188

CONSOLIDATED CASH FLOW STATEMENT
For the period between 1 January 2020 and 30 June 2020

	Not e:	30 June 2020 €	30 June 2019 €
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		(123,828)	-
Adjustments for:			
Depreciations of real property, plant, and equipment		270180	-
Profit share from associate companies	12	(7,783)	-
Debit Interest	7	25,071	-
Transactions with the owners		211,210	-
		374,850	-
Change in working capital			
Increase of inventories		(75,691)	-
Increase in receivables		(493,435)	-
Increase to trade and other creditors		378,938	-
Cash resulting from operations		184,662	-
Tax paid		(11,448)	-
Net cash resulting from operations		173,214	-
CASH FLOW FROM INVESTMENTS			
Payment for the purchase of intangible assets	10	(411,038)	-
Payment for the purchase of property, plant, and equipment	8	(2,447)	-
Net cash for investment activities		(413,485)	-
CASH FLOW FROM FINANCING ACTIVITIES			
Collections from finance leases		262,500	-
Payment of interest		(25,071)	-
		2	
Net cash coming from financing activities		237431	
Net reduction in cash and cash equivalents		(2,840)	-
Cash and cash equivalent at period start		49,732	49,732
Cash and cash equivalent at period end	15	46,892	49,732

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Period between 1 January 2020 and 30 June 2020

1. New accounting announcements

On the preparation date of these financial statements, the International Accounting Standards Board had issued Standards and Interpretations that had not become applicable yet. Some of these were adopted by the European Union, while others are still pending. The Board of Directors expects that the adoption of these financial reporting standards in future periods will not have a significant impact on the consolidated financial statements of the Group.

2. Income

The income of the Group comes from contracts with customers for the transfer of goods or services in the long run or at a given time. The most important products and services provided by the Group are analysed as follows.

	30 June 2020	30 June 2019
	€	€
Provision of services	330,904	-
Rent receivable	283,376	-
	614,280	-

3. Other operating incomes

	30/06/2020	30/06/2019
	€	€
Miscellaneous other operating income	4,064	-
	4,064	-

4. Administrative and other expenses

	30 June 2020	30 June 2019
	€	€
Rent	35,430	-
Taxes and licenses	7,617	-
Power bills	474	-
Cleaning and water supply	5,996	-
Repairs and renovations	26,408	-
Process server expenses	1,266	-
Stationery and printing expenses	1,715	-
Subscriptions and contributions	81	-
Other personnel expenses	326	-
Computer maintenance supplies and expenses	794	-
Accounting royalties	39,770	-
Other professional royalties	10,965	-
Stamp duties	12,145	-
Fines	316	-
Foreign travel expenses	71	-
Domestic travel and accommodation expenses	20,140	-
Non-refundable VAT	9,850	-
Hospitality	11,861	-
Miscellaneous expenses	77,727	-
	262,952	-

5. Loss from operations

	30 June 2020	30 June 2019
	€	€
Operating loss is reported after the following items have been charged:		
Depreciations of real property, plant, and equipment (Note 8)	(13,522)	-
Depreciation of investment property (Note 9)	13,522	-
Personnel benefits (Note 6)	131,722	-

6. Personnel benefits

	30 June 2020	30 June 2019
	€	€
Wages	105,107	-
Social contributions	26,615	-
	131,722	-

7. Financing expenses

	30/06/2020	30/06/2019
	€	€
Interest payable	25,071	-
Various financing expenses	41,319	-
Financing expenses	66,390	-

8. Real property, industrial facilities, and equipment

	Land and buildings	Plant and equipment	Furniture, appliances, and equipment	Total
	€	€	€	€
Cost				
Acquisition through business mergers	10,793,936	42,730	868,225	11,704,891
Balance on 31 December 2019 / 1 January 2020	10,793,936	42,730	868,225	11,704,891
Additions	-	-	2,447	2,447
Balance on 31 December 2020	10,793,936	42,730	870,672	11,707,338
Depreciations				
Acquisitions through business combinations	525,164	29,426	515,583	1,070,173
Balance on 31 December 2019 / 1 January 2020	525,164	29,426	515,583	1,070,173
Charge for the period	203,062	907	52,690	256,659
Balance on 31 December 2020	728,226	30,333	568,273	1,326,832
Net book value				
Balance on 31 December 2020	10,065,710	12,397	302,399	10,380,506
Balance on 31 December 2019	10,268,772	13,304	352,642	10,634,718

The above assets relate to assets with the right to use.

9. Investments in real property

	2020	2019
	€	€
Cost		
Balance on January 1	421,423	-
Additions from business acquisitions	-	421,423
Balance on 30 June/ 31 December	421,423	421,423
Depreciations		
Balance on January 1	123,947	-
Charge for the period	13,522	-
Additions from business acquisitions	-	123,947
Balance on 30 June/ 31 December	137,469	123,947
Net book value		
Balance on 30 June/ 31 December	283,954	297,476

The above investments relate to assets with the right to use.

10. Intangible assets

	Goodwill
	€
Cost	
Additions	18,008,225
Balance on 31 December 2019/ 1 January 2020	18,008,225
Additions	411,038
Balance on 31 December 2020	18,419,263
Net book value	18,419,263
Balance on 30 June 2020	
Balance on 31 December 2019	18,008,225

11. Investments in affiliates / associate companies

Details of subsidiaries and associate companies:

Name	Country of establishment	Main activities	2020 Participation %	31 December 2019 Participati on %	2020 €	31 December 2019 €
A.S Resort Private Company	Greece	Investment activities in the tourism sector	100	100	6,194,772	6,194,772
ARISTON Glyfada Private Company	Greece	ARISTON Glyfada Private Company	100	100	3,517,896	3,517,896
Crystal Vouliagmeni Private Company	Greece	Hotel operation	80	100	2,747,897	3,434,871
Housepeak Investments Limited	Cyprus	Real estate investments (apartments, shops, etc.)	80	80	806,450	806,450
R&A Biene Propertia Investment Ltd	Cyprus	Investment activities in the tourism sector	58	58	288,479	288,479
Matsar Ltd (associate company)	Cyprus	Investment activities in the tourism sector	50	50	1,263,442	1,263,442
Estoril Holdings Limited	Cyprus	Investment activities in the tourism sector	75	75	4,155,610	4,155,610
ARVAN Hotels Constructio ns Private Company	Greece	Construction operations	100	-	300,000	-
					19,774,546	19,661,520

12. Investments in associate businesses

	2020 €	2019 €
Balance on January 1	47717	-
Additions	-	47,717
Share of results of associate companies before taxes	7782	-
Balance on 30 June/ 31 December	55499	47,717

Details of the investments:

Name	Country of establishment	Main activities	2020 Participation %	31.12.2019 Participation %	2020 €	31 December 2019 €
Matsar Ltd (associate company)	Cyprus	Investment activities in the tourism sector	50	50	55,499	47,717
					55,499	47,717

13. Inventories

	30 June 2020	31 December 2019
	€	€
Ready Products	75,691	-
	75,691	

Inventories are listed at cost.

14. Trade and other amounts receivable

	30 June 2020	31 December 2019
	€	€
Trade receivables	705,222	616,493
Advances and prepayments	496,070	495,849
Employer contributions due	5,481	-
Receivables from insurers	20,000	-
Next period expenses	9,650,634	9,413,634
Other receivables	157,767	15,763
	11,035,174	10,541,739

The Group does not have any collateral in relation to the trade receivables.

The fair value of the trade and other receivables that matured within the year is almost the same with the amounts presented above.

15. Cash in bank and at hand

Bank balances are analysed below:

	30 June 2020	31 December 2019
	€	€
Cash in bank and at hand	46,892	49,732
	46,892	49,732

16. Share capital

	2020	2020	2019	2019
	Amount of	€	Amount of	€
	shares		shares	
Approved				
Common shares, each of €1.00 nominal value	19662520	19,662,520	19,662,520	19,662,520
Capital issued and fully paid				
Balance on January 1	19662520	19,662,520	1,000	1,000
Issuance of shares	-	-	19,661,520	19,661,520
Balance on 30 June/ 31 December	19662520	19,662,520	19,662,520	19,662,520

At the date of its establishment, the Company issued to the signatories of its founding document 1,000- common shares of € 1 each in their nominal value, with the possibility of increase / decrease of the share capital. On 13 February 2020, the Company issued 19,661,520 shares of € 1 each, which were given to the shareholders in exchange for the acquisition of subsidiaries and associates, according to private share swap agreements signed during the year 2019, namely on 11/07/2019, on 31/07/2019 and on 22/10/2019.

17. Liabilities from finance leases

	Total minimum future rent payments		The present value of the minimum future rent payments	
	June 30, 2020	31 December 2019	June 30, 2020	31 December 2019
	€	€	€	€
Not exceeding 1 year	590,000	635,000	590,000	635,000
Above 1 year but not exceeding 5 years	2,360,000	2,540,000	2,360,000	590,000
Less than 5 years	15,772,411	15,284,911	15,772,411	17,234,911
	18,722,411	18,459,911	18,722,411	18,459,911
Current value of liabilities related to finance leases	18,722,411	18,459,911	18,722,411	18,459,911

All lease obligations are denominated in Euro.

The fair value of the lease liabilities is approximately the same as the carrying amount at the reporting date.

The Group's liabilities from finance leases are secured for the lessor by ownership securities over the leased assets.

18. Provisions for other liabilities and charges

	Deposits
Balance on January 1, 2019	€
Deposit for rents	457,425
Balance on 31 December 2019/ 1 January 2020	457,425
Balance on 31 December 2020	457,425

19. Trade and other creditors

	30 June 2020	31 December 2019
	€	€
Commercial creditors	942,543	799,282
Social insurance and other taxes	397,767	391,106
Value Added Tax	18,065	20,202
Credit balances of current shareholder accounts (Note 22.2)	371,208	72,322
Expenses owed	92,077	93,205
Other creditors	149,564	216,169
Amounts payable to related parties (Note 22.1)	363,624	363,624
	2,334,848	1,955,910

The fair value of the trade and other creditors that matured within the year is almost the same with the amounts presented above.

20. Current tax liabilities

	30 June 2020	31 December 2019
	€	€
Corporate tax	102,107	113,555
	102,107	113,555

21. The operating environment of the Group

On March 11, 2020, the World Health Organization declared the COVID-19 Coronavirus outbreak a pandemic, recognizing its rapid spread throughout the world. Governments are taking increasingly stringent measures to help contain, and in many countries now delay, the spread of the virus. These measures include self-restraint / quarantine to those who may have been affected, implementation of social distancing and control or closure of borders as well as universal lock-down of cities / regions or even entire countries. These measures have slowed down the economies of both Cyprus and Greece as well as the world economy, and are likely to have a wider impact on the respective economies as the measures continue to be in effect for a longer period of time.

This operating - environment may have a significant impact on the Company's activities and its financial situation. The Management has taken the necessary measures to ensure the viability of the Company's activities; however, the future effects of the current financial situation are difficult to predict, and the current forecasts of the Management could differ from the actual results.

The Management of the Company is not able to predict all developments that could affect the economy of Cyprus and Greece; to this end, any effect, could affect its financial performance, the cash flows, and the financial position of the Company.

22. Transactions with related parties

The following transactions with related parties took place:

22.1 Amounts payable to related parties (Note 19)

Name	30 June 2020	31 December
	€	2019
		€
Grisogono	363,624	363,624
	363,624	363,624

22.2 Credit balances of current shareholder accounts (Note 19)

	30 June 2020	31 December 2019
	€	€
Shareholder accounts	371,206	72,322
	371,206	72,322

The shareholder current accounts do not bear interest and do not have a specific repayment date.

23. Significant contracts with key management personnel

At the end of the financial year, there were no significant contracts between the Group and its management bodies.

24. Contingent liabilities

The Group did not hold any contingent liabilities on 30 June 2020.

25. Commitments

The Group did not hold any capital or other commitments on 30 June 2020.

26. Events after the reporting period

There have not been any major events following the reporting period related to the understanding of the consolidated financial statements.

**ADDITIONAL INFORMATION FOR THE CONSOLIDATED INCOME STATEMENT AND STATEMENT OF
OTHER COMPREHENSIVE INCOME
DETAILED INCOME STATEMENT
For the period between 1 January 2020 and 30 June 2020**

	Page	30 June 2020 €	30 June 2019 €
Income			
Provision of services		330,904	-
Gross rent receivable	3	283,376	-
Spent raw materials and consumables		(18,711)	-
Personnel benefits	4	(131,722)	-
Other direct expenses		(55,170)	-
Depreciations		(270,180)	-
Miscellaneous other operating income		4,064	-
		142,561	-
Other operating expenses	4	(207,782)	-
Loss from operations		(65,221)	-
Financing expenses	5	(66,390)	-
Share of results of associate companies before taxes		7,783	-
Net period loss before taxes		(123,828)	-

RENT RECEIVABLE

For the period between 1 January 2020 and 30 June 2010

	30 June 2020 €	30 June 2019 €
Gross rent receivable		
Rent receivable	283,376	-

OPERATING EXPENSES

For the period between 1 January 2020 and 30 June 2020

	30 June 2020	30 June 2019
	€	€
Personnel benefits		
Salaries and day-wages	105,107	-
Social insurance and other funds	26,615	-
	131,722	-
	30 June 2020	30 June 2019
	€	€
Other operating expenses		
Rent	35,430	-
Taxes and licenses	7,617	-
Power bills	474	-
Cleaning and water supply	5,996	-
Repairs and renovations	26,408	-
Miscellaneous expenses	22,557	-
Process server expenses	1,266	-
Stationery and printing expenses	1,715	-
Subscriptions and contributions	81	-
Other personnel expenses	326	-
Computer maintenance supplies and expenses	794	-
Accounting royalties	39,770	-
Other professional royalties	10,965	-
Stamp duties	12,145	-
Fines	316	-
Foreign travel expenses	71	-
Domestic travel and accommodation expenses	20,140	-
Non-refundable VAT	9,850	-
Hospitality	11,861	-
	207,782	-

FINANCING EXPENSES

For the period between 1 January 2020 and 30 June 2020

	30/06/2020	30/06/2019
	€	€
Financing expenses		
Interest payable		
Interest on liabilities deriving from finance leases.	25,071	-
Various financing expenses		
Bank royalties	3,390	-
Various other financing expenses	37,929	-
	66,390	-