

Pandora Investments Public Limited

Report and consolidated financial statements 31 December 2020

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Important note

The attached statements are an extract from the audited financial statements, For fuller understanding we strongly recommend to refer to the full set of 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

Consolidated statement of comprehensive income for the year ended 31 December 2020

	2020 €	2019 €
Revenue	65,645,222	57,599,015
Cost of sales	(31,432,528)	(26,922,114)
Gross profit	34,212,694	30,676,901
Selling and marketing expenses	(14,529,588)	(17,201,703)
Administrative expenses	(11,833,115)	(12,676,681)
Share of (loss)/profit of associates	(253,872)	33,794
Share of profit of joint venture	2,685,884	1,337,945
Other income	2,901,140	2,289,043
Other gains – net	3,434,294	7,502,685
Loss from reversal of impairment losses on financial and contract assets – net	(41,651)	(389,304)
Operating profit	16,575,786	11,572,680
Finance costs – net	(4,948,501)	(4,635,989)
(Loss)/gain from financial liabilities carried at fair value through profit or loss	(892,202)	865,068
Profit before tax	10,735,083	7,801,759
Income tax (charge)/credit	(158,725)	2,209,948
Profit for the year	10,576,358	10,011,707
Attributable to:		
Equity holders of the Company	10,241,766	9,941,293
Non-controlling interest	334,592	70,414
	10,576,358	10,011,707
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Share of fair value losses from associates	(7,068)	(3,325)
Fair value losses of instruments of fair value through other comprehensive income	(510,233)	(240,015)
Items that will not be reclassified to profit or loss	(517,301)	(243,340)
Other comprehensive losses for the year after tax	(517,301)	(243,340)
Total comprehensive profit for the year	10,059,057	9,768,367
Attributable to:		
Equity holders of the Company	9,724,465	9,697,953
Non-controlling interest	334,592	70,414
	10,059,057	9,768,367
Profit per share attributable to equity holders of the Company (cents per share):		
- Basic and diluted	2,41	2,34

Pandora Investments Public Limited

Consolidated balance sheet

at 31 December 2020

	2020	2019
	€	€
Assets		
Non-current assets		
Property, plant and equipment	2,436,848	2,494,611
Right-of-use assets	5,607,677	6,202,331
Investment property	375,624,900	373,038,588
Investments in joint ventures	2,687,669	-
Investments in associates	12,360,007	13,604,413
Financial assets at fair value through other comprehensive income	9,319,369	9,829,602
Other assets	11,818,697	11,641,188
Trade and other receivables	3,493,277	3,327,566
Restricted cash	38,077,485	3,698,869
	<u>461,425,929</u>	<u>423,837,168</u>
Current assets		
Inventories	205,104,042	204,063,374
Trade and other receivables	17,557,142	19,064,330
Other assets	6,481,299	11,574,639
Financial assets at fair value through profit or loss	3,470	7,578
Restricted cash	15,942,538	14,563,867
Cash and cash equivalents	25,176,702	33,544,700
	<u>270,265,193</u>	<u>282,818,488</u>
Total assets	<u>731,691,122</u>	<u>706,655,656</u>
Equity and liabilities		
Capital and reserves		
Share capital	72,153,985	72,153,985
Share premium	21,149,101	21,149,101
Reserve from the conversion of share capital in Euro	365,074	365,074
Fair value reserve	1,426,468	1,943,704
Reserve of joint control	(7,658,150)	(7,658,150)
Retained earnings	159,595,775	149,577,520
	<u>247,032,253</u>	<u>237,531,234</u>
Non-controlling interest	3,573,888	3,709,296
Total equity	<u>250,606,141</u>	<u>241,240,530</u>
Non-current liabilities		
Borrowings	87,669,188	70,401,282
Convertible bonds	115,532,202	114,640,000
Lease liabilities	13,182,536	14,503,854
Deferred income tax liabilities	40,429,999	40,443,102
Contract liabilities	121,770,792	64,428,160
Contingent liability	2,876,745	2,766,101
	<u>381,461,462</u>	<u>307,182,499</u>

Pandora Investments Public Limited

Consolidated balance sheet at 31 December 2020 (continued)

	2020 €	2019 €
Current liabilities		
Trade and other payables	21,210,091	28,530,015
Contract liabilities	56,296,470	89,671,736
Current income tax liabilities	391,458	251,073
Borrowings	20,268,995	38,388,679
Lease liabilities	1,456,505	1,391,124
	<u>99,623,519</u>	<u>158,232,627</u>
Total liabilities	<u>481,084,981</u>	<u>465,415,126</u>
Total equity and liabilities	<u>731,691,122</u>	<u>706,655,656</u>

On 4 May 2021 the Board of Directors of Pandora Investments Public Limited authorized these financial statements for issue,



George M, Leptos, Director



Christos Constantinides, Director

Pandora Investments Public Limited

Consolidated statement of changes in equity for the year ended 31 December 2020

	Attributable to equity holders of the Company								
	Share Capital ⁽²⁾ €	Share premium ⁽²⁾ €	Fair value reserves ⁽²⁾ €	Reserve from the conversion of share capital into Euro ⁽²⁾ €	Reserve of joint control ⁽²⁾ €	Retained earnings ⁽¹⁾ €	Total €	Non-controlling interest €	Total equity €
Balance at 1 January 2019	72,153,985	21,149,101	2,187,044	365,074	(7,658,150)	126,072,285	214,269,339	9,852,584	224,121,923
Comprehensive profit									
Profit for the year	-	-	-	-	-	9,941,293	9,941,293	70,414	10,011,707
Other comprehensive loss									
Share of fair value loss from associates	-	-	(3,325)	-	-	-	(3,325)	-	(3,325)
Fai value losses on financial assets at fair value through other comprehensive income	-	-	(240,015)	-	-	-	(240,015)	-	(240,015)
Total other comprehensive loss	-	-	(243,340)	-	-	-	(243,340)	-	(243,340)
Total (loss)/profit for the year	-	-	(243,340)	-	-	9,941,293	9,697,953	70,414	9,768,367
Transactions with owners									
Buyout of non-controlling interest	-	-	-	-	-	13,563,942	13,563,942	(6,185,486)	7,378,456
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	(28,216)	(28,216)
Total transactions with owners	-	-	-	-	-	13,563,942	13,563,942	(6,213,702)	7,350,240
Balance at 31 December 2019	<u>72,153,985</u>	<u>21,149,101</u>	<u>1,943,704</u>	<u>365,074</u>	<u>(7,658,150)</u>	<u>149,577,520</u>	<u>237,531,234</u>	<u>3,709,296</u>	<u>241,240,530</u>

Pandora Investments Public Limited

Consolidated statement of changes in equity for the year ended 31 December 2020 (continued)

	Attributable to equity holders of the Company							Non-controlling interest €	Total equity €
	Share Capital ⁽²⁾ €	Share premium ⁽²⁾ €	Fair value reserves ⁽²⁾ €	Reserve from the conversion of share capital into Euro ⁽²⁾ €	Reserve of joint control ⁽²⁾ €	Retained earnings ⁽¹⁾ €	Total €		
Balance at 31 December 2019/ 1 January 2020	72,153,985	21,149,101	1,943,704	365,074	(7,658,150)	149,577,520	237,531,234	3,709,296	241,240,530
Comprehensive profit									
Profit for the year	-	-	-	-	-	10,241,766	10,241,766	334,592	10,576,358
Other comprehensive loss									
Share of loss value loss from associates	-	-	(7,068)	-	-	-	(7,068)	-	(7,068)
Fair value losses on financial assets at fair value through other comprehensive income	-	-	(510,233)	-	-	-	(510,233)	-	(510,233)
Total other comprehensive loss	-	-	(517,301)	-	-	-	(517,301)	-	(517,301)
Total (loss)/profit for the year									
Transactions with owners									
Defence contribution on deemed dividend distribution	-	-	-	-	-	(240,133)	(240,133)	-	(240,133)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	(470,000)	(470,000)
Total transactions with owners	-	-	-	-	-	(240,133)	(240,133)	(470,000)	(710,133)
Other movement	-	-	-	-	-	16,622	16,622	-	16,622
Balance at 31 December 2020	<u>72,153,985</u>	<u>21,149,101</u>	<u>1,426,403</u>	<u>365,074</u>	<u>(7,658,150)</u>	<u>159,595,775</u>	<u>247,032,188</u>	<u>3,573,888</u>	<u>250,606,076</u>

Pandora Investments Public Limited

Consolidated statement of changes in equity for the year ended 31 December 2020 (continued)

- (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 is reduced back to 17% in respect of profits of years of assessment 2012 onwards, The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period 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 and the reserve from the conversion of share capital in Euro are not available for distribution in the form of dividends,

Pandora Investments Public Limited

Consolidated statement of cash flows for the year ended 31 December 2020

	2020 €	2019 €
Cash flows from operating activities		
Profit before tax	10,735,083	7,801,759
Adjustments for:		
Depreciation of property, plant and equipment	437,899	558,910
Depreciation of right-of-use assets	618,919	465,032
Interest income	(248,415)	(892,657)
Interest expense	4,936,273	4,569,941
Share of loss/(profit) of associates	253,872	(33,794)
Share of profit from joint operation	(2,685,884)	(1,337,945)
Impairment of inventories	304,985	192,130
Exchange loss from financing activities	12,228	66,048
Loss from remeasurement of contingent liability	110,644	-
Gains from loss of control of subsidiaries	-	(4,793,876)
Fair value gains on investment properties	(2,764,938)	(2,726,848)
Gain from rent concession	(780,000)	-
Loss from reversal of impairment losses on financial assets – net	41,651	389,304
Loss/(gain) from financial liabilities carried at fair value through profit or loss - net	892,202	(865,068)
	<u>11,864,519</u>	<u>3,392,936</u>
Changes in working capital:		
Inventories	124,420	(7,466,218)
Trade and other receivables	1,077,817	(2,077,890)
Financial assets at fair value through profit or loss	4,108	18,040
Trade and other payables	(7,115,770)	(10,173,772)
Other assets	4,915,831	(5,146,038)
Contract liabilities	19,742,041	38,615,988
Restricted cash	(35,757,287)	13,175,491
	<u>(5,144,321)</u>	<u>30,338,537</u>
Cash generated (used in)/from operations	(5,144,321)	30,338,537
Tax paid	-	-
	<u>(5,144,321)</u>	<u>30,338,537</u>
Net cash generated (used in)/from operating activities	(5,144,321)	30,338,537
Cash flows from investing activities		
Purchases of property, plant and equipment	(380,128)	(597,716)
Dividends received	983,466	1,018,759
Purchases of investment property	85,523	(114,247)
Proceeds from loss of control of subsidiaries	-	34,500,000
Additional consideration on sale and leaseback of buildings	-	1,000,000
Interest received	370,826	991,782
(Deposits)/withdrawals from investments in joint operation	(1,785)	2,310,260
	<u>1,057,902</u>	<u>39,108,838</u>
Net cash generated from investing activities	1,057,902	39,108,838

Pandora Investments Public Limited

Consolidated statement of cash flows for the year ended 31 December 2020 (continued)

	2020 €	2019 €
Cash flows from financing activities		
Repayments of bank borrowings	(4,655,222)	(36,716,463)
Buyout of non-controlling interest	-	(14,000,000)
Repayments of borrowings to third parties	(2,112,199)	(2,602,060)
Interest paid to third parties	(300,035)	-
Proceeds from bank borrowings	2,381,348	112,103
Interest paid	(43,435)	(3,151,597)
Dividends paid to non-controlling interest	(470,000)	(28,216)
Repayments of lease liabilities	(1,419,692)	(1,273,940)
Net cash used in financing activities	<u>(6,619,235)</u>	<u>(55,058,113)</u>
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	<u>(10,705,654)</u>	<u>14,389,262</u>
Cash, cash equivalents and bank overdrafts at beginning of the year	<u>25,507,725</u>	<u>11,118,463</u>
Cash, cash equivalents and bank overdrafts at end of the year	<u><u>14,802,071</u></u>	<u><u>25,507,725</u></u>

Pandora Investments Public Limited

Statement of comprehensive income for the year ended 31 December 2020

	2020 €	2019 €
Revenue	50,372,616	35,411,374
Cost of sales	(19,616,271)	(13,192,578)
Gross profit	30,756,345	22,218,796
Selling and marketing expenses	(17,359,297)	(13,451,890)
Administrative expenses	(5,448,642)	(6,363,393)
Gain from reversal of impairment losses on financial assets	68,720	476,108
Other income – net	7,093,684	9,695,158
Impairment losses on investments in subsidiaries	(2,450,003)	-
Operating profit	12,660,807	12,574,779
Finance costs – net	(3,527,328)	(3,289,053)
Profit before tax	9,133,479	9,285,726
Income tax charge	-	-
Profit and total comprehensive profit for the year	9,133,479	9,285,726

Pandora Investments Public Limited

Balance sheet at 31 December 2020

	2020 €	2019 €
Assets		
Non-current assets		
Investments in subsidiaries	106,469,390	106,471,728
Investments in associates	2,746,333	2,746,333
Trade and other receivables	63,633,935	59,821,525
Contract and other assets	5,232,178	11,641,188
Restricted cash	-	747,423
	<u>178,081,836</u>	<u>181,428,197</u>
Current assets		
Inventories	73,712,689	78,040,415
Trade and other receivables	9,144,567	10,450,152
Contract and other assets	6,571,940	9,853,959
Restricted cash	1,267,107	6,286,267
Cash and cash equivalents	7,279,456	8,537,545
	<u>97,975,759</u>	<u>113,168,338</u>
Total assets	<u>276,057,595</u>	<u>294,596,535</u>
Equity and liabilities		
Capital and reserves		
Share capital	72,153,985	72,153,985
Share premium	21,149,101	21,149,101
Reserve from the conversion of share capital in Euro	365,074	365,074
Reserve of joint control	53,538,125	53,538,125
Accumulated losses	(14,239,927)	(23,133,273)
Total equity	<u>132,966,358</u>	<u>124,073,012</u>
Non-current liabilities		
Borrowings	49,058,349	40,930,860
Contract liabilities	20,886,602	26,645,565
	<u>69,944,951</u>	<u>67,576,425</u>
Current liabilities		
Trade and other payables	26,730,620	38,411,698
Contract liabilities	31,019,417	52,560,605
Borrowings	15,396,249	11,974,795
	<u>73,146,286</u>	<u>102,947,098</u>
Total liabilities	<u>143,091,237</u>	<u>170,523,523</u>
Total equity and liabilities	<u>276,057,595</u>	<u>294,596,535</u>

On 4 May 2021 the Board of Directors of Pandora Investments Public Limited authorized these financial statements for issue,



George M, Leptos
Director



Christos Constantinides
Director

Pandora Investments Public Limited

Statement of changes in equity for the year ended 31 December 2020

	Share capital €	Share premium ⁽²⁾ €	Reserve from the conversion of share capital in Euro ⁽²⁾ €	Reserve Joint control ⁽²⁾ €	Accumulated losses ⁽¹⁾ €	Total €
Balance at 1 January 2019	72,153,985	21,149,101	365,074	53,538,125	(32,418,999)	114,787,286
Comprehensive loss						
Loss for the year	-	-	-	-	9,285,726	9,285,726
Balance at 31 December 2019/1 January 2020	<u>72,153,985</u>	<u>21,149,101</u>	<u>365,074</u>	<u>53,538,125</u>	<u>(23,133,273)</u>	<u>124,073,012</u>
Comprehensive profit						
Profit for the year	-	-	-	-	9,133,479	9,133,479
Transactions with owners						
Defence contribution on deemed dividend distribution	-	-	-	-	(240,133)	(240,133)
Total transactions with owners	-	-	-	-	(240,133)	(240,133)
Balance at 31 December 2020	<u><u>72,153,985</u></u>	<u><u>21,149,101</u></u>	<u><u>365,074</u></u>	<u><u>53,538,125</u></u>	<u><u>(14,239,927)</u></u>	<u><u>132,966,358</u></u>

⁽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 is reduced back to 17% in respect of profits of years of assessment 2012 onwards, The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period 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 and the reserve from the conversion of share capital in Euro are not available for distribution in the form of dividends,

Pandora Investments Public Limited

Statement of cash flows for the year ended 31 December 2020

	2020 €	2019 €
Cash flows from operating activities		
Profit before tax	9,133,479	9,285,726
Adjustments for:		
Dividend income	(4,136,771)	(5,926,112)
Interest income	(2,901,343)	(3,135,574)
Interest expense	3,515,100	3,223,005
Net foreign exchange loss on financing activities	12,228	66,048
Impairment of investment in subsidiaries	2,450,003	-
Gain from reversal of impairment losses on financial assets	(68,720)	(476,108)
Other income	(55,570)	(633,472)
	<u>7,948,406</u>	<u>2,403,513</u>
Changes in working capital:		
Inventories	6,745,664	(3,926,045)
Trade and other receivables	6,113,919	7,692,622
Trade and other payables	(9,582,042)	4,518,677
Contract and other assets	6,274,769	(4,325,358)
Contract liabilities	(29,718,087)	8,691,778
Restricted cash relating to advances received	5,780,000	9,387,146
	<u>(6,437,371)</u>	<u>24,442,333</u>
Cash generated from operations	<u>(6,437,371)</u>	<u>24,442,333</u>
Income tax paid	-	-
Net cash (used in)/ generated from operating activities	<u>(6,437,371)</u>	<u>24,442,333</u>
Cash flows from investing activities		
Interest received	2,901,343	3,135,574
Dividend received	4,136,771	5,926,112
Capital contributions for investments in subsidiaries	-	(14,002,000)
Net cash flows from/(used in) investing activities	<u>7,038,114</u>	<u>(4,940,314)</u>
Cash flows from financing activities		
Repayments of bank borrowings	(4,511,490)	(10,856,584)
Repayments of borrowings from third parties	(598,000)	-
Interest paid	(166,165)	(2,218,265)
Payment of defence contribution of deemed dividend distribution	(240,133)	-
Proceeds from bank borrowings	1,644,260	112,102
Net cash flows used in financing activities	<u>(3,871,528)</u>	<u>(12,962,747)</u>
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	<u>(3,270,785)</u>	<u>6,539,272</u>
Cash, cash equivalents and bank overdrafts at beginning of year	<u>2,692,184</u>	<u>(3,847,088)</u>
Cash, cash equivalents and bank overdrafts at end of year	<u>(578,601)</u>	<u>2,692,184</u>