



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Report and Consolidated Interim Financial Statements
Six months ended 30 June 2023



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

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Report for the Six Months Ended 30 June 2023

On July 27th 2023, the Board of Directors of Vassiliko Cement Works Public Company Ltd approved the financial results of the Group for the first half of the year that ended 30 June 2023.

Financial results

Revenues for the first half of 2023 reached €81.119.000 compared to €60.675.000 for the respective period of 2022. The revenues increase was driven by both higher sales volumes as well as revised prices in both domestic and export markets. The new prices in the domestic market were postponed from 1 September 2022 to become effective at the start of the 2023, following discussion and agreement with the customers. These were necessitated by the energy crisis that caused price surges of electricity and fuels for the whole of 2022 that still remain high compared to previous years.

In the face of the persistent energy crisis, the Company remains committed to addressing these challenges proactively. As part of our strategic initiative, we are actively dedicated to replacing further traditional fossil fuels with cleaner and more sustainable alternative energy sources in gradual steps. This also attains our goal for the reduction of carbon emissions.

As a result of the above, the profit for the period reached €13.241.000 compared to €5.045.000 for the same period of 2022, also compensating for huge impact of costs absorbed by lower profits in 2022.

Transactions with related parties

The transactions with related parties for the first half of 2023 are presented on note 4 of the consolidated interim financial statements.

Main risks and uncertainties

The main risks and uncertainties faced by the Group are presented on note 5 of the consolidated interim financial statements.

Prospects for the year

The Company, and the cement sector in general, are heavily dependent on both the cost of fuels and energy, as well as the cost of emission rights, which are very volatile in today's environment.

Further to the above, there is also a cause of concern for the evolution of the market demand. Despite the growth observed in this first half, the prevailing high interest rates and expectations for further increases could be a limiting factor for the commencement of new projects in the pipeline towards the year end.


VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD
Consolidated Statement of Profit or Loss and Other Comprehensive Income
Six months ended 30 June 2023

	Six months ended 30 June	
	2023 €000	2022 €000
Revenue	81.119	60.675
Cost of sales	(60.768)	(50.658)
Gross profit	20.351	10.017
Other operating income	1.196	713
Distribution expenses	(3.201)	(2.479)
Administrative expenses	(2.419)	(1.863)
Other operating expenses	(1.011)	(695)
Operating profit before financing costs	14.916	5.693
Financial income	26	127
Financial expenses	(217)	(173)
Net financial expenses	(191)	(46)
Profit from investing activities	-	5
Share of profit from equity-accounted investees	463	276
Profit before tax	15.188	5.928
Taxation expense	(1.947)	(883)
Profit for the financial period	13.241	5.045
Other comprehensive income/(loss)		
Revaluation gain / (loss) on financial assets at fair value through other comprehensive income	40	(14)
Other comprehensive income/(loss) for the period	40	(14)
Total comprehensive income for the period	13.281	5.031
Profit attributable to:		
Equity holders of the parent	13.241	5.045
Non-controlling interest	-	-
	13.241	5.045
Total comprehensive income attributable to:		
Equity holders of the parent	13.281	5.031
Non-controlling interest	-	-
	13.281	5.031
Basic and diluted earnings per share (cents)	18,4	7,0



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Financial Position

30 June 2023

	30 June 2023	31 December 2022
	€000	€000
ASSETS		
Property, plant and equipment	213.686	219.062
Intangible assets	12.338	12.338
Investment property	5.608	5.608
Rights of use assets	1.406	1.466
Investment in equity-accounted investee	1.816	1.697
Financial assets at fair value through other comprehensive income	319	280
Total non-current assets	235.173	240.451
Inventories	44.849	46.232
Trade and other receivables	9.412	12.607
Cash and cash equivalents	26.975	2.209
Total current assets	81.236	61.048
Total assets	316.409	301.499
EQUITY AND LIABILITIES		
Equity and reserves		
Share capital	30.932	30.932
Reserves	230.886	217.605
Total equity attributable to equity holders of the parent	261.818	248.537
LIABILITIES		
Interest-bearing loans and borrowings	10.658	12.249
Lease liabilities	1.435	1.471
Deferred taxation	23.274	23.274
Total non-current liabilities	35.367	36.994
Interest bearing-loan and borrowings	3.467	3.454
Lease liabilities	115	115
Trade and other payables	13.553	12.199
Income tax payable	2.089	200
Total current liabilities	19.224	15.968
Total liabilities	54.591	52.962
Total equity and liabilities	316.409	301.499



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Changes in Equity

Six months ended 30 June 2023

	Share Capital €000	Share premium reserve €000	Revaluation reserve €000	Fair value reserve €000	Retained profits €000	Equity attributable to holders of parent €000	Non-controlling interest €000	Total equity €000
Six months ended 30 June 2023								
Balance 1 January 2023	30.932	45.388	34.625	(351)	137.943	248.537	-	248.537
Profit for the period	-	-	-	-	13.241	13.241	-	13.241
Other comprehensive income for the period	-	-	-	40	-	40	-	40
Total comprehensive income for the period	-	-	-	40	13.241	13.281	-	13.281
Balance 30 June 2023	30.932	45.388	34.625	(311)	151.184	261.818	-	261.818
Six months ended 30 June 2022								
Balance 1 January 2022	30.932	45.388	34.160	(399)	137.505	247.586	-	247.586
Profit for the period	-	-	-	-	5.045	5.045	-	5.045
Other comprehensive loss for the period	-	-	-	(14)	-	(14)	-	(14)
Total comprehensive income for the period	-	-	-	(14)	5.045	5.031	-	5.031
Dividends	-	-	-	-	(9.352)	(9.352)	-	(9.352)
Balance 30 June 2022	30.932	45.388	34.160	(413)	133.198	243.265	-	243.265



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

Consolidated Statement of Cash Flows Six months ended 30 June 2023

	Six months ended 30 June	
	2023 €000	2022 €000
Cash flows from operating activities		
Profit for the period	13.241	5.045
Adjustments for:		
Depreciation and amortisation charges	7.622	7.205
Unrealised exchange loss/(profit)	4	(127)
Interest income	(30)	-
Dividends income	-	(5)
Interest expense	217	173
Share of profit of equity-accounted investees	(463)	(276)
(Gain)/loss on sale of property, plant and equipment	(1)	74
Bad debts recovered	(38)	-
Taxation expense	1.947	1.032
Operating profit before changes in working capital	22.499	13.121
Changes in:		
Trade and other receivables	3.320	(3.280)
Inventories	1.383	(9.688)
Trade and other payables	1.319	3.912
Cash generated from operations	28.521	4.065
Interest paid	(216)	(173)
<i>Net cash inflow from operating activities</i>	28.305	3.892
Cash outflows to investing activities		
Proceeds from sale of property, plant and equipment	15	-
Interest received	30	-
Dividends received	250	105
Acquisition of property, plant and equipment	(2.198)	(4.977)
<i>Net cash used in investing activities</i>	(1.903)	(4.872)
Cash flows from financing activities		
Proceeds from new loans raised	-	13.719
Repayment of loans	(1.578)	(573)
Repayment of leases	(54)	(61)
Dividends paid	-	(9.352)
<i>Net cash (outflows)/inflows to/from financing activities</i>	(1.632)	3.733
<i>Effect of exchange rate fluctuations on cash held</i>	(4)	127
Net increase of cash and cash equivalents	24.766	2.880
Cash and cash equivalents at 1 January	2.209	(6.149)
<i>Cash and cash equivalents at 30 June</i>	26.975	(3.269)



Notes to the Consolidated Interim Financial Statements

1. The interim financial statements relate to the period from 1 January to 30 June 2023, are not audited by the Company's auditors and were approved by the Board of Directors on 27 July 2023.
2. The interim financial statements comply with the International Accounting Standard 34 "Interim Financial Statements".
3. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements. The interim financial statements are expressed in thousands of Euro.
4. **Transactions with related parties**

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

	Sales		Purchases	
	30 June		30 June	
	2023 €000	2022 €000	2023 €000	2022 €000
Hellenic Mining Group	-	-	90	81
Heidelberg Materials	-	-	19	13
KEO Plc	-	-	6	3
The Cyprus Cement Public Company Ltd	-	-	60	60
Enerco - Energy Recovery Ltd	1.108	483	1.027	856
HM Trading Global GMBH	3.019	3.989	-	-
	4.127	4.472	1.202	1.013

5. **Main risks and uncertainties**

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

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

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

Other risks and uncertainties faced by the Group are detailed in note 34 of the Annual Report and Financial Statements for 2022.



VASSILIKO CEMENT WORKS PUBLIC COMPANY LTD

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

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

- (a) The interim financial statements for the period from 1 January 2023 to 30 June 2023 that are presented on pages 1 to 6:
 - i. were prepared in accordance with the International Financial Reporting Standards and in accordance with the provisions of Article 10 (4) of the Law, and
 - ii. give a true and fair view of the assets and liabilities, the financial position and the profits of Vassiliko Cement Works Public Company Ltd and the businesses that are included in the consolidated financial statements as a total, and
- (b) the interim report gives a fair review of the information required under Article 10 (6) of the Law.

Members of the Board of Directors

Antonios Antoniou - Executive Chairman

George Galatariotis

Costas Galatariotis

Stavros Galatariotis

Maurizio Mansi Montenegro

Stelios Anastasiades

Hakan Gürdal

Mihail Polendakov

Anastasia Papadopoulou

Ioannis Savvides

Georgios Chari

Company Officials

George Savva

General Manager

Melina Kyriakou

Chief Financial Officer

27 July 2023