

Hellenic Dynamics plc

(“HELD”, “Hellenic Dynamics” or “the Company”)

Interim Results for the six months ended 30 September 2022

London, 30 December 2022: Hellenic Dynamics plc (LSE: HELD) the medical cannabis cultivator specifically focused on the cultivation and supply of THC dominant strains of medical cannabis flowers destined for the growing medical cannabis markets across Europe. Hellenic Dynamic’s core strategy is to develop and operate its 40,000 square metre active cultivation licence from its 195,506 square metre facility located near Thessaloniki in Northern Greece. Once in full production, Hellenic will be capable of producing over 54,000 kg of dried flowers per annum.

The Company reports its half-yearly results for the six months ended 30 September 2022 (the “Period”). As the Period relates to a point in time prior to the completion of the acquisition of Hellenic Dynamics SA, admission of the Company’s enlarged share capital to the standard listing segment of the Official List and to trading on the London Stock Exchange’s Main Market (“Admission”) on 5 December 2022, the results being reported do not directly relate to the activities of the Company and shareholders are directed to the information in the Company’s recent prospectus for further information.

Operational highlights for the period

- Complete substantial transaction due diligence and gain approval for the enlarged company’s prospectus; and
- Commence fundraise by way of subscription to achieve minimum working capital requirements of the enlarged entity as per the company prospectus

Operational highlights for post period-end

- Completion of the acquisition and Admission to London Stock Exchange

Financial highlights for the period

Cash at 31 March 2022 of £2,095,682, with current cash as at 30 September 2022 of £1,884,210.

Davinder Rai, CEO of Hellenic Dynamics plc, commented:

“These results, our first as a public company, cover the period ended 30 September 2022 prior to our successful Admission and reverse takeover of UK SPAC plc by Hellenic Dynamics SA (renamed Hellenic Dynamics plc), where we raised £1,125,000, providing the company with over £2,626,600 to support our growth plans. On Admission, we became the first medical cannabis cultivator to be admitted to the Main Market.

Since Admission, the Hellenic Dynamics team has not ceased its ambition to provide dried THC medical cannabis flowers to the 25 European countries that now allow medical cannabis to patients via prescription”.

The Directors of the Company accept responsibility for the content of this announcement.

Enquiries:

Hellenic Dynamics plc +44 (0)20 3818 7850
Davinder Rai davinder@hellenicdynamics.com

Cairn Financial Advisers
Emily Staples / Jo Turner +44 (0)20 7213 0880

Peterhouse Capital – Corporate Brokers
Lucy Williams / Charles Goodfellow +44 (0)20 7469 0930

J&H Communications Limited
James Henderson +44 (0)20 7933 8780
George Hudson +44 (0)7768 807631

About Hellenic Dynamics plc

Founded in 2019 Hellenic Dynamics is specifically focused on the cultivation and supply of THC dominant strains of medical cannabis flowers, destined for the growing medical cannabis markets across Europe. Hellenic Dynamics' core strategy is to develop and operate its 40,000 square metre active cultivation licence from its 195,506 square metre facility located near Thessaloniki in Northern Greece. In full production Hellenic Dynamics is capable of producing over 54,000 kg of dried flowers per annum.

Hellenic Dynamics will take advantage of its relatively low cost base resulting from a comparatively low cost of power, having its own running water supply and the labour rates for skilled and semi-skilled labour in Northern Greece.

25 European countries now allow medical cannabis via prescription and the European medicinal cannabis market is expected to reach €43.3 billion per annum by 2027. Sales of Hellenic Dynamics' dried THC-dominant cannabis flowers and extracts are initially intended for export into Europe's largest market - Germany, in addition to other European markets including domestically in Greece.

As the first medical cannabis cultivator to obtain a Main Market listing, Hellenic is significantly different to the number of CBD (Cannabidiol) related companies that have appeared over the recent years. Hellenic Dynamics cultivates THC (Tetrahydrocannabinol) dominant medical cannabis flowers. THC-dominant medical cannabis products are only available via a medical prescription and have been approved for use in the UK, plus 24 other European countries for conditions including but not limited to chronic pain, intractable chemotherapy-related nausea, PTSD, Anxiety, Insomnia, Tourette's syndrome, substance use disorder, Multiple Sclerosis, IBS, spinal cord treatment, lack of appetite due to HIV/AIDS, Cachexia, Anorexia and Glaucoma.

For further information please visit our website www.hellenicdynamics.com.

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

Chairman's statement

The Company did not trade during the period covered by this statement, however significant work was undertaken by it and the previous directors to progress the acquisition of Hellenic Dynamic SA.

The Chairman is delighted that the acquisition completed on 5 December 2022, together with listing on the main market of the London Stock Exchange.

The acquisition cost of Hellenic was £31,243,342.59 and that the consideration for the transaction was satisfied by the issue and allotment of a total of 10,414,447,530 consideration shares on completion (such shares having an implied issue price of £0.003).

The only transactions in the period were costs of operating the Company and transaction costs of progressing the acquisition which amounted to £279,667 in total.

On 5 December 2022, following the acquisition, P H Jay, S R Grant-Rennick and N B Fitzpatrick resigned as directors and the following appointments were made:

- Davinder Rai, Chief Executive Officer
- Dr. Filippou Papadopoulos, Executive Director
- Sir Anthony Jolliffe, Non-executive Chairman
- Joseph Colliver, Non-executive Director

Hellenic Dynamics

Founded in 2019, Hellenic Dynamics SA was a private Greek company specifically focused on the cultivation and supply of THC dominant strains of medical cannabis flowers, destined for the growing medical cannabis markets across Europe.

Hellenic Dynamics SA's core strategy remains to develop and operate its 40,000 square metre active cultivation licence from its 195,506 square metre facility located near Thessaloniki in Northern Greece. In full production Hellenic Dynamics is capable of producing over 54,000 kg of dried flowers per annum.

Hellenic Dynamics will take advantage of its relatively low cost base resulting from a comparatively low cost of power, having its own running water supply and the labour rates for skilled and semi-skilled labour in Northern Greece.

Twenty five European countries now allow medical cannabis via prescription and the European medicinal cannabis market is expected to reach €43.3 billion per annum by 2027. Sales of Hellenic's dried THC-dominant cannabis flowers and extracts are initially intended for export into Europe's largest market - Germany, in addition to other European markets including domestically in Greece. As the first medical cannabis cultivator to obtain a Main Market listing, Hellenic is significantly different to the number of CBD (Cannabidiol) related companies that have appeared over the recent years. Hellenic cultivates THC (Tetrahydrocannabinol) dominant medical cannabis flowers. THC-dominant medical cannabis products are only available via a medical prescription and have been approved for use in the UK, plus 24 other European countries for conditions including but not limited to chronic pain, intractable chemotherapy-related nausea, PTSD, Anxiety, Insomnia, Tourette's syndrome, substance use disorder, Multiple Sclerosis, IBS, spinal cord treatment, lack of appetite due to HIV/AIDS, Cachexia, Anorexia and Glaucoma.

Condensed statement of comprehensive income
For the six months ended 30 September 2022

	6 months to 30 September 2022 (unaudited) £	6 months to 30 September 2021 (unaudited) £
Revenue	-	-
Cost of sales	-	-
Gross profit	-	-
Administrative expenses	(279,667)	(427,783)
Operating profit	(279,667)	(427,783)
Net finance costs	-	-
Profit before income tax	(279,667)	(427,783)
Income tax expense	-	-
Total comprehensive profit for the period	(279,667)	(427,783)
Earnings per share	7	
Basic earnings per share	(0.015)p	(0.023)p

There are no recognised gains and losses other than those passing through the Statement of Comprehensive Income.

**Condensed statement of financial position
As at 30 September 2022**

	30 September 2022 (Unaudited)	31 March 2022 (audited)
Note	£	£
ASSETS		
Current assets		
Trade and other receivables	329,196	216,871
Cash and cash equivalents	1,884,210	2,095,682
	<u>2,213,406</u>	<u>2,312,553</u>
TOTAL ASSETS	<u>2,213,406</u>	<u>2,312,553</u>
EQUITY AND LIABILITIES		
Share capital and reserves		
Issued share capital	8 4,122,400	4,122,400
Share premium	8 2,816,208	2,816,208
Capital redemption reserve	7,500	7,500
Retained earnings	(4,961,583)	(4,681,916)
TOTAL EQUITY	<u>1,984,525</u>	<u>2,264,192</u>
Current liabilities		
Trade and other payables	228,881	48,361
	<u>228,881</u>	<u>48,361</u>
Non-current liabilities		
Loan notes	-	-
TOTAL LIABILITES	<u>228,881</u>	<u>48,361</u>
TOTAL EQUITY & LIABILITIES	<u>2,213,406</u>	<u>2,312,553</u>

Condensed statement of changes in equity
For the six months ended 30 September 2022

	Share capital	Share premium	Capital redemption reserve	Retained earnings	Total
	£	£	£	£	£
Balance at 1 April 2021	4,122,400	2,816,208	7,500	(4,180,798)	2,765,310
Share based payment charge	-	-	-	112,578	112,578
Total comprehensive income	-	-	-	(427,783)	(427,783)
Balance at 30 September 2021	4,122,400	2,816,208	7,500	(4,496,003)	2,450,105
Balance at 1 October 2021	4,122,400	2,816,208	7,500	(4,496,003)	2,450,105
Total comprehensive income	-	-	-	(185,913)	(185,913)
Balance at 31 March 2022	4,122,400	2,816,208	7,500	(4,681,916)	2,264,192
Balance at 1 April 2022	4,122,400	2,816,208	7,500	(4,681,916)	2,264,192
Total comprehensive income	-	-	-	(279,667)	(279,667)
Balance at 30 September 2022	4,122,400	2,816,208	7,500	(4,961,583)	1,984,525

Condensed cash flow statement
For the six months ended 30 September 2022

	6 months to 30 September 2022 (unaudited) £	6 months to 30 September 2021 (unaudited) £
Cash from operating activities:		
Operating profit	(279,667)	(427,783)
Adjusted for:		
Share based payment charge	-	112,578
(Increase)/ decrease in trade and other receivables	(112,325)	(25,647)
(Decrease)/ increase in trade and other payables	180,520	(61,091)
Cash (used in)/ generated by operations	(211,472)	(401,943)
Finance costs	-	-
Taxation paid	-	-
Net cash (outflow)/inflow from operating activities	(211,472)	(401,943)
Cash flows from investing activities:	-	-
Net cash flows from / (used) in investing activities	-	-
Cash flows from financing activities:	-	-
Net cash flows from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	(211,472)	(401,943)
Cash and cash equivalents brought forward	2,095,682	2,858,775
Cash and cash equivalents carried forward	1,884,210	2,456,832

For the purposes of the cash flow statement, cash and cash equivalents comprise the following:

	As at 30 September 2022 £	As at 30 September 2021 £
Cash at bank and in hand	1,884,210	2,456,832
Bank overdraft	-	-
	1,884,210	2,456,832

1. Corporate information

The interim condensed financial statements of Hellenic Dynamics plc for the six months ended 30 September 2022 were authorised for issue in accordance with a resolution of the directors on 29 December 2022.

Hellenic Dynamics plc (“the Company”) is a limited company, incorporated in England and Wales, whose shares are publicly traded on the London Stock Exchange in the standard segment.

The address of its registered office is 21 Arlington Street, London, SW1A 1RN.

On 1 December 2022, the Company changed its name from U.K. SPAC Plc to Hellenic Dynamics plc.

2. Notes to the Interim Report

Basis of preparation

The Company’s half-yearly financial statements for the six months ended 30 September 2022 were authorised for issue by the directors on 29 December 2022.

The half-yearly financial statements, which are unaudited, do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 March 2022 have been filed with the Registrar of Companies at Companies House. The audit report on the statutory accounts for the year ended 31 March 2022 was unqualified and did not contain any statements under Section 498 (2) or (3) of the Companies Act 2006.

The annual financial statements of Hellenic Dynamics for the year ended 31 March 2023 will be prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, IFRIC Interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. Accordingly, these interim financial statements have been prepared using accounting policies consistent with those which will be adopted by the Company in the financial statements and in compliance with IAS 34 “Interim financial reporting”.

Whilst the Company does not have any subsidiaries during the period, the company has made an acquisition before the year ended 31 March 2023 and therefore consolidated accounts will be required for the full year in accordance with IFRS 10.

The interim financial statements have been prepared in accordance with the accounting policies set out in the annual financial statements for the year ended 31 March 2022.

There is a prior period amendment in respect of the interim financial statements for the period ended 30 September 2021. Acquisition costs amounting to £166,510 were previously capitalised and have now been treated as an expense. The correct treatment was reflected in the financial statements for the year ended 31 March 2022.

3. New standards adopted

There are no accounting pronouncements which have become effective from 1 April 2022 that have a significant impact on the Company’s interim condensed financial statements.

4. Significant accounting policies

The interim condensed financial statements have been prepared in accordance with the accounting policies adopted in the Company’s most recent annual financial statements for the year ended 31 March 2022.

5. Estimates and judgements

The judgements, estimates and assumptions applied in the interim condensed financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Company's last annual financial statements for the year ended 31 March 2022.

6. Going concern

The interim financial statements are prepared on a going concern basis which the directors believe to be appropriate. At the balance sheet date, the company had net assets of £2m and a cash balance of £1.88m. Subsequent to the year end and following the reverse acquisition of Hellenic Dynamics SA the company have raised cash of £1.125m as a result of shares and loan note issues, which will support the growth plans of the group. The Directors are confident that the group will be able to meet its obligations as they fall due.

7. Earnings per share

The basic earnings per share is calculated by dividing the earnings attributable to equity shareholders by the weighted average number of shares in issue.

The weighted average number of shares in the period was:

	6 months to 30 September 2022 (unaudited)	6 months to 30 September 2021 (unaudited)	Year-ended 31 March 2022 (audited)
	Number	Number	Number
Basic ordinary shares of 0.1p each	1,852,219,137	1,852,219,137	1,852,219,137
Total	1,852,219,137	1,852,219,137	1,852,219,137

Earning attributable to equity shareholders of the parent

	6 months to 30 September 2022 (unaudited)	6 months to 30 September 2021 (unaudited)	12 months to 31 March 2022 (audited)
	£	£	£
Basic earnings per share	(0.015)p	(0.023)p	(0.033)p

The loss attributable to equity shareholders and weighted average number of ordinary shares for the purposes of calculating diluted earnings per ordinary share are identical to those used for basic earnings per ordinary share. This is because the exercise of share options would have the effect of reducing the loss per ordinary share and is therefore anti-dilutive.

8. Share Capital

	30 September 2022		31 March 2022	
	Number	£	Number	£
Allotted, called up and fully paid				
Ordinary shares of 0.1p each	1,852,219,137	1,852,218	1,852,219,137	1,852,218
Founder shares of £1 each	2,270,182	2,270,182	2,270,182	2,270,182
		<u>4,122,400</u>		<u>4,122,400</u>

2,270,182 Founder shares were issued in 2016. The founder shares are not quoted and do not carry a right to vote or to receive a dividend.

Warrants

Details of the warrants outstanding during the period are as follows;

	Weighted average remaining contractual life (years)	Number	Weighted average exercise price £
Brought forward at 1 April 2022	0.92	1,647,594,936	0.003
Granted	-	-	-
Lapsed	(0.92)	(1,584,810,126)	(0.003)
Carried forward at 30 September 2022	-	62,784,810	-

Share Options

Details of the equity settled EMI share options outstanding during the period are as follows:

	Number	Weighted average remaining contractual life (years)	Weighted average exercise price £
Brought forward at 1 April 2022	111,133,148	0.5	0.002
Granted	-	-	-
Lapsed	-	-	-
Carried forward at 30 September 2022	<u>111,133,148</u>	<u>0.0</u>	<u>0.002</u>

Although the last day for exercising the EMI share options was 1 September 2022, subsequent to the year end the exercise date was extended to 30 September 2027.

The fair value of the remaining share options has been calculated using the Black-Scholes model. The assumptions used in the calculation of the fair value of the share options outstanding during the year are as follows:

Grant Date	3 March 2021
Exercise period	March 2021 – September 2022
Share price at date of grant	0.33p
Exercise price	0.1975p
Shares under option	111,133,148
Expected volatility	26%
Expected life (years)	1.5
Risk free rate	0.01%
Expected dividend yield	0%
Fair value per option	0.12p

Volatility was determined by reference to the standard deviation of expected share price returns based on a statistical analysis of the daily share value of the AIM All-Share Market over a 1-year period to grant date. All of the above options are equity settled and the charge for the period is £Nil as all of the charge was recognised in prior periods (*Mar 2022 - £122,578*).

9. Related party transactions

During the period, the former Directors received remuneration of £35,000 (*2021 – £25,000*) and fees of £17,500 (*2021 – £18,600*).

10. Subsequent events

Post period end on 5 December 2022 Hellenic Dynamics Plc (“the Company”) formerly known as UK SPAC Plc acquired through share for share exchange the entire share capital of Hellenic Dynamic S.A (“Hellenic”). a company whose principal activity is the cultivation of medical grade cannabis.

Although the transaction resulted in Hellenic becoming a wholly owned subsidiary of the Company, the transaction constituted a reverse acquisition, as the previous shareholders of Hellenic own a substantial majority of the Ordinary Shares of the Company and the executive management of Hellenic became the executive management of the Company.

In substance, the shareholders of Hellenic acquired a controlling interest in the Company and the transaction will therefore be accounted for as a reverse acquisition. As the Company's activities prior to the acquisition were purely that of a cash shell seeking a suitable acquisition, it will not meet the definition of a business in accordance with IFRS 3. Accordingly, this reverse acquisition will not constitute a business combination and will be accounted for in accordance with IFRS 2 "Share-based Payments" and associated IFRIC guidance. Although, the reverse acquisition is not a business combination, the Company has become a legal parent and will be required to apply IFRS 10 and prepare consolidated financial statements.

The acquisition cost of Hellenic was £31,243,342.59 the consideration for the transaction was satisfied by the issue and allotment of a total of 10,414,447,530 Consideration Shares to the Sellers, such shares having an implied issue price of £0.003.

Further to the above, the following events took place after the period end;

- The subscription for 250,000,000 new ordinary shares at a subscription price of £0.003 each to raise £750,000.
- The issue of unsecured convertible loan notes raising a further £375,000, the convertible loan notes holder will be able to convert at a price of 0.3 pence and the subscription for the loan notes is conditional to admission.
- The grant of 1,171,555,000 new options to the members of the board, management, and members of the advisory board.
- The grant of an aggregate total of 375,000,000 warrants to investors participating in the subscription and the subscription for loan notes.

11. Statement of Directors' responsibilities

The Directors of Hellenic Dynamics plc are set out on page 3 of this report. We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK.
- the interim management report includes a fair review of the information required by;
 - DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board

Davinder Rai
Chief Executive Officer
29 December 2022