

# ROLANDOS ENTERPRISES PUBLIC LTD

## INTERIM FINANCIAL REPORT 30 JUNE 2013

### UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period from 1 January to 30 June 2013

	30/06/2013 €	30/06/2012 €
<b>Turnover</b>	<b>2.150.470</b>	2.666.458
Cost of sales	(978.079)	(1.458.662)
<b>Gross profit</b>	<b>1.172.391</b>	1.207.796
Other income	122.186	28.264
Selling and distribution expenses	(591.154)	(332.338)
Administration expenses	(791.209)	(1.055.428)
<b>Operating loss</b>	<b>(87.786)</b>	(151.706)
Loss from investing activities	(533.154)	(16.370)
Net finance income	62.975	69.202
<b>Loss before tax</b>	<b>(557.965)</b>	(98.874)
Income tax expense	(18.015)	(12.416)
<b>Loss for the six month period</b>	<b>(575.980)</b>	(111.290)
<b>Other comprehensive income</b>	<b>-</b>	-
<b>Total comprehensive loss for the six month period</b>	<b>(575.980)</b>	(111.290)
 <b>Loss per share attributable to equity holders of the Company (cents)</b>	 <b>(1.06)</b>	 (0.21)

## INTERIM MANAGEMENT STATEMENT

On 29 August 2013, the Board of Directors of Rolando's Enterprises Public Ltd (the "Company") examined and approved the condensed interim consolidated financial statements of the Company and its subsidiaries (the "Group") for the six month period ended on 30 June 2013, which have not been audited by the external auditors of the Group.

The unaudited condensed interim consolidated financial statements for the six month period ended on 30 June 2013 and the interim statement of the Board of Directors have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" and the requirements of the Cyprus Securities and Cyprus Stock Exchange Law and Regulations.

For the preparation of the unaudited condensed interim consolidated financial statements the same accounting policies have been applied as applied in the annual audited consolidated financial statements of the Group for the year ended 31 December 2012.

### Turnover

The turnover of the Group for the first six months of 2013 is €2.150.470 compared to €2.666.458 for the corresponding period of 2012, reporting a decrease of 19%.

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### **Administration, selling and distribution expenses**

Administration expenses for the first six months of 2013 are €791.209 compared to €1.055.428 for the corresponding period of 2012, reporting a decrease of 25% and selling and distribution expenses for the first six months of 2013 are €591.154 compared to €332.338 for the corresponding 2012 period, reporting an increase of 78%. The increase is due to the increase in the provision for bad debts amounting to €354.463 compared to €36.964 for the corresponding period of 2012.

### **Loss before tax**

The loss before tax of the Group for the first six months of 2013 is €557.965 compared to €98.874 for the corresponding period of 2012.

The increase of the loss before tax is due to the increase of the loss from investing activities which includes an amount of €533.154 that represents the maximum impairment loss to be suffered by the Group in respect of its unsecured deposits at the Bank of Cyprus.

### **Loss attributable to the owners of the Company**

The loss attributable to the owners of the Company for the six month period ended on 30 June 2013 is €575.980 compared to €111.290 for the corresponding period of 2012.

### **Prospects**

The Board of Directors has reviewed the performance of the Group to date, and has assessed the future developments and the current operating environment, and due to the uncertainties that exist in the Cyprus Economy is unable to predict the financial performance, cash flows and financial position of the Group for the year ending 31 December 2013.

The Board of Directors is taking all the necessary measures to maintain the liquidity and viability of the Group, and to promote its products and services.

### **Publication and distribution of the unaudited condensed interim consolidated financial statements and interim management statement**

The unaudited condensed interim consolidated financial statements will not be distributed to the shareholders, however the interim management statement of the Board of Directors will be published in the newspaper "Phileleftheros" on 30 August 2013 .

Copies of the Group's unaudited condensed consolidated financial statements will be available at the Company's registered office, 69 Bethlehem Street, Strovolos Industrial Area, 2033 Strovolos, Nicosia.

