

# **AKROPOLIS GROUP UAB**

Interim condensed consolidated financial statements  
for the six months ended 30 June 2021

**AKROPOLIS**

REAL ESTATE DEVELOPMENT & MANAGEMENT COMPANY



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**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2021**
*All tabular amounts are in EUR thousand unless otherwise stated*
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Notes	At 30 June 2021	At 31 December 2020
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>799 742</b>	<b>800 195</b>
Property, plant and equipment		938	983
Investment property	4	792 858	795 964
Intangible assets		184	234
Deferred tax assets		-	111
Right-of-use assets		312	335
Long-term receivables	4	5 450	2 568
<b>Current assets</b>		<b>225 934</b>	<b>61 611</b>
Inventories		68	68
Trade, other receivables and other assets	5	3 113	3 566
Prepaid current income tax		13	-
Other financial assets	4	2 454	1 237
Cash and cash equivalents		220 286	56 740
<b>TOTAL ASSETS</b>		<b>1 025 676</b>	<b>861 806</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		31 737	31 737
Share premium		448 096	448 096
Retained earnings		17 645	846
<b>Total equity</b>		<b>497 478</b>	<b>480 679</b>
<b>Non-current liabilities:</b>		<b>506 885</b>	<b>326 008</b>
Borrowings (except of lease liabilities)	6	414 226	231 285
Lease liabilities		312	326
Deferred tax liabilities		83 872	83 819
Income tax liabilities		656	1 312
Other long term payables		7 819	9 266
<b>Current liabilities:</b>		<b>21 313</b>	<b>55 119</b>
Borrowings (except of lease liabilities)	6	7 685	36 162
Lease liabilities		66	64
Current income tax liabilities		1 029	2 801
Trade and other payables		12 533	16 092
<b>Total liabilities</b>		<b>528 198</b>	<b>381 127</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 025 676</b>	<b>861 806</b>

The accompanying explanatory notes are an integral part of these financial statements.  
These interim condensed consolidated financial statements were approved and signed on 27th September 2021.

**Manfredas Dargužis**  
CEO of Akropolis Group, UAB

**Gabrielė Saponaitė**  
CFO of Akropolis Group, UAB



## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Six months ended 30 June	
		2021	2020
Rental income	3	26 270	27 876
Service charge income		9 764	10 467
Service charge expenses		(8 504)	(9 435)
<b>NET RENTAL INCOME</b>		<b>27 530</b>	<b>28 908</b>
Administrative expenses		(1 667)	(1 822)
Valuation gain (loss) from investment property	4	(4 126)	(3 153)
Other income, net		320	271
<b>OPERATING PROFIT (LOSS)</b>		<b>22 057</b>	<b>24 204</b>
Interest expense		(2 476)	(1 688)
Interest income		-	838
Other expenses		(403)	(44)
<b>PROFIT (LOSS) BEFORE INCOME TAX</b>		<b>19 178</b>	<b>23 310</b>
Income tax expense		(2 379)	(1 650)
<b>NET PROFIT (LOSS)</b>	3	<b>16 799</b>	<b>21 660</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>16 799</b>	<b>21 660</b>
<b>EARNINGS PER SHARE (EUR)</b>			
Basic / diluted	7	0,154	0,198

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**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2021**
*All tabular amounts are in EUR thousand unless otherwise stated*
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Notes	Share capital	Share premium	Retained earnings	Total
<b>Balance at 31 December 2019</b>	<b>31 737</b>	<b>580 196</b>	<b>5 021</b>	<b>616 954</b>
<b>Transactions with owners:</b>				
Reduction of share premium	-	(132 100)	-	(132 100)
Dividends paid	-	-	(50 000)	(50 000)
<b>Total transactions with owners</b>	<b>-</b>	<b>(132 100)</b>	<b>(50 000)</b>	<b>(182 100)</b>
Net profit			21 660	21 660
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>21 660</b>	<b>21 660</b>
<b>Balance at 30 June 2020</b>	<b>31 737</b>	<b>448 096</b>	<b>(23 319)</b>	<b>456 514</b>
<b>Balance at 31 December 2020</b>	<b>31 737</b>	<b>448 096</b>	<b>846</b>	<b>480 679</b>
Net profit	-	-	16 799	16 799
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>16 799</b>	<b>16 799</b>
<b>Balance at 30 June 2021</b>	<b>31 737</b>	<b>448 096</b>	<b>17 645</b>	<b>497 478</b>

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**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Notes	Six months ended 30 June	
		2021	2020
<b>OPERATING ACTIVITIES</b>			
Net profit (loss)		16 799	21 660
Adjustments for:			
Income tax expense		2 379	1 650
Depreciation and amortization		422	384
Write off and loss on disposal of PPE		(2)	(2)
Valuation gain (loss) from investment property		4 126	3 153
Interest expense		2 476	1 688
Interest income		-	(838)
<b>Operating cash flows before movements in working capital</b>		<b>26 200</b>	<b>27 695</b>
(Increase)/decrease in trade, other receivables and other assets, and long-term receivables		(3 647)	(7 045)
Increase in inventories		-	7
Increase (decrease) in payables		(6 280)	(1 656)
<b>Cash generated from operations</b>		<b>16 273</b>	<b>19 001</b>
Interest paid		(1 791)	(1 679)
Income tax paid		(4 656)	(1 294)
<b>Net cash generated from (used in) operating activities</b>		<b>9 826</b>	<b>16 028</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of PPE, investment property and intangible assets		(1 189)	(3 062)
Repayments of loans granted		-	149 000
Interest received		-	1 455
<b>Net cash used in investing activities</b>		<b>(1 189)</b>	<b>147 393</b>
<b>FINANCING ACTIVITIES</b>			
Reduction of share premium		-	(132 100)
Dividends paid		-	(50 000)
Proceeds from borrowings	6	319 734	-
Repayments of borrowings	6	(164 825)	(9 465)
<b>Net cash used in financing activities</b>		<b>154 909</b>	<b>(191 565)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>163 546</b>	<b>(28 144)</b>
Cash and cash equivalents at the beginning of the period		56 740	53 682
<b>Cash and cash equivalents at the end of the year</b>		<b>220 286</b>	<b>25 538</b>

The accompanying explanatory notes are an integral part of these financial statements.

These interim condensed consolidated financial statements were approved and signed on 27th September 2021.

**Manfredas Dargužis**  
CEO of Akropolis Group, UAB

**Gabrielė Saponaitė**  
CFO of Akropolis Group, UAB

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

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

The sole shareholder of the Company, owning 100% of shares, was UAB “Vilniaus Prekyba”, company code 302608755, address Ozo str. 25, Vilnius. The ultimate parent entity is Metodika B.V., address: Amstelveenseweg 500, 1081 KL, Amsterdam, Kingdom of the Netherlands, operating in the Kingdom of the Netherlands. The ultimate controlling party is Mr. Nerijus Numa.

The consolidated group is comprised of the Company and its subsidiary undertakings (hereafter collectively referred as “the Group”). The Group has undergone a change in corporate structure whereby Akropolis Real Estate B.V. and all of its subsidiaries became subsidiaries of Akropolis Group, UAB (the “Reorganisation”). On 22 March 2021, UAB “Vilniaus Prekyba”, the sole shareholder of Akropolis Group, UAB and Akropolis Real Estate B.V., adopted a decision to increase the share capital of Akropolis Group, UAB by non-monetary contribution of the shareholder, namely, the payment of the subscription price of the newly issued shares in Akropolis Group, UAB has been performed by transferring ownership of 100% of the shares in Akropolis Real Estate B.V. from UAB “Vilniaus Prekyba” to Akropolis Group, UAB. Shares in Akropolis Real Estate B.V. were transferred to the ownership of Akropolis Group, UAB by notarial deed on 24 March 2021. All formal registrations finalizing the Reorganisation were completed on 6 April 2021.

Last available financial statements were combined financial statements of Akropolis Group, UAB and Akropolis Real Estate B.V. for the years ended 2020 and 2019. The combined financial statements do not constitute statutory accounts of either of the two companies. IFRS does not prescribe how to prepare combined financial statements, however, the Conceptual Framework to IFRS envisages that the reporting entity might comprise two or more entities that are not all linked by a parent-subsidiary relationship. In this case the reporting entity’s financial statements are referred to as ‘combined financial statements’.

The Reorganisation, completed on 6 April 2021, is a business combination under common control. The accounting for common control transactions is not prescribed by IFRS. One of the acceptable methods to account for such transactions, which is now used by Akropolis Group, UAB, is to apply the predecessor values method (the historical carrying values from the combining businesses) in the interim consolidated financial statements of Akropolis Group, UAB for the six months ended 30 June 2021, with the retrospective presentation approach. Under this approach, the interim consolidated financial statements of Akropolis Group, UAB is presented as if the businesses have been combined from the beginning of the earliest period presented because Akropolis Group, UAB and Akropolis Real Estate B.V. were under common control as of that date.

As of 31 December 2020 share capital of Akropolis Group UAB and Akropolis Real Estate B.V. combined financial statements consisted of EUR 43 thousand of the share capital of Akropolis Group UAB and of EUR 140,110 thousand of the share capital of Akropolis Real Estate B.V. On 22 March 2021 the Shareholder’s decision was signed to increase the share capital of Akropolis Group UAB from EUR 43 thousand to EUR 31,737 thousand with a non-monetary Shareholder’s contribution - Akropolis Real Estate B.V. 100% stake. In connection therewith, Akropolis Group UAB has issued 109,291 thousand new ordinary registered shares of EUR 0.29 par value each (hereinafter, the “Newly Issued Shares”). The total issue price of all Newly Issued Shares - EUR 479,790 thousand. The balances of the previous year, which have been recalculated retrospectively by assessing the Group’s share capital, share premium and retained earnings, differ from Combined Financial Statements of the Group for the years ended 31 December 2020 and 31 December 2019 due to transition from combined to consolidated financial statements. On April 29, 2020, the decision of the shareholder reduced Akropolis Real Estate B.V. authorized capital by 132 100 thousand EUR. In the Combined financial statements for the years ended 31 December 2020 and 2019 this was shown as a reduction of authorized capital. In these interim condensed consolidated financial statements 132 100 thousand EUR shown as a decrease in the share premium because these financial statements are presented as if the businesses have been combined from the beginning of the earliest period.

The Group’s key area of operations includes the development of real estate owned by the Group and its lease to tenants based on agreements.

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

The Company’s management authorized these interim condensed consolidated financial statements on 27th September 2021.

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

All tabular amounts are in EUR thousand unless otherwise stated

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

The principal accounting policies applied in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's combined financial statements for the years ended 31 December 2020 and 2019, except for the adoption of the new standards effective of 1 January 2021. The Groups has not adopted any standard, interpretation or amendment that has been issued but not yet effective early.

**a) Basis of preparation**

The interim condensed consolidated financial statements for the six months ended 30 June 2021 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed 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 combined financial statements for the years ended 31 December 2020 and 2019.

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

**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 2021, but did not have any material impact on the Group:

- Interest rate benchmark (IBOR) reform – phase 2 amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (issued on 27 August 2020 and effective for annual periods beginning on or after 1 January 2021).
- Amendment to IFRS 4 – deferral of IFRS 9 (issued on 25 June 2020 and effective for annual periods beginning on or after 1 January 2021).

**3. SEGMENT INFORMATION**

During the six months ended 30 June 2021 no differences occurred in the basis of the Group's segmentation or in the basis of measurement of segment's net profit (loss).

Six months ended 30 June 2021	Vilnius Akropolis, Lithuania	Klaipėdos Akropolis, Lithuania	Šiaulių Akropolis, Lithuania	Akropole Rīga, Latvia	Adjust- ments	Total before IFRS16	Lease incentive impact	Total Group
<b>Gross Leasable Area (GLA)</b>	<b>94 783</b>	<b>60 643</b>	<b>36 048</b>	<b>70 874</b>				
<b>Revenue</b>	<b>12 360</b>	<b>8 390</b>	<b>4 233</b>	<b>7 083</b>	<b>162</b>	<b>32 228</b>	<b>4 126</b>	<b>36 354</b>
Rent income	8 862	5 841	2 696	4 826	(81)	22 144	4 126	26 270
Additional fees income	3 287	2 416	1 484	2 157	(28)	9 316	-	9 316
Other income	211	133	53	100	271	768	-	768
Property operating expenses	(3 137)	(2 503)	(1 514)	(2 444)	(151)	(9 749)	-	(9 749)
<b>EBITDA</b>	<b>9 223</b>	<b>5 887</b>	<b>2 719</b>	<b>4 639</b>	<b>11</b>	<b>22 479</b>	<b>4 126</b>	<b>26 605</b>
<b>NET PROFIT (LOSS)</b>	<b>6 707</b>	<b>4 723</b>	<b>2 082</b>	<b>3 904</b>	<b>(617)</b>	<b>16 799</b>	<b>-</b>	<b>16 799</b>

## AKROPOLIS GROUP UAB

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2021

All tabular amounts are in EUR thousand unless otherwise stated

Six months ended 30 June 2020	Vilniaus Akropolis, Lithuania	Klaipėdos Akropolis, Lithuania	Šiaulių Akropolis, Lithuania	Akropole Rīga, Latvia	Adjust- ments	Total before IFRS16	Lease incentive impact	Total Group
<b>Gross Leasable Area (GLA)</b>	<b>94 783</b>	<b>60 643</b>	<b>36 048</b>	<b>70 874</b>				
<b>Revenue</b>	<b>13 332</b>	<b>9 000</b>	<b>4 477</b>	<b>8 490</b>	<b>162</b>	<b>35 461</b>	<b>3 153</b>	<b>38 614</b>
Rent income	9 625	6 373	2 914	5 898	(87)	24 723	3 153	27 876
Additional fees income	3 424	2 470	1 471	2 360	(27)	9 698	-	9 698
Other income	283	157	92	232	276	1 040	-	1 040
Property operating expenses	(3 471)	(2 500)	(1 672)	(2 957)	(273)	(10 873)	-	(10 873)
<b>EBITDA</b>	<b>9 861</b>	<b>6 500</b>	<b>2 805</b>	<b>5 533</b>	<b>(111)</b>	<b>24 588</b>	<b>3 153</b>	<b>27 741</b>
<b>NET PROFIT (LOSS)</b>	<b>7 772</b>	<b>5 438</b>	<b>2 374</b>	<b>4 207</b>	<b>1 869</b>	<b>21 660</b>	<b>-</b>	<b>21 660</b>

Additional fees income is integral and biggest part of service charge income. It includes fees for the administration and management of the entire shopping centre, for marketing services and for exploitation and administration of the general use facilities, for public utilities and other services required to ensure the proper and continual operation of the shopping centre, as well as fee for direct utilities used by a tenant.

Tables below present reconciliation of EBITDA to the net profit for the six months ended 30 June 2021 and 30 June 2020.

Six months ended 30 June 2021	Vilniaus Akropolis, Lithuania	Klaipėdos Akropolis, Lithuania	Šiaulių Akropolis, Lithuania	Akropole Rīga, Latvia	Adjust- ments	Total before IFRS16	Lease incentive impact	Total Group
<b>EBITDA</b>	<b>9 223</b>	<b>5 887</b>	<b>2 719</b>	<b>4 639</b>	<b>11</b>	<b>22 479</b>	<b>4 126</b>	<b>26 605</b>
Valuation gain (loss) from investment property	-	-	-	-	-	-	(4 126)	(4 126)
Interest income	-	-	-	-	-	-	-	-
Depreciation and amortization	(178)	(84)	(12)	(54)	(94)	(422)	-	(422)
Interest expense	(1 144)	(244)	(188)	(444)	(456)	(2 476)	-	(2 476)
Income tax expense	(1 182)	(835)	(362)	-	-	(2 379)	-	(2 379)
Other finance expenses	(12)	-	(75)	(237)	(79)	(403)	-	(403)
Other income	-	(1)	-	-	1	-	-	-
<b>NET PROFIT (LOSS)</b>	<b>6 707</b>	<b>4 723</b>	<b>2 082</b>	<b>3 904</b>	<b>(617)</b>	<b>16 799</b>	<b>-</b>	<b>16 799</b>

Six months ended 30 June 2020	Vilniaus Akropolis, Lithuania	Klaipėdos Akropolis, Lithuania	Šiaulių Akropolis, Lithuania	Akropole Rīga, Latvia	Adjust- ments	Total before IFRS16	Lease incentive impact	Total Group
<b>EBITDA</b>	<b>9 861</b>	<b>6 500</b>	<b>2 805</b>	<b>5 533</b>	<b>(111)</b>	<b>24 588</b>	<b>3 153</b>	<b>27 741</b>
Valuation gain (loss) from investment property	-	-	-	-	-	-	(3 153)	(3 153)
Interest income	691	73	33	-	41	838	-	838
Depreciation and amortization	(192)	(75)	(12)	(49)	(56)	(384)	-	(384)
Interest expense	(1 207)	(99)	(39)	(340)	(3)	(1 688)	-	(1 688)
Income tax expense	(1 369)	(961)	(412)	(905)	1 997	(1 650)	-	(1 650)
Other finance expenses	(12)	-	-	(32)	-	(44)	-	(44)
Other income	-	-	(1)	-	1	-	-	-
<b>NET PROFIT (LOSS)</b>	<b>7 772</b>	<b>5 438</b>	<b>2 374</b>	<b>4 207</b>	<b>1 869</b>	<b>21 660</b>	<b>-</b>	<b>21 660</b>

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

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**4. INVESTMENT PROPERTY**

During the six months ended 30 June 2021, the Group made investments in amount of EUR 988 thousand that resulted in additions to the value of existing investment property (during the six months ended 30 June 2020 – EUR 2 904 thousand).

The Group's investment properties are measured at fair value. In 2020 the valuation of the investment property was carried out by independent property appraiser CPB Real Estate Services SIA (CBRE Baltics). The valuations have been prepared in accordance with the RICS 2020 Valuation – Professional Standards global, Lithuanian Valuation Law as well as International Valuation Standards IVS 2020 and European Valuation Standards EVS 2020.

Group's investment property will be revalued at the end of the year.

**Fair value hierarchy**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There were no transfers between levels 1, 2 or 3 during 2021.

<b>30 June 2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Shopping centre Vilnius Akropolis	-	-	309 272	309 272
Shopping centre Klaipeda Akropolis	-	-	196 086	196 086
Shopping centre Siauliai Akropolis	-	-	74 058	74 058
Shopping centre Riga Akropole	-	-	192 027	192 027
Land plot Vilnius	-	25 546	-	25 546
Land plot Kaunas	-	3 300	-	3 300
Land plot Siauliai	-	320	-	320
Land plot Narva	-	1 000	-	1 000
<b>Market value*</b>	<b>-</b>	<b>30 166</b>	<b>771 443</b>	<b>801 609</b>
Lease incentive impact of 2021	-	-	(4 126)	(4 126)
Lease incentive impact of all previous periods	-	-	(3 729)	(3 729)
PPE elimination	-	-	(896)	(896)
<b>Total</b>	<b>-</b>	<b>30 166</b>	<b>762 692</b>	<b>792 858</b>

\*Market value here includes additions made during six months ended 30 June 2021.

During first half of 2021, the Group provided tenants with EUR 5.9 million rental discounts, of which EUR 1.8 million was recognized in the statement of comprehensive income (during 2020 - EUR 5.3 million rental discounts, of which EUR 1.5 million was recognized in the statement of comprehensive income). Thus, included within long-term receivables, are lease incentive receivables of EUR 5.4 million (2020 - EUR 2.5 million). Furthermore, included within other current assets are short-term part of lease incentive receivables of EUR 2.4 million (2020 - EUR 1.2 million).

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

*All tabular amounts are in EUR thousand unless otherwise stated*

**5. TRADE, OTHER RECEIVABLES AND OTHER ASSETS**

Trade, other receivables and other assets consist of the following:

	At 30 June 2021	At 31 December 2020
Trade accounts receivable	2 443	2 952
Trade accounts receivable from related parties (note 9)	297	424
Less: allowance for trade receivables impairment	(187)	(116)
<b>Trade accounts receivable, net</b>	<b>2 553</b>	<b>3 260</b>
VAT receivable	195	116
Prepayments	87	107
Other	279	83
<b>Total</b>	<b>3 113</b>	<b>3 566</b>

As at 30 June 2021, expected credit losses of EUR 187 thousand (as at 31 December 2020 – EUR 116 thousand) were recognized in relation to rent receivables. The main cause of the expected credit losses is the increased credit risk from local independent customers and ongoing global covid-19 pandemic.

**6. BORROWINGS**

	At 30 June 2021	At 31 December 2020
<b>Non-current</b>		
Bank loans	118 417	231 285
Bonds	295 809	-
	<b>414 226</b>	<b>231 285</b>
<b>Current</b>		
Bank loans	7 000	36 162
Bonds	685	-
	<b>7 685</b>	<b>36 162</b>

On 3 June 2021 Akropolis Group has successfully distributed its debut 5-year Eurobond issue worth EUR 300 million. These bonds have been listed on the Nasdaq Vilnius and Dublin Euronext stock exchanges. The issue of Eurobonds of UAB Akropolis Group was distributed with an annual coupon rate of 2.875%, an annual yield of 3.00% and a re-offer price of 99.428%. The bonds have been rated BB+ Fitch and BB+ S&P. The bonds mature on 2 June 2026.

Akropolis Group, UAB was Issuer whereas Aido Turtas, UAB, Ozo Turtas, UAB, Taikos Turtas, UAB and SIA "M257", subsidiaries of Akropolis Real Estate B.V., were the Guarantors for the transaction.

The Company has provided loans to three subsidiaries in line with the capital utilization targets set out in the EUR 300 million bond issue prospectus (UAB Taikos turtas, UAB Aido turtas and SIA M257 respectively managing Klaipėda's Akropolis, Šiauliai Akropolis and Riga's Akropolis). The funds lent to Akropolis Group were used to cover the liabilities of subsidiaries at AS Citadele banka Lithuanian Branch (UAB Taikos turtas, UAB Aido turtas) and AS SEB banka (SIA M257). A total of EUR 135.1 million in commercial bank loans was refinanced.

As at 30 June 2021, the Group's bank loans were secured by the collaterals with the carrying amount of EUR 327 thousand (EUR 801 million as at 31 December 2020).

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2021***All tabular amounts are in EUR thousand unless otherwise stated***7. EARNINGS PER SHARE**

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

	Six months ended 30 June	
	2021	2020
Profit attribute to ordinary equity holders of the parent (EUR thousand)	16 799	21 660
Weighted average number of ordinary shares (in thousands)	109 439	109 439
Basic / diluted earnings per share (EUR/share)	0,154	0,198

**8. COMMITMENTS AND CONTINGENCIES**

The Group is currently involved in legal proceedings (two cases) related to the 2005-11-04 acquisition by Vingio Turtas, UAB of state-owned land that is the site of Akropolis Vingis. The validity of part of the state-owned land sale and purchase agreement (Agreement) is challenged due to an alleged breach of the claimants' rights of property restitution.

The National Land Service has adopted decisions favourable to Vingio Turtas, UAB. These decisions are currently being challenged in first instance administrative proceedings. The first instance civil case directly challenging the validity of part of the Agreement is suspended pending a decision in the administrative proceedings.

The Group does not agree with the claimants' case and considers the possibility of satisfaction of the claims as low. The legal proceedings do not affect the Group's rights over the Vingis site and development of Akropolis Vingis. In the event that the claimants were to prove successful, the Vingis site could be materially reduced in size, however, implementation of any potential award would be a highly complicated legal issue.

**9. RELATED PARTY TRANSACTIONS**

	Six months ended 30 June	
	2021	2020
<b>Sales to:</b>		
Parent company	32	40
Other related parties	7 499	7 587
<b>Total</b>	<b>7 531</b>	<b>7 627</b>
<b>Purchases from:</b>		
Other related parties	366	381
<b>Total</b>	<b>366</b>	<b>381</b>
<b>Interest income from:</b>		
Parent company	-	838
<b>Total</b>	<b>-</b>	<b>838</b>

Sales to related parties mostly comprise of rent income and other services. Purchases from related parties include utility, consultations and other general and administrative expenses.

	<b>At 30 June 2021</b>	<b>At 31 December 2020</b>
<b>Trade and other receivables from:</b>		
Parent company	4	1
Other related parties	293	423
<b>Total</b>	<b>297</b>	<b>424</b>
<b>Trade and other payables to:</b>		
Parent company	8	6
Other related parties	106	143
<b>Total</b>	<b>114</b>	<b>149</b>

## 10. COVID-19

Due to covid-19 pandemic, the Group experienced inevitable influence on its financial performance.

Below is the timeline of the most significant restriction periods, which affected the Group during the first half of 2021, related to Lithuanian government measures fighting the global pandemic.

- December 16, 2020 - March 14, 2021: Partial close down - only the shops selling first necessity goods were allowed to operate;
- March 15, 2021 - April 18, 2021: shops with a separate outside entrance were allowed to operate, in addition to the shops selling first necessity goods;
- April 19, 2021 - May 23, 2021: All shops were allowed to operate on weekdays, cinemas allowed to operate subject to certain restrictions. On weekends and holidays only shops with a separate outside entrance and the shops selling first necessity goods were allowed to operate;
- Since May 24, 2021: All shops allowed to operate throughout the week. Certain restrictions regarding masks, distance, client number etc. remain to this day.

Furthermore, below is the timeline of the most significant restriction periods, which affected the Group during first half of 2021, related to Latvian government measures fighting the global pandemic.

- December 21, 2020 - May 16, 2021: Partial close down - only the shops selling first necessity goods were allowed to operate;
- May 17, 2021 - June 2, 2021: shops with a separate outside entrance were allowed to operate, in addition to the shops selling first necessity goods;
- Since June 3, 2021: restrictions limiting economic activities were lifted. All shops allowed to operate throughout the week. Certain restrictions regarding masks, distance, client number etc. remain to this day.

Since December, 2020 Lithuanian and Latvian governments have started immunising the population against Covid-19. At the date of the release of these financial statements, more than 60% of Lithuanian and more than 45% of Latvian population has been vaccinated at least once. In order to accelerate vaccination process, both countries have enforced additional limitations and/or quarantine like measures for non-vaccinated citizens. Lithuanian government has passed a ruling to limit certain economic activities of citizens without a valid Covid-19 certificate as of September 13, 2021. Included in those limitations is a prohibition to enter large shopping centres, beauty salons, restaurants and entertainment facilities.

Despite ongoing global pandemic, the Group managed to increase the collection rate during the first half of 2021 to 98%. Thus, management believes that liquidity position of the Group is sufficient and proven track record indicates strong resilience and flexibility to subside the negative effects of coronavirus pandemic.



**11. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

**Akropolis Group is buying a shopping centre Alfa**

On August 9, 2021 Akropolis Group has signed a deal with AMD Holding to acquire 100 % of the shareholding in Latvian company Delta Property. The latter company owns a 9.7 ha land plot and the building at 372 Brivibas street, in Riga, Latvia housing the shopping centre Alfa.

The total area of the shopping centre Alfa is about 154,000 sq. m., without the parking lot it amounts to 94,000 sq. m, the leasable shopping area (GLA) is 71,000 sq. m. 1,750 cars can be parked at the same time at the parking lot. 210 shops operate in the shopping centre. Alfa houses shops of such popular local and international brands as Zara, Reserved, H&M, Euronics, Sportland, Kidzone, Cenuklubs.lv, Cinamon, Lido, McDonalds, also other shops and service provision places. The shopping centre also houses Rimi – the hypermarket selling grocery and consumer goods.

Alfa shopping centre, which has about 7 million visitors per year, underwent major upgrading and expansion in 2019, which required an investment of about EUR 55 million.

The parties have agreed not to announce the value of the intended transaction, which will be closed after a permit from the Latvian Competition Council is obtained. The Latvian Competition Council should make a decision not later than within 4 months after submission of required documents.

**Akropolis Group sells a land plot in the Kaunas district, Lithuania to SBA Urban**

On September 9, 2021 Biruliškių Turtas, a subsidiary of Akropolis Group, sold the 12,5 hectare land plot in the Kaunas district, Lithuania to SBA Urban, a SBA Group company. In accordance with the agreement between the parties, the value of this transaction will remain undisclosed.

The land plot was sold in accordance with Akropolis Group's strategy to focus on its key areas of activity and to divest from its non-essential assets that do not generate income.

27 September 2021

### **Responsibility statement of responsible persons**

Hereby we confirm that, to the best of our knowledge and belief, the interim condensed consolidated financial statements of Akropolis Group, UAB (hereafter – “the Company”) and its subsidiaries (hereinafter together “the Group”) for the six months period ended 30 June 2021 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 2021 and its consolidated financial performance and cash flows for the six months period then ended.

**Manfredas Dargužis**  
CEO of Akropolis Group, UAB

**Gabrielė Saponaitė**  
CFO of Akropolis Group, UAB