

AKROPOLIS GROUP, UAB

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023,
PRESENTED TOGETHER WITH INDEPENDENT AUDITOR'S REPORT ON REVIEW
OF CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

AKROPOLIS

REAL ESTATE DEVELOPMENT & MANAGEMENT COMPANY

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Report on review of consolidated condensed interim financial statements

To the shareholders of AKROPOLIS GROUP, UAB

Introduction

We have reviewed the accompanying consolidated condensed interim statement of financial position of AKROPOLIS GROUP, UAB and its subsidiaries (the 'Group') as at 30 June 2023 and the related consolidated condensed interim statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the notes to the consolidated condensed interim financial statements, which include significant accounting policies and other explanatory information. Management is responsible for the preparation of these consolidated condensed interim financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of consolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements do not give a true and fair view of the consolidated financial position of the Group as at 30 June 2023, and of its consolidated financial performance and its consolidated cash flows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

On behalf of PricewaterhouseCoopers UAB

Rimvydas Jogėla
Partner
Auditor's Certificate No. 000457

Vilnius, Republic of Lithuania
13 September 2023

The auditor's electronic signature is used herein to sign only the Independent Auditor's Report

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	At 30 June 2023 EUR'000	At 31 December 2022 EUR'000
ASSETS			
Non-current assets		1 034 179	1 028 596
Property, plant and equipment		1 824	1 974
Investment property	4	1 026 834	1 019 720
Intangible assets		74	92
Right-of-use assets		104	113
Non-current receivables	4	5 343	6 697
Current assets		194 049	185 572
Inventories		63	63
Amounts receivable and prepayments	5	4 247	6 170
Other current assets	4	3 115	3 578
Cash and cash equivalents		186 624	175 761
TOTAL ASSETS		1 228 228	1 214 168

The accompanying notes form an integral part of these consolidated condensed interim financial statements.

These consolidated condensed interim financial statements were approved and signed on 13 September 2023 by:

Nerijus Maknevičius
CEO of AKROPOLIS GROUP,
UAB

Gabrielė Saponaitė
CFO of AKROPOLIS GROUP,
UAB

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	At 30 June 2023 EUR'000	At 31 December 2022 EUR'000
EQUITY AND LIABILITIES			
Share capital		31 737	31 737
Legal reserve		752	4
Share premium		448 096	448 096
Retained earnings		183 437	152 532
Total equity		664 022	632 369
Non-current liabilities			
Borrowings	7	442 984	446 556
Lease liabilities		49	60
Deferred income tax liabilities		88 513	88 225
Other non-current payables	8	8 462	8 011
Current liabilities		24 198	38 947
Borrowings	7	8 658	13 006
Lease liabilities		54	58
Income tax liabilities		609	1 235
Trade and other payables	8	14 877	24 648
Total liabilities		564 206	581 799
TOTAL EQUITY AND LIABILITIES		1 228 228	1 214 168

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CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Notes	Six-month period ended 30 June	
		2023	2022
		EUR'000	EUR'000
Rental income	3	40 473	35 520
Service charge income		15 496	17 159
Service charge expenses		(14 161)	(16 022)
NET RENTAL INCOME		41 808	36 657
Administrative expenses		(2 756)	(2 221)
Other income, net		537	1 363
Gain/(loss) from revaluation of investment property	3	1 766	1 993
OPERATING PROFIT (LOSS)		41 355	37 792
Interest expenses		(7 413)	(5 403)
Interest income		1 536	-
Other financial costs		(799)	(638)
PROFIT (LOSS) BEFORE INCOME TAX		34 679	31 751
Income tax (expenses)		(3 026)	(3 077)
NET PROFIT (LOSS)	3	31 653	28 674
TOTAL COMPREHENSIVE INCOME (LOSS)		31 653	28 674
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:			
Equity holders of the parent		31 653	28 674
EARNINGS PER SHARE (EUR)			
Basic / diluted	6	0,289	0,262

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CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Legal reserve	Retained earnings	Total
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Balance at 31 December 2021	31 737	448 096	4	91 508	571 345
Transactions with owners:					
Total transactions with owners	-	-	-	-	-
Net profit	-	-	-	28 674	28 674
Total comprehensive income	-	-	-	28 674	28 674
Balance at 30 June 2022	31 737	448 096	4	120 182	600 019
Balance at 31 December 2022	31 737	448 096	4	152 532	632 369
Transactions with owners:					
Transfers to reserves			748	(748)	-
Total transactions with owners	-	-	748	(748)	-
Net profit	-	-	-	31 653	31 653
Total comprehensive income	-	-	-	31 653	31 653
Balance at 30 June 2023	31 737	448 096	752	183 437	664 022

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CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

	Notes	Six-month period ended 30 June	
		2023	2022
		EUR'000	EUR'000
OPERATING ACTIVITIES			
Net profit (loss)		31 653	28 674
Adjustments for:			
Income tax expenses		3 026	3 077
Depreciation and amortization		406	557
Write-offs and loss on disposal of PP&E		(7)	(10)
Gain/(loss) from revaluation of investment property		(1 766)	(1 993)
Interest expenses		7 413	5 403
Interest income		(1 536)	-
Cash flows from operating activities before changes in working capital		39 189	35 708
(Increase)/decrease in receivables, prepayments and other current assets		3 508	3 658
Increase in inventories		-	1
Increase/(decrease) in payables		(8 660)	(7 195)
Cash flows generated from operating activities		34 037	32 172
Interest paid		(11 761)	(9 751)
Income tax paid		(3 364)	(3 849)
Net cash flows from/(used in) operating activities		18 912	18 572
INVESTING ACTIVITIES			
Acquisition of PPE, investment property and intangible assets		(5 538)	(1 250)
Interest received		1 475	-
Net cash flows from/(used in) investing activities		(4 063)	(1 250)
FINANCING ACTIVITIES			
Repayments of borrowings	7	(3 986)	(3 500)
Net cash flows from/(used in) financing activities		(3 986)	(3 500)
Net increase/(decrease) in cash and cash equivalents		10 863	13 822
Cash and cash equivalents at the beginning of the year		175 761	82 054
Cash and cash equivalents at the end of the year		186 624	95 876

The accompanying notes form an integral part of these consolidated condensed interim financial statements.

These consolidated condensed interim financial statements were approved and signed on 13 September 2023 by:

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Gabrielė Saponaitė
CFO of AKROPOLIS GROUP,
UAB

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**1. GENERAL INFORMATION**

AKROPOLIS GROUP, UAB (entity code 302533135) (hereinafter – “the Company”) was incorporated on 30 July 2011 in Lithuania as a limited liability company under the Companies Law of Lithuania. Its registered office address is Ozo g. 25, Vilnius, Lithuania.

The sole shareholder of the Company owning 100% of shares is Vilniaus Prekyba UAB, company code 302608755, address: Ozo g. 25, Vilnius. Metodika B.V., address: Parnassusweg 819, 1082 LZ., Amsterdam, operating in the Kingdom of the Netherlands, is the ultimate parent company and Mr Nerijus Numa is the ultimate controlling party.

The Group is comprised of the Company and its subsidiaries (hereinafter collectively referred as “the Group”). Nerijus Maknevičius was appointed as the CEO and elected as the Chairman of the Board of the Company on 5 June 2023. During the six-month period ended 30 June 2023 there were no changes in the Group’s structure and the Group did not conduct any business combinations.

The Group’s main business activity includes the development of real estate owned by the Group and its lease to tenants based on agreements.

The Group’s bonds are traded on Euronext Dublin (Ireland) and Nasdaq Vilnius (Lithuania) stock exchanges.

The Company’s management authorised for issue these consolidated condensed interim financial statements on 13 September 2023.

The consolidated condensed interim financial statements for the six-month period ended 30 June 2023 have been reviewed, not audited.

On 24 February 2022, Russia began military invasion of Ukraine. The management of the Group monitors economic sanctions against Russia and Belarus and is ready to implement them. The management of the Group also monitors situation in Ukraine on daily basis and makes timely decisions to adjust its business operations locally. The war initiated by Russia caused an energy crisis, which had a significant impact on the increased electricity and gas prices in 2022. In 2023, electricity and gas prices decreased and remained at a stable level. According to the Group’s management, the war in Ukraine did not have a significant direct impact on the Group’s operations or financial performance, since the Company has no tenants and suppliers in Ukraine or Russia. At the beginning of 2023, the 6-month EURIBOR interest rate was 2.73%, and on 30 June 2023 reached 3.9%. The increased EURIBOR interest rate only affected only the bank borrowings, since the bond interest rate is fixed (note 7).

2. BASIS OF PREPARATION AND ADOPTION OF NEW AND/OR AMENDED STANDARDS AND INTERPRETATIONS

The principal accounting policies applied in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the Group’s consolidated financial statements for the years ended 31 December 2022, except for the recognition of income tax expenses and the adoption of the new standards effective from 1 January 2023. The Groups has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Income tax expenses are recognised based on management’s estimate of the weighted average effective annual income tax rate to be applied to a full financial year. The estimated weighted average annual income tax rate used for the six-month period ended 30 June 2023 is 8.7%, compared to 9.7% for the six-month period ended 30 June 2022.

a) Basis of preparation

The consolidated condensed interim financial statements for the six-month period ended 30 June 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated condensed interim financial statements do not include all the notes required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2022.

These financial statements are presented in a common currency of the European Union – the euro and have been rounded to the nearest thousand (in thousands of euros). Due to rounding, amounts in these consolidated condensed interim financial statements may not sum up.

**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**

b) Adoption of new and/or amended IFRS and interpretations of the International Financial Reporting Interpretations Committee (IFRIC)

The following amended standards became effective from 1 January 2023, but did not have any material impact on the Group's financial statements:

- IFRS 17 "Insurance Contracts" (issued on 18 May 2017 and effective for annual periods beginning on or after 1 January 2023).
- Amendments to IFRS 17 and an amendment to IFRS 4 (issued on 25 June 2020 and effective for annual periods beginning on or after 1 January 2023).
- Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting policies (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023).
- Amendments to IAS 8: Definition of Accounting Estimates (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023).
- Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12 (issued on 7 May 2021 and effective for annual periods beginning on or after 1 January 2023).
- Transition option to insurers applying IFRS 17 – Amendments to IFRS 17 (issued on 9 December 2021 and effective for annual periods beginning on or after 1 January 2023).

3. SEGMENT INFORMATION

During the six-month period ended 30 June 2023 no differences occurred in the basis of the Group's segmentation of operations or in the basis of measurement of segment's net profit (loss).

Six-month ended 30 June 2023 (EUR'000)	Akropolis Vilnius Lithuania	Akropolis Klaipėda Lithuania	Akropolis Šiauliai Lithuania	Akropole Riga Latvia	Akropole Alfa Latvia	Adjust- ments	Total before IFRS16	Lease incentive (IFRS16) impact	The Group
Gross Leasable Area (GLA)	94 900	60 642	36 091	70 980	71 333				
Revenue	17 555	12 264	5 770	11 303	11 137	243	58 272	(1 766)	56 506
Rent income	13 092	8 919	3 830	8 213	8 286	(101)	42 239	(1 766)	40 473
Additional fees income	3 876	3 010	1 771	2 648	2 718	(38)	13 985	-	13 985
Other income	587	335	169	442	133	382	2 048	-	2 048
Property maintenance expenses	(4 464)	(3 493)	(2 212)	(2 929)	(3 178)	(235)	(16 511)	-	(16 511)
EBITDA	13 091	8 771	3 558	8 374	7 959	8	41 761	(1 766)	39 995
NET PROFIT (LOSS)	8 554	7 626	2 882	7 126	6 388	(923)	31 653	-	31 653
Six-month period ended 30 June 2022 (EUR'000)	Akropolis Vilnius Lithuania	Akropolis Klaipėda Lithuania	Akropolis Šiauliai Lithuania	Akropole Riga Latvia	Akropole Alfa Latvia	Adjust- ments	Total before IFRS16	Lease incentive (IFRS16) impact	The Group
Gross Leasable Area (GLA)	94 851	60 643	36 084	70 877	71 040				
Revenue	17 318	12 038	5 736	11 469	9 227	145	55 933	(1 891)	54 042
Rent income	12 036	8 109	3 550	7 458	6 343	(85)	37 411	(1 891)	35 520
Additional fees income	4 825	3 643	2 047	2 663	2 814	(36)	15 956	-	15 956
Other income	457	286	139	1 348	70	266	2 566	-	2 566
Property maintenance expenses	(5 455)	(4 366)	(2 617)	(2 988)	(2 114)	(147)	(17 687)	-	(17 687)
EBITDA	11 863	7 672	3 119	8 481	7 113	(2)	38 246	(1 891)	36 355
NET PROFIT (LOSS)	9 015	6 566	2 463	6 880	5 402	(1 652)	28 674	-	28 674

**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**

Tables below present reconciliation of EBITDA to the net profit for the six-month period ended 30 June 2023 and 30 June 2022.

Six-month ended 30 June 2023 (EUR'000)	Akropolis Vilnius Lithuania	Akropolis Klaipėda Lithuania	Akropolis Šiauliai Lithuania	Akropole Riga Latvia	Akropole Alfa Latvia	Adjust- ments	Total before IFRS16	Lease incentive (IFRS16) impact	The Group
EBITDA	13 091	8 771	3 558	8 374	7 959	8	41 761	(1 766)	39 995
Gain (loss) from revaluation of investment property	-	-	-	-	-	-	-	1 766	1 766
Interest income	384	187	50	241	91	583	1 536	-	1 536
Depreciation and amortization	(104)	(52)	(18)	(32)	(127)	(73)	(406)	-	(406)
Interest expense	(3 133)	(269)	(201)	(1 457)	(1 532)	(821)	(7 413)	-	(7 413)
Income tax expense	(1 503)	(1 011)	(507)	-	(3)	(2)	(3 026)	-	(3 026)
Other	(181)	-	-	(1)	-	(617)	(799)	-	(799)
NET PROFIT (LOSS)	8 554	7 626	2 882	7 125	6 388	(922)	31 653	-	31 653

Six-month period ended 30 June 2022 (EUR'000)	Akropolis Vilnius Lithuania	Akropolis Klaipėda Lithuania	Akropolis Šiauliai Lithuania	Akropole Riga Latvia	Akropole Alfa Latvia	Adjust- ments	Total before IFRS16	Lease incentive (IFRS16) impact	The Group
EBITDA	11 863	7 672	3 119	8 481	7 113	(2)	38 246	(1 891)	36 355
Gain (loss) from revaluation of investment property	-	-	-	-	-	102	102	1 891	1 993
Depreciation and amortization	(207)	(83)	(18)	(43)	(128)	(78)	(557)	-	(557)
Interest expense	(1 082)	(272)	(204)	(1 556)	(1 582)	(707)	(5 403)	-	(5 403)
Income tax expense	(1 547)	(751)	(434)	(1)	(2)	(342)	(3 077)	-	(3 077)
Other	(12)	-	-	(1)	1	(625)	(637)	-	(637)
NET PROFIT (LOSS)	9 015	6 566	2 463	6 880	5 402	(1 652)	28 674	-	28 674

4. INVESTMENT PROPERTY

During the six-month period ended 30 June 2023, the Group made investments in amount of EUR 5 194 thousand that resulted in additions to the value of existing investment property, most of the investments were directed to the property under construction in Vilnius and to the modernization of the shopping centre Akropolis Klaipėda. During the six-month period ended 30 June 2022 the Group made investments in amount of EUR 773 thousand.

As at 30 June 2023 and 31 December 2022 investment property consisted of five operating commercial properties, two land plots and a property under construction held for capital appreciation or future rental income. The Group's investment properties are measured at fair value.

As at 30 June 2023 the investment property falling under the category of revenue-generating investment property of the Group with the carrying amount of EUR 319 392 thousand (31 December 2022: EUR 319 000 thousand) was pledged to banks under loan agreements (note 7).

Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial assets and liabilities into the three levels prescribed under the accounting standards.

There were no transfers between Levels 1, 2 or 3 during 2023.

**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**

	Level 1	Level 2	Level 3	Total
	EUR'000	EUR'000	EUR'000	EUR'000
30 June 2023				
Shopping centre Akropolis Vilnius	-	-	319 392	319 392
Shopping centre Akropolis Klaipėda	-	-	204 284	204 284
Shopping centre Akropolis Šiauliai	-	-	78 247	78 247
Shopping centre Akropole Riga	-	-	196 969	196 969
Shopping centre Akropole Alfa	-	-	197 937	197 937
Land plot in Vilnius	-	38 561	-	38 561
Land plot in Šiauliai	-	664	-	664
Land plot in Narva	-	1 000	-	1 000
Market value per external valuation report *	-	40 225	996 829	1 037 054
Lease incentive impact for 2023	-	-	1 766	1 766
Lease incentive impact for all previous periods	-	-	(10 211)	(10 211)
PPE elimination	-	-	(1 775)	(1 775)
Total	-	40 225	986 609	1 026 834

	Level 1	Level 2	Level 3	Total
	EUR'000	EUR'000	EUR'000	EUR'000
31 December 2022				
Shopping centre Akropolis Vilnius	-	-	319 000	319 000
Shopping centre Akropolis Klaipėda	-	-	203 000	203 000
Shopping centre Akropolis Šiauliai	-	-	78 200	78 200
Shopping centre Akropole Riga	-	-	197 000	197 000
Shopping centre Akropole Alfa	-	-	198 000	198 000
Land plot in Vilnius	-	35 000	-	35 000
Land plot in Šiauliai	-	660	-	660
Land plot in Narva	-	1 000	-	1 000
Market value per external valuation report *	-	36 660	995 200	1 031 860
Lease incentive impact for 2022	-	-	3 636	3 636
Lease incentive impact for all previous periods	-	-	(13 847)	(13 847)
PPE elimination	-	-	(1 929)	(1 929)
Total	-	36 660	983 060	1 019 720

*Market value here includes additions made during six-month period ended 30 June 2023.

During the six-month period ended 30 June 2023 the fair value of investment property was not carried out, but according to the Group's management, there are no essential prerequisites for a change in the fair value of investment property. For all Level 3 investment properties amounting to EUR 996 829 thousand as at 30 June 2023 (as at 31 December 2022: EUR 995 200 thousand), the valuation was determined using discounted cash flow (DCF) forecasts based on significant unobservable inputs. These inputs include:

- Future rental cash inflows based on the actual location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current rents for similar properties;
- Discount rates reflecting current market assessments of the uncertainty in the amount and timing of cash flows;
- Estimated vacancy rates based on current and expected future market conditions after expiry of any current lease;
- Maintenance costs including necessary investments to maintain functionality of the property for its expected useful life;
- Capitalisation rates based on actual location, size and quality of the properties and taking into account market data at the valuation date; and
- Terminal value taking into account assumptions regarding maintenance costs, vacancy rates and market rents.

**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**

As at 30 June 2023 included within long-term receivables, are lease incentive receivables of EUR 5 334 thousand (as at 31 December 2022 - EUR 6 682 thousand). Other current assets include current portion of lease incentive receivables of EUR 3 111 thousand (as at 31 December 2022: EUR 3 529 thousand).

5. AMOUNTS RECEIVABLE AND PREPAYMENTS

Amounts receivable and prepayments consisted of the following:

	At 30 June 2023	At 31 December 2022
	EUR'000	EUR'000
Trade receivables	3 148	4 936
Trade receivables from related parties (note 10)	274	628
Less: impairment allowance for trade receivables	(432)	(491)
Trade receivables, net	2 990	5 073
Prepayments	686	626
Deferred expenses, accrued income and other accounts	571	471
Total	4 247	6 170

As at 30 June 2023, expected credit losses of EUR 432 thousand were recognised in relation to trade receivables. As at 31 December 2022, expected credit losses of EUR 491 thousand were recognised in relation to trade receivables.

6. EARNINGS PER SHARE

As at 30 June 2023 and 2022 investments of the Group's parent company comprised of ordinary registered shares of AKROPOLIS GROUP, UAB.

The Company's basic earnings per share are equal to diluted earnings per share. Calculation of basic / diluted earnings per share is presented below:

	Six-month period ended	
	2023	2022
Profit attribute to ordinary equity holders of the parent (EUR thousand)	31 653	28 674
Weighted average number of ordinary shares (in thousands)	109 439	109 439
Basic / diluted earnings per share (EUR/share)	0,289	0,262

7. BORROWINGS

	At 30 June 2023	At 31 December 2022
	EUR'000	EUR'000
Non- current		
Bank borrowings	145 537	149 523
Bonds	297 447	297 033
Total	442 984	446 556
Current		
Bank borrowings	7 973	7 973
Bonds	685	5 033
Total	8 658	13 006

**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**

During the six-month period ended 30 June 2023 the Group repaid EUR 3 986 thousand of bank borrowings and paid out EUR 8 625 thousand of interest on bonds.

As at 30 June 2023, the Group's bank loans were secured by the collaterals with the carrying amount of EUR 333 657 thousand (EUR 380 985 thousand as at 31 December 2022).

8. TRADE AND OTHER AMOUNTS PAYABLE

Trade and other amounts payable consisted of the following:

	At 30 June 2023	At 31 December 2022
	EUR'000	EUR'000
Non-current advance amounts received	8 424	7 974
Other non-current amounts payable	38	37
Non-current amounts payable	8 462	8 011
Current advance amounts received	3 198	2 704
Trade payables	3 528	4 725
VAT payable	693	1 340
Real estate tax payable	4	157
Advance amounts received from, and trade and other amounts payable to related parties (Note 10)	48	219
Other amounts payable and accrued expenses	7 406	15 503
Current amounts payable	14 877	24 648
Total	23 339	32 659

Other payables and accrued expenses of the Group as at 30 June 2023 and 31 December 2022 mainly comprise liability for gift vouchers issued.

9. COMMITMENTS AND CONTINGENCIES

The Group is currently involved in legal proceedings (two cases) related to acquisition of state-owned land by "Vingio Turtas", UAB on 4 November 2005, which is intended for the construction of Vingis Akropolis. The validity of part of the agreement on sale/purchase of state-owned land (Agreement) has been challenged due to an alleged breach of the claimants' rights to property restitution.

The National Land Service has adopted decisions favourable to "Vingio Turtas", UAB that were appealed to Vilnius Regional Administrative Court (court of first instance).

By the decision declared on 21 February 2022, Vilnius Regional Administrative Court dismissed the claimants' appeal regarding the decisions adopted by the National Land Service. The claimants appealed against the decision of Vilnius Regional Administrative Court with the request to annul the decision and to refer the case back to the court of first instance for re-examination. "Vingio Turtas", UAB provided a response to the appeal within the deadline set by the court. The case was examined by the way of a written procedure at the Supreme Administrative Court of Lithuania. By its ruling of 30 August 2023, the Supreme Administrative Court of Lithuania upheld the applicants' appeal and referred the case back to the court of first instance for re-examination.

The legal proceedings do not affect the development of Vingis Akropolis project. In the event of favourable outcome to the claimants, the land plot for the construction of Vingis Akropolis might be materially reduced in size, but the implementation of any decision in favour of the claimants would be legally complicated and would give rise to a number of legal issues.

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

10. RELATED-PARTY TRANSACTIONS

	Six-month period ended	
	2023	2022
	EUR'000	EUR'000
Sales to:		
Shareholders	40	39
Related companies	7 932	8 733
Total	7 972	8 772
Purchases (from):		
Shareholders	47	55
Related companies	663	672
Total	710	727
	At 30 June	At 31
	2023	December
	EUR'000	2022
Prepayments to and amounts receivable from:		
Shareholders	1	7
Related companies	273	627
Lease incentives to related companies	377	510
Total	651	1 144
Advance amounts received from and amounts payable to:		
Shareholders	15	15
Related companies	33	204
Total	48	219

Sales to related parties mostly comprise rental income and other services. Purchases from related parties include consultations and other general and administrative expenses.

11. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the end of the reporting period that might have significant impact on these consolidated condensed interim financial statements.

13 September 2023

Responsibility statement of responsible persons

Hereby we confirm that, to the best of our knowledge and belief, the consolidated condensed interim financial statements of AKROPOLIS GROUP, UAB (hereafter – “the Company”) and its subsidiaries (hereinafter collectively “the Group”) for the six-month period ended 30 June 2023 prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as adopted by the European Union, give a true and fair view of the consolidated financial position of the Group as of 30 June 2023 and its consolidated financial performance and cash flows for the six-month period then ended.

Nerijus Maknevičius
CEO of AKROPOLIS GROUP, UAB

Gabrielė Saponaitė
CFO of AKROPOLIS GROUP, UAB