

CAIRO MEZZ PLC

REPORT AND INTERIM FINANCIAL
STATEMENTS

Six months ended 30 June 2021

CAIRO MEZZ PLC

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CAIRO MEZZ PLC

REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2021

On 27 September 2021 the Board of Directors of Cairo Mezz Plc approved the financial results of the Company for the first half of the year that ended 30 June 2021.

Review of current position, and performance of the Company's business

The Company holds mezzanine notes and junior notes.

The mezzanine notes bear interest rate at Euribor 3m+5% and the junior notes bear interest rate at Euribor 3m+8%.

On the issuance of the notes, a Priority of Payments Schedule ("Waterfall") was established, which are settled on a quarterly basis. Based on this schedule, the repayments regarding the mezzanine and junior notes are the last ones in the order of priority.

Until today, the Company has not received any interest in relation to the notes it holds. Therefore, as expected, the Company did not record any revenues in the first half of the year ended 30 June 2021.

Future developments of the Company

The Board of Directors does not expect any significant changes or developments in the operations, financial position and performance of the Company in the foreseeable future.

Related party transactions

Disclosed in note 4 of the financial statements.

CAIRO MEZZ PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Six months ended 30 June 2021

	Note	1/1/2021- 30/6/2021 €	15/1/2020- 30/6/2020 €
Administration expenses	2	<u>(140.954)</u>	<u>(78.844)</u>
Loss before tax		(140.954)	(78.844)
Tax		<u>-</u>	<u>-</u>
Net loss for the period		(140.954)	(78.844)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive expense for the period		<u>(140.954)</u>	<u>(78.844)</u>
Loss per share attributable to equity holders of the company (cent)			
From continuing operations		<u>0,05</u>	<u>0,61</u>
Loss per share attributable to equity holders of the company (cent)		<u>0,05</u>	<u>0,61</u>

The notes on pages 6 to 7 form an integral part of these financial statements.

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STATEMENT OF FINANCIAL POSITION 30 June 2021

	Note	30 June 2021 €	31 Δεκεμβρίου 2020 €
ASSETS			
Non-current assets			
Investments at fair value through profit or loss	3	<u>56.017.137</u>	56.017.137
Total non-current assets		<u>56.017.137</u>	56.017.137
Current assets			
Trade and other receivables		16.856	10.672
Cash at bank		<u>1.204.743</u>	1.387.377
Total current assets		<u>1.221.599</u>	1.398.049
Total assets		<u>57.238.736</u>	57.415.186
EQUITY AND LIABILITIES			
Equity			
Share capital		30.909.683	30.909.683
Share premium		26.582.327	26.582.327
Accumulated losses		<u>(357.829)</u>	(216.875)
Total equity		<u>57.134.181</u>	57.275.135
Current liabilities			
Trade and other payables		<u>104.555</u>	140.051
Total current liabilities		<u>104.555</u>	140.051
Total equity and liabilities		<u>57.238.736</u>	57.415.186

The notes on pages 6 to 7 form an integral part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY

Six months ended 30 June 2021

Note	Share capital €	Share premium €	Accumulated losses €	Total €
Six months ended 30 June 2021				
Balance at 1 January 2021	30.909.683	26.582.327	(216.875)	57.275.135
Comprehensive expense				
Net loss for the period	-	-	(140.954)	(140.954)
Balance at 30 June 2021	30.909.683	26.582.327	(357.829)	57.134.181
Six months ended 30 June 2020				
Comprehensive expense				
Net loss for the period	-	-	(78.844)	(78.844)
Transactions with owners				
Issue of share capital	30.909.683	26.582.327	-	57.492.010
Balance at 30 June 2020	30.909.683	26.582.327	(78.844)	57.413.166

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% and GHS contribution at 1.7%-2,65% for deemed distributions after 1 March 2019 will be payable on such deemed dividends to the extent that the ultimate shareholders are both Cyprus tax resident and Cyprus domiciled. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

The notes on pages 6 to 7 form an integral part of these financial statements.

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CASH FLOW STATEMENT

Six months ended 30 June 2021

	1/1/2021- 30/6/2021	15/1/2020- 30/6/2020
	€	€
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	<u>(140.954)</u>	<u>(78.844)</u>
	(140.954)	(78.844)
Changes in working capital:		
Increase in trade and other receivables	(6.184)	-
(Decrease)/increase in trade and other payables	<u>(35.496)</u>	<u>78.844</u>
Cash used in operations	<u>(182.634)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	<u>-</u>	<u>1.474.873</u>
Net cash generated from financing activities	<u>-</u>	<u>1.474.873</u>
Net (decrease)/increase in cash and cash equivalents	(182.634)	1.474.873
Cash and cash equivalents at beginning of the period	<u>1.387.377</u>	<u>-</u>
Cash and cash equivalents at end of the period	<u><u>1.204.743</u></u>	<u><u>1.474.873</u></u>

The notes on pages 6 to 7 form an integral part of these financial statements.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Six months ended 30 June 2021

1. General Information

The interim financial statements relate to the period from 1 January to 30 June 2021, are not audited by the Company's auditors and were approved by the Board of Directors on 27 September 2021.

The interim financial statements comply with the International Accounting Standard 34 "Interim Financial Statements".

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 Euro.

2. Expenses by nature

	1/1/2021- 30/6/2021 €	15/1/2020- 30/6/2020 €
Directors' remuneration	14.280	2.069
Auditor's remuneration	17.850	17.850
Auditor's remuneration - prior years	238	-
Insurance	7.410	-
Accounting fees	14.875	16.660
Advisory fees	49.123	41.245
Administration expenses	6.796	732
Stock exchange fees	12.065	-
Other expenses	18.317	288
Total expenses	140.954	78.844

The Company does not have any employees.

3. Investments at fair value through profit or loss

The investments at fair value through profit or loss are analysed as follows:

	30 June 2021 €	31 Δεκεμβρίου 2020 €
Mezzanine notes (Class B2)	55.990.251	55.990.251
Junior notes (Class C2)	26.886	26.886
	56.017.137	56.017.137

The terms of the bonds are presented below:

	Currency	Interest rate	Maturity date	30 June 2021 Carrying amount €	31 December 2020 Carrying amount €
Mezzanine notes (Class B2)	Euro	Euribor 3m + 5%	31.12.2054	2.478.445	2.478.445
Mezzanine notes (Class B2)	Euro	Euribor 3m + 5%	31.12.2062	13.006.030	13.006.030
Mezzanine notes (Class B2)	Euro	Euribor 3m + 5%	31.12.2035	40.505.776	40.505.776
Junior notes (Class C2)	Euro	Euribor 3m + 8%	31.12.2054	8.962	8.962
Junior notes (Class C2)	Euro	Euribor 3m + 8%	31.12.2062	8.962	8.962
Junior notes (Class C2)	Euro	Euribor 3m + 8%	31.12.2035	8.962	8.962
				56.017.137	56.017.137

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NOTES TO THE INTERIM FINANCIAL STATEMENTS Six months ended 30 June 2021

3. Investments at fair value through profit or loss (continued)

The financial assets of the Company consist of bonds which were issued by the special purpose companies Cairo No.1 Finance DAC, Cairo No. 2 Finance DAC, and Cairo No.3 Finance DAC based in Ireland.

The bonds are backed by mortgage and non-mortgage receivables. The bonds are under the subordination levels of mezzanine (Class B2) and junior (Class C2).

On the issuance of the notes, a Priority of Payments Schedule ("Waterfall") was established, which they are repaid on a quarterly basis. Based on this schedule, the repayments regarding the mezzanine and junior notes are the last in the order of priority.

The bonds are traded on the Vienna Stock Exchange, but the market is not active. Fair value is therefore determined by valuation techniques by independent valuers on an annual basis. A valuation was made to determine the fair value as at 31 December 2020. No valuation was made for the fair value as at 30 June 2021.

4. Related party transactions

The following transactions were carried out with related parties:

4.1 Directors' remuneration

The remuneration of Directors was as follows:

	1/1/2021- 30/6/2021	15/1/2020- 30/6/2020
	€	€
Directors' remuneration	<u>14.280</u>	<u>2.069</u>
	<u>14.280</u>	<u>2.069</u>