

**LAMDA MALLS S.A.**  
**REAL ESTATE EXPLOITATION AND SERVICES SOCIETE**  
**ANONYME**

- Annual Board of Directors' report
  - Independent auditor's report
- Financial Statements for the year ended 31 December 2020 according to International Financial Reporting Standards (“IFRS”)

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*These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.*

**ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY «LAMDA MALLS S.A. REAL ESTATE EXPLOITATION AND SERVICES SOCIETE ANONYME» FOR THE CONSOLIDATED AND STANDALONE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED ON 31 DECEMBER 2020**

The present Board of Directors' report of the Company and the Group "LAMDA MALLS S.A." has been prepared in accordance with the articles 150-154 of Law 4548/2018 and refers to the annual Financial Statements for the year ended December 31, 2020.

**FINANCIAL POSITION OF THE GROUP**

This is the fourth consecutive year of the Group and corresponds to the period from 1 January 2020 to 31 December 2020.

During this financial year, the activities of the Company and the Group were in accordance with the applicable legislation and the purpose of the Company and the Group, as defined by the articles of association. The financial statements for the abovementioned year have been prepared in accordance with International Financial Reporting Standards. Detailed information on the following basic accounting principles is given in the explanatory notes to the financial statements as at 31 December 2020.

**Revenues:** Consolidated revenues reached €31.230 thousand, compared to €45.480 thousand for the year 2019. Consolidated revenues for the year 2020 were deteriorated due to the impact of the coronavirus pandemic COVID-19 from the operation of shopping centers during the periods that remained closed due to government's decision.

**Results:** Consolidated results after tax for the current year amounted to losses of €11.205 thousand compared to profits of €43.044 thousand in the year 2019. The financial figures of the Group were deteriorated due to the impact of the COVID-19 coronavirus pandemic on the revenues from the commercial exploitation of "Golden Hall" and "Mediterranean Cosmos". Consolidated result was affected negatively due to changes in fair value of investment property by an amount of € 23.367 thousand against profits of € 31.009 thousand for the corresponding fiscal year 2019.

**Dividend policy:** At the Annual General Meeting of the Company's shareholders the dividend distribution that will be proposed for approval for 2020 will amount to €14.517.720 thus €0,0882 per share. Respectively, for the year 2019, the Annual General Meeting approved a dividend distribution to the shareholders of the Company amounting to € 12.065.180, thus € 0,0733 per share, of which an amount of € 11.028.200 was distributed in 2019 as an interim dividend, while the rest of € 1.036.980 was distributed in 2020.

**Borrowings:** The subsidiary "PYLAIA S.M.S.A". completed on 19/04/2019 the refinancing of its bond loan amounting to € 72 million with a reference rate of Euribor of 3-months plus an average margin of 3%. The duration of the bond loan is set at seven years and its purpose is to repay a) the existing loan and b) the credit agreement with an open mutual account. Also, the subsidiary "LAMDA DOMI S.M.S.A. within 2020, repaid a principal amount of € 2,7 million. At the end of the current year, total borrowings of "LAMDA DOMI S.M.S.A." concern products with a floating interest rate of capital of € 83,7 million with a Euribor reference rate of 3-months plus an average margin of 3.07%.

**Financial ratios:** The statistical financial situation of the Group can be summarized in the following financial ratios per year as follows:

Financial Ratios	2020	2019
Equity/Total liabilities	87,4%	89,4%
Net Debt/Total investment property	28,6%	27,3%
Net Debt/Equity	47,0%	44,4%
EBITDA before valuations/Equity	7,4%	12,1%

## **PROSPECTS**

Following the government's measures, the operation of the Group's two Shopping Centers was suspended from 13.03.2020 to 17.05.2020. In addition, according to the Legislative Content Act (GG A' 68), which was ratified with the article 1 of Law 4683/2020 (GG A' 83), the associate shopkeepers/tenants were exempted from the obligation to pay the 40% of the total rent for the months of March, April, May and June 2020. The government has extended the measure for a discount on the rent concessions by 40% for the months of July, August and September to certain retail sectors, mainly in the Food & Beverage and cultural units whereas the associate shopkeepers/tenants were exempted from the obligation to pay the 40% of the total rent for November and December. In addition, and beyond the existing provisions, the Group has decided to provide an additional discount of 30%, thus a total discount of 70%, on the initial contracted rent only for April and May 2020, while for the following period of the year it extended the provision of additional discounts to shopkeepers according to the degree of impact from the government's measures to prevent the spread of the pandemic in their activity.

Moreover, the Group has completely lost the revenues from the relevant car park operations, the advertising income as well as the turnover rent for the period from 13.03.2020 to 17.05.2020 and from 07.11.2020 to 13.12.2020 (since shopping centers were closed during that period). These revenues have also been reduced during the period from 18.05.2020 to 06.11.2020 and 14.12.2020 to 31.12.2020 due to the decrease in the footfall and the tenants' revenues.

Subsequently, the Group as a lessee of the shopping center Mediterranean Cosmos in Pylaia Thessaloniki and following the abovementioned provisions of the previously mentioned Legislative Content Act, has received a reduction in the fixed portion of the payable rent for the period March - June 2020 as well as November – December 2020, amounting to € 719 thousand.

The outcome of the abovementioned legislative acts along with the Group's decision to provide additional discount to tenants, the decrease in the revenues from the relevant car park operations, the advertising income as well as the turnover rent has been fully depicted in the financial results of the Group for the period from 01.01.2020 to 31.12.2020.

Specifically, during the respective period, the Group's Shopping Centers total EBITDA declined by €13.8 million approximately. Also, Group results were affected by fair value losses of € 16,4 million and in combination with IFRS 16 effect regarding the subsidiary company PYLAIA S.M.S.A. and the capital expenses regarding the subsidiary company LAMDA DOMI S.M.S.A. the total effect was losses of € 23,4 million.

The cash and cash equivalent of the Group is sufficient to ensure the coverage of its commitments. In addition, the key financial ratios of the Group's loans are satisfied for the year 2020 and according to the estimates it is predicted that they will continue to be satisfied.

The Group carefully monitors the events regarding the spread of coronavirus COVID-19. Until today, the Group has taken precautionary measures for the safety of its employees as well as it has acted immediately in compliance with obligations as imposed each time by the official competent authorities.

### **Impact of coronavirus COVID-19 in 2021**

The effects of the pandemic continue to affect the financial position of the Group for the year 2021. By decision of the government, the Shopping Centers of the Group are closed for most of the period from 01.01.2021 until 14.04.2021. During this period, the Group's Shopping Centers remained open from 18.01.2021 to 31.01.2021 and from 01.02.2021 to 07.02.2021 with the click inside method. The Government by legislation decided to exempt the shopkeepers from the payment of their full rent for the months of January to April. Respectively for the same period the Government will compensate the Group by paying 60% of the rents. Taking into account the above regulations, the loss of rental income at a Group level for the first four months of 2021 amounts to € 4,4 million. Moreover, the Group has lost income from the car parks of the Shopping Malls, the loss of revenue from the advertising operation and the loss of the variable rents.

However, with a relevant announcement of the Secretary General of Commerce and the Deputy Minister of Civil Protection the shopping centers have reopened since 24.04.2021 and remain opened until the date of publication of the annual financial statements.

According to the independent qualified valuers, given the uncertainty deriving from the evolution of COVID-19 pandemic and the potential future impact on the real estate market in our country and internationally and in lack of sufficient comparable figures, there are conditions of “substantial valuation uncertainty” as defined by the International Valuation Standards. Therefore, the value of the properties is under a period of a high level of attention. As at 31.03.2021 according to the valuation of the Group's real estate carried out by external appraisers, the fair value of the real estate amounted to € 428,3 million. and does not differ significantly from the corresponding estimate made on 31.12.2020 amounting to € 424,6 million.

The Management of the Group has carried out all the necessary analyses in order to confirm its cash adequacy at Company and Group level. The Group's cash flow is sufficient to ensure that its contingent obligations are met. In addition, according to estimates, it is predicted that the main financial covenants of the Group's loans will continue to be satisfied.

### **SIGNIFICANT RISKS FOR THE YEAR 2021**

#### **Impact of the spread of coronavirus COVID-19**

The Group carefully monitors the events regarding the spread of coronavirus COVID-19. Until today, precautionary measures are taken for the safety of its employees and acts in compliance with obligations as imposed by the official competent authorities.

The spread of the pandemic will have a negative impact on both global and domestic economic activity. It is also expected to hit sectors of the Greek economy related to the Group's activities, such as retail market. The effects on the Group for 2020 as well as for first four months of 2021 are described in the above section “PROSPECTS”.

#### **Fluctuations in property values**

Fluctuations in property values are reflected in the Income Statement and Statement of Financial Position according to their fair value. An increase in yields would have a significant impact on the Group's profitability and assets. However, due to the successful performance of Shopping and Leisure Centers “Golden Hall” in Maroussi and “Mediterranean Cosmos” in Pylaia Thessaloniki, their market value is less likely to be reduced. In this context, we note that despite the existing factors of increased uncertainty, the values reported provide the best estimate for the Company's investment property. The complete impact of the consequences of the economic situation as well as of the spread of coronavirus COVID-19 may affect the value of the Group's investment property in the future.

#### **Credit risk**

The credit risk management is monitored at Group level. The credit risk arises from credit exposures to customers, cash and cash equivalents and derivative financial instruments as well.

Regarding to the Group's revenue, these are mainly deriving by customers with an assessed credit history and credit limits, while certain sale and collection terms are applied.

Revenue will be significantly affected in case customers are unable to fulfil their contractual obligations due to either downsizing of their financial activities or weakness of the local banking system.

However, the Group on 31.12.2020 has a well-diversified tenant mix consisting mainly of well-known and reputable companies. The customers' financial condition is monitored on a recurring basis. The Group's Management considers that there is no substantial risk for doubtful debts, other than those for which sufficient provisions have already been recognized.

Additionally, the credit risk from tenants is significantly limited due to the Group's policy to receive bank letter of guarantees from the tenants.

The maximum exposure to credit risk at the reporting date is the carrying value of the trade and other receivables.

As for the bank deposits of the Group and the Company, they are placed in banks that are classified in the external credit rating of Moody's. As at 31.12.2020 the Company's and Group's cash and cash equivalents are concentrated mainly in bank institutions in Greece higher than 10%, which shows significant concentration of credit risk. No significant losses are expected due to the creditworthiness of the banks in which the Group maintains its various bank accounts.

### **Foreign exchange risk**

The Group operates in Greece and consequently its transactions are carried out in Euro. The Group activities are not exposed at foreign exchange risk.

### **Interest rate risk**

The Group's interest rate risk derives mainly from the Group's loans of a total amount of € 155,7 million, with floating interest rates based on Euribor.

the Group examines its exposure to the risk of changes in interest rates and manages this risk considering the possibility of refinancing, renewal of existing loans, alternative financing and risk hedging. Specifically, to cover the changes in interest rates, the Group has entered into interest rate swaps for the conversion of floating interest rates into fixed ones, with respect to part of Group's loan in the amount of €134,7 million on 31.12.2020.

The Group is also exposed to interest rate risk on its bank deposits. However, the risk is not significant due to the low interest rates prevailing in the market.

The financial risk factors are disclosed in note 3 of the annual consolidated and standalone financial statements for the year ended 31 December 2020.

### **Inflation risk**

The Group is exposed to fluctuations in demand and offer of real estate in the domestic market which are affected by the macroeconomic developments in the country and the developments in the domestic real estate market. Any extreme negative changes of the above may have a correspondingly negative impact on business activity, operating cash flows, fair value of the Group's investment property, in the equity.

Decrease in the demand or increased offer or shrinking of the domestic real estate market could adversely affect the Group's business and financial condition, as well as negatively affect the Group's investment property occupancy, the base consideration of commercial cooperation contracts, the level of demand and ultimately the fair value of these properties. Also, the demand for space in the Group's investment properties may decrease due to negative financial conditions or due to increased competition. The above may result in lower occupancy rates, renegotiation of the terms of commercial cooperation agreements, higher costs required for concluding trade cooperation, lower revenue from basic exchanges, and possibly shorter duration of commercial cooperation agreements.

The Group enters into long-term operating lease arrangements with customers for a minimum of 6 years in which the lease payments are adjusted annually according to the Consumer Price Index plus margin coming up to 2%.

### **Liquidity risk**

Group's and Company's liquidity needs are satisfied in full by the timely forecasting of cash needs in conjunction with the prompt receipt of receivables and by using sufficient and available cash resources.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. Cash and cash equivalents are considered assets with high credit risk since the current macroeconomic environment in Greece affects significantly the local banks. We do not anticipate any losses deriving from the banks' credit ratings where the Group holds its accounts.

Based on the existing cash and cash equivalents, Management deems that the future cash needs of the Group and the Company are adequately covered for the next 12 months from the date of preparation of the financial statements.

On December 31, 2020, the Group's long-term borrowings correspond to a bond loan of €72,0 million regarding the subsidiary company PYLAIA S.M.S.A. and a bond loan of € 83,7 million. regarding the subsidiary company LAMDA DOMI S.M.S.A. Relevant reference is made in Note 14 on the annual financial statements for the year ended 31 December 2020.

Reference is made to note 3 to the annual financial statements for the year ended 31 December 2020.

### **RELATED-PARTY TRANSACTIONS**

The related-party transactions according to IAS 24 of the Company and the Group are disclosed in the note 29 of the consolidated and standalone financial statements for the year ended on December 31, 2020.

### **ENVIRONMENTAL ASPECTS**

For the Group, environmental and social responsibility is a key aspect in every business and commercial venture.

With a well-thought-out layout, with modern architectural design and model support services, the Group's shopping centers aim to ensure that they all operate in an environmentally friendly way that promotes sustainable development and responsible entrepreneurship. More specifically, the shopping center has installed central control systems (Building Management Systems) that ensure the monitoring of energy consumption, the implementation of appropriate operating schedules for lighting and air conditioning, optimising energy consumption and maximising energy efficiency.

Furthermore, modern waste management practices and processes are used, focusing on recycling (five flows division - material categories – recycling). Similarly, used oils and fats are collected from the health centers of the shopping centers by authorized companies, thus avoiding their pouring in the sewerage network. Strict standards are observed in the health centers of the shopping center by installing an array of filters in the ventilation systems to minimise air quality pollution.

The air quality in underground car parks in shopping malls is constantly controlled by a special automatic installation to keep the air at a constant permissible level.

### **EMPLOYMENT**

#### **a) Equal Opportunities**

The Group is committed to the International Standards for the diversity and equality of opportunities in all of its employment practices and activities. It provides equal opportunities to all the employees and candidates regardless of hierarchy levels, race, national or ethnic origin, disability, age, gender, sexual orientation or religion and explicitly forbids any discrimination that relate to the aforementioned factors.

All decisions related to recruitment, promotion, training, performance evaluation, salaries and benefits, travel, disciplinary offenses and dismissals are free from any unlawful discrimination. Noticeably, there have been no incidents of discrimination in the Group's workplace.

The constructive exploitation of diversity, respect and the attribute of worthiness of the individual differentiation as well as the formation of a fair work environment for every employee consists of a core element for the Group's achievement of its strategic objectives and its development.

#### **b) Human Rights and Training Systems**

The main purpose of the Group is the development and evolution of its people. Through institutionalized procedures the best employees who take wider responsibilities or higher positions are highlighted. That ensures the development of the employees, meritocracy and the Company's success.

The Group supports its people to learn, develop and achieve their goals and assures them the right of association. It implements training programs, which all employees can participate in, aiming to the improvement of their skills, their constant professional development and their better response to the fulfillment of the Group's objectives.

Performance evaluation is a key tool for the development of employees' skills and career management as well as the recognition of the work and the contribution in cases of fulfilling satisfactory operating results.

The Group considers that equal treatment of the employees is the fairer and best way of creating an environment that ensures an optimal level of performance. Equal treatment policy, without gender, age, religion or nationality discrimination, exists – without being exhausted - in the fields of recruitment, training, salaries and dismissals.

**c) Health and Safety**

The formation of an environment of health and safety in the workplace, through a coordinated effort of management and personnel, consist of a basic priority of the Group since they effectively contribute to the development and progress of the Group. For this reason, the Group continuously invests on this sector.

The Group takes the following main measures:

- It conducts risk reviews in health and safety matters
- It conducts systematic measurements to the air quality, the noise level and the suitability of brightness in its premises
- It has drafted an office evacuation draft and has created special groups of employees who are in charge of the implementation of the plan and conducts evacuation tests of the buildings twice a year.
- It trains and informs regularly the employees on matters of fire safety, emergency situation management, provision of first aid (there is a special group trained and certified in KARPA and the use of defibrillators that exist in the Company's buildings).

**BRANCHE OFFICE**

The Branch office of the Group is the commercial and leisure shopping center "Mediterranean Cosmos", 11<sup>th</sup> km of National road Thessaloniki - Nea Moudania.

Maroussi June 18, 2021

The Board Members

The Chairman of the Board

The Vice-Chairman and Chief Executive Officer

ANASTASIOS K. GIANNITSIS

ODYSSEUS E. ATHANASIOU

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "Lamda Malls S.A."

### Report on the audit of the separate and consolidated financial statements

#### Our opinion

We have audited the accompanying company and consolidated financial statements of Lamda Malls S.A. Company (Company or/and Group) which comprise the separate and consolidated statement of financial position as of 31 December 2020, the separate and consolidated statements of profit or loss, comprehensive income, changes in equity and cash flow statements for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the separate and consolidated financial statements present fairly, in all material respects the separate and consolidated financial position of the Company and the Group as at 31 December 2020, their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate and consolidated financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

During our audit we remained independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, and the requirements of the IESBA Code.

#### Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the separate and consolidated financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Board of Directors Report, we considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the Board of Directors' Report for the year ended at 31 December 2020 is consistent with the separate and consolidated financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150



and 153 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this respect.

### **Responsibilities of Board of Directors and those charged with governance for the separate and consolidated financial statements**

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, the Board of Directors is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and Group's financial reporting process.

### **Auditor's responsibilities for the audit of the separate and consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on other legal and regulatory requirements**

“With respect to the Board of Directors Report, the procedures we performed are described in the “Other Information” section of our report”.

Athens, 18 June 2021  
The Chartered Auditor Accountant



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## Annual Company and Consolidated Financial Statements for the year ended on 31 December 2020

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## Statement of financial position (Group and Company)

Amounts in €	Note	GROUP		COMPANY	
		31.12.2020	31.12.2019	31.12.2020	31.12.2019
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment property	5	502.606.689	519.427.568	-	-
Tangible assets	6	1.876.484	1.577.012	-	-
Intangible assets	7	36.691	44.229	-	-
Right-of-use assets	19	36.967	16.086	36.967	8.279
Investments in subsidiaries	8	-	-	172.656.643	172.656.643
Other receivables	9	9.233.167	9.604.076	6.404	5.654
		<b>513.789.998</b>	<b>530.668.971</b>	<b>172.700.014</b>	<b>172.670.575</b>
<b>Current assets</b>					
Trade and other receivables	9	7.195.522	6.995.496	40.088	13.769
Dividend receivables		-	-	17.421.759	-
Current tax assets		27.772	608.303	-	-
Cash and cash equivalents	10	33.025.136	36.431.861	1.159.843	4.203.575
		<b>40.248.430</b>	<b>44.035.660</b>	<b>18.621.689</b>	<b>4.217.344</b>
<b>Total assets</b>		<b>554.038.429</b>	<b>574.704.632</b>	<b>191.321.703</b>	<b>176.887.920</b>
<b>EQUITY</b>					
<b>Equity attributable to equity holders</b>					
Share capital	12	172.792.043	172.792.043	172.792.043	172.792.043
Other reserves	13	6.092.495	5.678.761	2.469.056	1.723.356
Retained earnings		168.386.171	181.672.778	14.636.821	1.095.325
Business combination differences	32	(88.871.204)	(88.871.204)	-	-
<b>Total equity</b>		<b>258.399.505</b>	<b>271.272.377</b>	<b>189.897.920</b>	<b>175.610.724</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	14	151.921.932	155.879.941	-	-
Deferred tax liabilities	17	47.815.558	52.864.115	-	-
Lease liabilities	19	77.948.778	78.144.877	28.956	89
Net employee defined benefit liabilities	18	213.886	178.948	213.886	178.948
Derivative financial instruments	16	2.250.586	775.886	-	-
Other non-current liabilities	15	650.998	712.875	494.277	556.155
		<b>280.801.738</b>	<b>288.556.642</b>	<b>737.119</b>	<b>735.192</b>
<b>Current liabilities</b>					
Trade and other payables	15	11.911.276	13.486.846	679.006	533.667
Current tax liabilities		256.584	6.060	-	-
Lease liabilities	19	144.525	349.157	7.658	8.338
Borrowings	14	2.524.801	1.033.549	-	-
		<b>14.837.185</b>	<b>14.875.612</b>	<b>686.664</b>	<b>542.004</b>
<b>Total liabilities</b>		<b>295.638.923</b>	<b>303.432.255</b>	<b>1.423.783</b>	<b>1.277.196</b>
<b>Total equity and liabilities</b>		<b>554.038.429</b>	<b>574.704.632</b>	<b>191.321.703</b>	<b>176.887.920</b>

These consolidated and standalone financial statements of “LAMDA Malls S.A.” for the year ended December 31, 2020 have been approved for issue by the Company’s Board of Directors on June 18, 2021.

THE CHAIRMAN OF THE BOARD

ANASTASIOS K. GIANNITSIS

ID Card No. H 865601

THE VICE CHAIRMAN & CHIEF  
EXECUTIVE OFFICER

ODYSSEUS E. ATHANASIOU

ID Card No. AB510661

THE FINANCIAL DIRECTOR

CHARALAMPOS C. GORITSAS

ID Card No. AE109453

The notes on pages 18 to 57 an integral part of these financial statements.

## Income Statement (Group and Company)

<i>Amounts in €</i>	Note	GROUP		COMPANY	
		01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
Revenue	20	31.229.859	45.480.452	-	-
Dividend income		-	-	17.421.759	15.562.725
Net gain/(loss) from fair value adjustment on investment property	5	(23.366.946)	31.008.595	-	-
Expenses related to investment property	21	(9.269.960)	(9.629.489)	-	-
Employee benefits expense	23	(1.752.238)	(2.636.578)	(1.752.238)	(2.636.578)
Depreciation	6,7,19	(436.061)	(401.981)	(11.703)	(8.111)
Other operating income / (expenses) - net	22	(1.100.782)	(486.543)	(311.216)	(152.158)
<b>Operating (loss)/ profit</b>		<b>(4.696.128)</b>	<b>63.334.454</b>	<b>15.346.601</b>	<b>12.765.878</b>
Finance income	24	3.994	13.290	265	2.308
Finance costs	24	(9.164.458)	(7.893.669)	(1.140)	(26.340)
<b>(Loss)/ Profit before income tax</b>		<b>(13.856.593)</b>	<b>55.454.075</b>	<b>15.345.727</b>	<b>12.741.846</b>
Income tax expense	25	2.651.250	(12.410.549)	-	-
<b>(Loss)/ profit for the year</b>		<b>(11.205.342)</b>	<b>43.043.527</b>	<b>15.345.727</b>	<b>12.741.846</b>

The notes on pages 18 to 57 form an integral part of these financial statements.

## Statement of comprehensive income (Group and Company)

<i>Amounts in €</i>	GROUP		COMPANY	
	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
<b>Profit/ (loss) for the year</b>	<b>(11.205.342)</b>	<b>43.043.527</b>	<b>15.345.727</b>	<b>12.741.846</b>
Actuarial gains/(losses), after tax	(21.550)	(48.668)	(21.550)	(48.668)
Changes in cash flow hedges, after tax	(608.999)	(589.673)	-	-
<b>Items that may be subsequently reclassified to profit or loss</b>	<b>(630.549)</b>	<b>(638.341)</b>	<b>(21.550)</b>	<b>(48.668)</b>
<b>Other comprehensive income for the year</b>	<b>(630.549)</b>	<b>(638.341)</b>	<b>(21.550)</b>	<b>(48.668)</b>
<b>Total comprehensive income for the year</b>	<b>(11.835.892)</b>	<b>42.405.185</b>	<b>15.324.177</b>	<b>12.693.178</b>

The notes on pages 18 to 57 form an integral part of these financial statements.

## Statement of changes in equity (Group)

<i>Amounts in €</i>	Note	Share capital	Other reserves	Retained earnings	Business combination differences	Total equity
<b>GROUP</b>						
<b>1 January 2019</b>		<b>172.792.043</b>	<b>5.136.223</b>	<b>160.467.431</b>	<b>(88.871.204)</b>	<b>249.524.493</b>
<b>Total Income:</b>						
Profit for the year		-	-	43.043.527	-	43.043.527
Other comprehensive income for the year:						-
Actuarial loss, after tax	18	-	(48.668)	-	-	(48.668)
Cash flow hedges, after tax	16	-	(589.673)	-	-	(589.673)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>(638.341)</b>	<b>43.043.527</b>	<b>-</b>	<b>42.405.185</b>
<b>Transactions with the shareholders:</b>						
Statutory reserves	13	-	1.180.879	(1.180.879)	-	-
Dividends for 2018	30	-	-	(9.629.100)	-	(9.629.100)
Pre-dividend 2019	30	-	-	(11.028.200)	-	(11.028.200)
		<b>-</b>	<b>1.180.879</b>	<b>(21.838.179)</b>	<b>-</b>	<b>(20.657.300)</b>
<b>31 December 2019</b>		<b>172.792.043</b>	<b>5.678.761</b>	<b>181.672.779</b>	<b>(88.871.204)</b>	<b>271.272.377</b>
<b>1 January 2020</b>		<b>172.792.043</b>	<b>5.678.761</b>	<b>181.672.779</b>	<b>(88.871.204)</b>	<b>271.272.377</b>
<b>Total Income:</b>						
Loss for the year		-	-	(11.205.342)	-	(11.205.342)
Other comprehensive income for the year:						-
Actuarial loss, after tax	18	-	(21.550)	-	-	(21.550)
Cash flow hedges, after tax	16	-	(608.999)	-	-	(608.999)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>(630.549)</b>	<b>(11.205.342)</b>	<b>-</b>	<b>(11.835.892)</b>
<b>Transactions with the shareholders:</b>						
Statutory reserves	13	-	1.044.284	(1.044.284)	-	-
Dividends for 2019	30	-	-	(1.036.980)	-	(1.036.980)
		<b>-</b>	<b>1.044.284</b>	<b>(2.081.264)</b>	<b>-</b>	<b>(1.036.980)</b>
<b>31 December 2020</b>		<b>172.792.043</b>	<b>6.092.495</b>	<b>168.386.171</b>	<b>(88.871.204)</b>	<b>258.399.505</b>

The notes on pages 18 to 57 form an integral part of these financial statements.



## Statement of changes in equity (Company)

<i>Amounts in €</i>					
		Share capital	Other reserves	Retained earnings	Total equity
<b>COMPANY</b>					
<b>1 January 2019</b>		<b>172.792.043</b>	<b>1.134.992</b>	<b>9.647.810</b>	<b>183.574.845</b>
<b>Total Income:</b>					
Profit for the year		-	-	12.741.846	12.741.846
Actuarial loss, after tax	18	-	(48.668)	-	(48.668)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>(48.668)</b>	<b>12.741.846</b>	<b>12.693.178</b>
<b>Transactions with the shareholders:</b>					
Statutory reserves	13	-	637.032	(637.032)	-
Dividends for 2018	30	-	-	(9.629.100)	(9.629.100)
Pre- dividend 2019	30	-	-	(11.028.200)	(11.028.200)
		-	637.032	(21.294.332)	(20.657.300)
<b>31 December 2019</b>		<b>172.792.043</b>	<b>1.723.356</b>	<b>1.095.325</b>	<b>175.610.724</b>
<b>1 January 2020</b>		<b>172.792.043</b>	<b>1.723.356</b>	<b>1.095.325</b>	<b>175.610.724</b>
<b>Total Income:</b>					
Profit for the year		-	-	15.345.727	15.345.727
Actuarial loss, after tax	18	-	(21.550)	-	(21.550)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>(21.550)</b>	<b>15.345.727</b>	<b>15.324.177</b>
<b>Transactions with the shareholders:</b>					
Statutory reserves	13		767.250	(767.250)	
Dividends for 2019	30			(1.036.980)	(1.036.980)
		-	<b>767.250</b>	<b>(1.804.230)</b>	<b>(1.036.980)</b>
<b>31 December 2020</b>		<b>172.792.043</b>	<b>2.469.056</b>	<b>14.636.821</b>	<b>(189.897.920)</b>

The notes on pages 18 to 57 form an integral part of these financial statements.

## Cash Flow Statement (Group and Company)

Amounts in €	Note	GROUP		COMPANY	
		01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
<b>Cash flow from operating activities</b>					
Cash flow for (from) operating activities	26	17.985.553	38.857.224	(1.993.674)	22.070.174
Interest paid on leases	19	(3.026.435)	(3.460.227)	(828)	(482)
Interest paid and other financial expenses		(5.458.454)	(3.723.026)	(312)	(25.858)
Income tax paid		(1.748.579)	(7.697.033)	-	-
<b>Net cash flows from / (for) financing activities</b>		<b>7.752.085</b>	<b>23.976.937</b>	<b>(1.994.813)</b>	<b>22.043.834</b>
<b>Cash flow from investing activities</b>					
Purchase of tangible assets and investment property	5.6	(7.102.195)	(19.346.185)	-	-
Purchase of intangible assets	7	(185)	(795)	-	-
Interest received		3.994	2.823	265	2.272
<b>Net cash flows from / (for) financing activities</b>		<b>(7.098.386)</b>	<b>(19.344.157)</b>	<b>265</b>	<b>2.272</b>
<b>Cash flow from financing activities</b>					
Interim dividends / Dividends paid	30	(1.036.980)	(20.657.300)	(1.036.980)	(20.657.300)
Repayment of lease liabilities	19	(310.413)	(153.291)	(12.204)	(7.963)
Loans taken out	14	-	97.270.000	-	-
Repayment of borrowings	14	(2.713.030)	(74.840.684)	-	-
Corporate bond issuing expenses	14	-	(899.004)	-	-
<b>Net cash flows from / (for) financing activities</b>		<b>(4.060.423)</b>	<b>719.720</b>	<b>(1.049.184)</b>	<b>(20.665.263)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>					
		<b>(3.406.724)</b>	<b>5.352.501</b>	<b>(3.043.733)</b>	<b>1.380.843</b>
Cash and cash equivalents at the beginning of the year	10	36.431.861	31.079.360	4.203.575	2.822.732
Cash and cash equivalents at the end of the year	10	<b>33.025.136</b>	<b>36.431.861</b>	<b>1.159.843</b>	<b>4.203.575</b>

The notes on pages 18 to 57 form an integral part of these financial statements.

## Notes to the consolidated and standalone financial statements

### 1. General information

These financial statements include the standalone financial statements of the company LAMDA Malls S.A. (the “Company”) and the consolidated annual financial statements of the Company and its subsidiaries (together “the Group”) for the year ended December 31, 2020. The names of the subsidiaries are presented in note 8 of the financial statements.

The main activity of the Group is the operation of the shopping centers “Mediterranean Cosmos” that is located in Pylaia Thessaloniki and “Golden Hall” in Maroussi Attica.

The registered office is located at 37<sup>A</sup> Kifissias Ave., 15123, Maroussi, it is registered in the General Electronic Commercial Registry with the unique number 141173801000 and its website address is [www.lamdamalls.gr](http://www.lamdamalls.gr). The company LAMDA DEVELOPMENT S.A., (“Parent company” of the Company) which is also domiciled in Maroussi, as of 31/12/2020, is the main shareholder of the Company with interest held at 54,57% of the share capital directly and 68,3% indirectly (through its subsidiary Lamda Development (Netherlands) BV by 100%) and therefore the Group’s financial statements are included in Parent’s consolidated financial statements. The remaining 31,7% of LAMDA MALLS SA is held by Wert Blue Sarl, a 100% subsidiary company of the company Värde Partners.

These annual consolidated and standalone financial statements have been approved for release by the Company’s Board of Directors on June 18, 2021 and are subject to the final approval of the ordinary General Meeting of Shareholders.

### 2. Summary of significant accounting policies

#### 2.1. Basis of preparation

These standalone and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and Interpretations by the International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union, and present the financial position, results of operations and cash flows on a going concern basis which assumes that the Company has plans in place to avoid material disruptions to its operations and available financial resources to meet its operating requirements. In this respect, Management has concluded that (a) the going concern basis of preparation of these financial statements is appropriate, and (b) all assets and liabilities are appropriately presented in accordance with the Company’s accounting policies.

The Management decision to apply the going concern principle is based on the assumptions that are related to the possible impact of the spread of coronavirus COVID-19. This decision is based on the strong liquidity of the Group on the date of the Statement of Financial Position (note 3.1) and the forecasts of future cash flow that take into account the possible impact of a prolonged spread of the pandemic on the business activities of the Group, both in terms of profits and liquidity.

#### Impact of COVID-19 for the year 2020

By government order the operation of the Company’s Shopping Center was suspended from 13.03.2020 up to and including 17.05.2020. Moreover, under Decree-Law (Government Gazette no. A’ 68), ratified by article 1 of Law 4683/2020 (Government Gazette no. A’ 83), the tenants/shopkeepers were exempted from paying 40% of the total amount of rent during the months March, April, May and June 2020. The Government extended the 40% commercial leases rent reduction for the months of July, August and September for specific categories of traders, mainly in the food and beverage and culture sectors, while in November and December, the tenants were released from paying 40% of rent. In addition to the above, the Company decided to grant a further 30% reduction on the initial total rent for the months of April and May 2020, while for the remaining term of the year, the Company extended the provision of additional discounts to the shopkeepers depending on the extent of the impact of the government measures to restrict the spread of the pandemic on their economic operation.

Moreover, in the periods from 13.03.2020 up to and including 17.05.2020 and from 07.11.2020 up to and including

13.12.2020 (i.e. periods when the Shopping Centers were closed), the Group lost completely all revenue from the operation of the parking lot and the revenue from advertising at the shopping centers areas, as well as the variable rent on the shopkeepers' sales. Said revenues also dropped in the periods 18.05.2020 - 06.11.2020 and 14.12.2020 - 31.12.2020 due to the drop of visitors and tenants' sales. Thereafter, the Group, as lessee of the commercial and leisure shopping centre "Mediterranean Cosmos" at Pylaia, Thessaloniki, pursuant to the provisions of the aforementioned Decree-Law, saw a decrease in the fixed portion of the lease payment due for the period March-June 2020 while more recent statutory interventions resulted in a decrease for November and December, thus raising total decrease to the amount of €719 thousand.

The impact of the foregoing legislative interventions, the Group's decisions to provide additional discount to shopkeepers, the drop in the parking lot and advertising income, the drop in revenue from variable rent, is fully reflected in the financial results of the Group for the period from 01.01.2020 to 31.12.2020.

As a result, the Group's two Shopping Centers recorded a decrease of approximately €13.8 million in EBITDA for the period compared to 2019. It should be noted that, in addition to the drop in the operating profits, the fair values of the Group's Shopping Centers marked a decrease of € 16.4 million and, in combination with the impact of the IFRS 16 of the subsidiary PYLAIA S.M.S.A. and the capital expenditure of the subsidiary LAMDA DOMI S.M.S.A., the aggregate impact amounted to losses of € 23,4 million.

Cash and cash equivalents of the Group are sufficient to ensure payment of its obligations. Moreover, the main financial ratios of the Group's loans are satisfied for the year 2020 and according to the forecasts will continue to do so.

The Management carefully monitors the events regarding the spread of coronavirus COVID-19. Until today, precautionary measures are taken for the safety of the Shopping Centers' employees and visitors, and acts in compliance with the obligations imposed by the official competent authorities

#### **Impact of coronavirus COVID-19 for the year 2021**

The pandemic continues to have an impact on the financial situation of the Group for the year 2021. By government order, the Company's Shopping Centers were closed for the biggest part of the period from 01.01.2021 up to and including 14.04.2021. During that period, the Shopping Centers remained open from 18.01.2021 to 31.01.2021 and from 01.02.2021 to 07.02.2021 operating according to the click inside system. The government decided to release commercial tenants from the full amount of their rent for the months from January to April by legislative act. Respectively for the same time period, the Government will indemnify the Group with 60% of the rent. Taking these legislative acts into account, the loss of income from rents for the first quarter of 2021 amounts to €4,4 million. In addition, the Group incurred a loss of income from the Shopping Centers' parking lots, advertising and variable rents.

However, the General Secretary of Commerce and the Deputy Minister of Civil Protection issued an announcement decreeing the reopening of commercial shops from 24.04.2021 which have remained open to the publication date of these annual financial statements.

Lastly, according to independent experts, given the uncertainty regarding the pandemic front and the possible future impact on the real estate markets in Greece and abroad, and given the lack of sufficient comparative data, there is material valuation uncertainty, as defined in the International Valuation Standards. This is why property values are under greater scrutiny. On 31.03.2021, according to a valuation carried out by external valuers, the fair value of the Group's property was €428,3 million and is not significantly different from the respective valuation of 31.12.2020: € 424,6 million).

The Group's Management has carried out all necessary analyses in order to ascertain its sufficient liquidity. Cash and cash equivalents of the Group are sufficient to ensure payment of its obligations. Moreover, the assessment forecasts that the main financial ratios of the Group's loan will continue to be satisfied.

Note 3, dealing with "Financial risk management" provides information on the Group's overall risk management approach as well as the general financial risks that the Group is exposed to, based on the going concern principle. The Management has factored the above in the preparation of the financial statements for the year ending on 31 December 2020.

These consolidated and Company annual financial statements have been prepared under the historical cost convention, except for the investment property and the derivative financial instruments which are presented at fair

value.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. In addition, the use of certain estimates and assumptions is required that affect the balances of the assets and liabilities, the disclosure of contingent assets and liabilities as at date of preparation of the financial statements and the amounts of income and expense during the reporting period. Although these estimates are based on the best knowledge of management in relation to the current conditions and actions, the actual results can eventually differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4 of these annual financial statements.

## **2.2. New standards, amendments to standards and interpretations**

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1.1.2020. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

### **IFRS 3 (Amendments) "Business Combinations"**

These amendments change the definition of a business output by focusing on providing goods and services to customers, compared to the previous definition that put emphasis on providing a return to shareholders, and on providing lower costs or other economic benefits to investors and other parties. Moreover, it clarifies that, a business is an integrated set of activities and assets that must have at least one input and one material process that, together, make an important contribution in the capacity of producing outputs. Lastly, the new definition adds an optional concentration test that simplifies the assessment of whether an acquired set of activities and assets is not a business. The adoption of the amendments did not have a significant impact on the Group's financial statements.

### **IAS 1 and IAS 8 (Amendments) 'Definition of material'**

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS. The adoption of the amendments did not have a significant impact on the Group's financial statements.

### **IFRS 9, IAS 39 and IFRS 7 (Amendments) 'Interest rate benchmark reform'**

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the reference interest rates reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The adoption of the amendments did not have a significant impact on the Group's financial statements.

### **Standards and Interpretations effective for subsequent periods**

**IFRS 16 'Leases' (Amendment) "Covid-19-Related Rent Concessions"** (applies to annual accounting periods commencing on or after 1 June 2020)

The amendment permitted lessees (but not lessors), as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the covid-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications. The Company is currently in the process of assessing the potential impact of said amendment on the financial statements.

**IFRS 16 'Leases' (Amendment) "Covid-19-Related Rent Concessions – Extension of practical expedient"** (applies to annual accounting periods commencing on or after 1 April 2021)

The amendment extended the rent concessions practical expedient by one year to address reductions in rents owed on or until 30 June 2022. The amendment has not yet been adopted by the European Union. The Company is currently in the process of assessing the potential impact of said amendment on the financial statements.

**IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) (Amendments) “Interest Rate Benchmark Reform—Phase 2”** (apply to annual accounting periods commencing on or after 1 January 2021)

These amendments complement those issued in 2019 and focus in reflecting the effects of an interest rate benchmark reform, i.e. the transitioning from benchmark interest rates to alternative benchmark interest rates, on the financial statements. More specifically, the amendments address the accounting impact of the changes in the conventional cash flows of financial instruments, the accounting impact of hedging and the statutory disclosures. The Company is currently in the process of assessing the potential impact of said amendment on the financial statements

**IAS 16 (Amendment) “Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)”** (applies to annual accounting periods commencing on or after 1 January 2022)

The amendment prohibits the entity from deducting from the cost of an item of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. The amendment also requires from entities to report separately the amounts of revenue and expenses related to such produced items that are not the result of the company’s usual activity. The amendment has not yet been adopted by the European Union. The Company is currently in the process of assessing the potential impact of said amendment on the financial statements.

**IAS 37 (Amendment) “Onerous Contracts — Cost of Fulfilling a Contract”** (applies to annual accounting periods commencing on or after 1 January 2022)

The amendment clarifies that the “cost to fulfill a contract” comprises the costs that relate directly to the contract or an allocation of other costs that relate directly to fulfilling contracts. The amendment clarifies also that before a separate provision for an onerous contract is established, an entity recognizes any impairment loss that has occurred on assets used in fulfilling the contract, and not on assets dedicated solely to said contract. The amendment has not yet been adopted by the European Union. The Company is currently in the process of assessing the potential impact of said amendment on the financial statements.

**IFRS 3 (Amendment) “Reference to the Conceptual Framework”** (applies to annual accounting periods commencing on or after 1 January 2022)

The amendment updated the standard to make a reference to the Conceptual Framework for Financial Reporting published in 2018, to determine what constitutes an asset or a liability for business combinations. In addition, the standard added an exception that specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37 at the date of acquisition. The amendment has not yet been adopted by the European Union. The Company is currently in the process of assessing the potential impact of said amendment on the financial statements.

**IAS 1 (Amendment) ‘Classification of liabilities as current or non-current’** (applies to annual accounting periods beginning on or after 1 January 2023)

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the ‘settlement’ of a liability. The amendment has not yet been adopted by the European Union. The Company is currently in the process of assessing the potential impact of said amendment on the financial statements.

**IAS 1 (Amendment) “Presentation of Financial Statements” and IFRS Practice Statement 2 titled ‘Disclosure of Accounting Policies’** (apply to annual accounting periods beginning on or after 1 January 2023)

These amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendment has not yet been adopted by the European Union. The Company is currently in the process of assessing the potential impact of said amendment on the financial statements.

**IAS 8 (Amendments) “Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates”** (apply to annual accounting periods beginning on or after 1 January 2023)

The amendments help entities to distinguish between accounting policies and accounting estimates. The amendment has not yet been adopted by the European Union. The Company is currently in the process of assessing the potential impact of said amendment on the financial statements.

**IAS 12 (Amendments) “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”** (apply to annual accounting periods beginning on or after 1 January 2023)

The amendments require that entities recognize deferred taxes related to specific transactions that on initial recognition, give rise to equal taxable and deductible temporary differences. This usually applies to transactions such as leases for lessees and decommissioning obligations. The amendment has not yet been adopted by the European Union. The Company is currently in the process of assessing the potential impact of said amendment on the financial statements

**Annual Improvements to IFRS (2018 – 2020 Cycle)** (effective for annual periods beginning on or after 1 January 2022)

The amendments set out below include changes to two IFRSs. The amendment has not yet been adopted by the European Union. The Company is currently in the process of assessing the potential impact of said amendments on the financial statements

*IFRS 9, “Financial Instruments”*

The amendment clarifies which fees an entity includes when it applies the ‘10 per cent’ test in assessing whether to derecognize a financial liability. The relevant costs or fees could be paid either to third parties or to the lender. According to the amendment, the cost or the fees paid to third parties will not be included in the 10% test.

*IFRS 16, “Leases”*

The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives

No other standards or interpretations are effective on subsequent periods that are likely to have an important effect on the financial statements of the Company.

**2.3. Consolidation****(a) Subsidiaries**

Subsidiaries are all entities (including SPVs) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and they are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognized amounts of acquiree’s identifiable net assets.

Acquisition-related costs are recorded in Income Statement.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re measurement are recognized in Income Statement.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability are recognized either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated. Accounting policies applied by subsidiaries have been adjusted to conform to those adopted by the Group.

The Company recognizes its investments in subsidiaries in standalone financial statements at cost less impairment. In addition, the acquisition cost is adjusted to reflect changes in price resulting from any modifications of contingent consideration.

The Company determines at each reporting date whether there is any objective evidence that the investment in the subsidiary is impaired. If this is the case, Management determines recoverable amount as the higher amount between the value in use and the fair value less the cost to sell. When the carrying amount of the subsidiaries exceeds the recoverable amount, the respective impairment loss is recognized in the Income Statement. The determination of the recoverable amount of each subsidiary depends directly on the fair value of investment property held by the subsidiary, as the investment property is the most significant asset in the company's Statement of Financial Position. The impairment that has been recognized in previous reporting periods is examined at each reporting date for possible reversal.

**(b) Transactions with non-controlling interest**

The Group accounts transactions with non-controlling interests that do not result in loss of control, like transactions with the major owners of the Group. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

**(c) Disposal of subsidiary**

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value, while any arising differences recognized in Income Statement. Following this, the asset is recognized as investment in associate, joint venture or financial asset at fair value. In addition, any relevant amounts previously recognized in other comprehensive income are accounted for as if the Group had directly disposed of the related assets or liabilities, meaning that may be reclassified to Income Statement..

**(d) Business Combinations**

According to International Financial Reporting Standards, business combinations among companies of the same group are exempted from the implementation field of IFRS 3. Therefore, the Company implements for these kind of transactions, the «predecessor accounting» method. According to this method, the Company incorporates the accounting values of the entities that are combined (without any adjustment to their fair values). Any difference between the value at the date of contribution and the book value of the net asset value contributed, goes directly to equity.

**2.4. Foreign currency translation**

**(a) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euro (€), which is the Company's functional and the Group's presentation currency.

**(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the



dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Income Statement.

**(c) Group companies**

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i. Assets and liabilities at each reporting date are translated at the closing rate at the reporting date;
- ii. Income and expenses for each Income Statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate of the dates of the transactions); and
- iii. All the exchange differences resulting by the above are recognized in Other Comprehensive Income.

During consolidation procedure, exchange differences arising from the translation of the net investment in foreign entities' are recognized in equity. When a foreign operation is sold, such exchange differences are recognized in the Income Statement as part of the disposal gain or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate of the reporting date.

**2.5. Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property.

Investment property comprises freehold land, freehold buildings, property held under finance leases and property that is being constructed to be developed for future use as investment property.

Investment property is measured initially at cost, including related transaction costs and, where applicable, borrowing costs (note 2.16). Investments in properties under financial and operating leases are initially recognized at the lower of fair value of the property or the present value of the minimum lease payments..

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Valuations are performed semi-annually by independent external valuers in accordance with the guidance issued by the International Valuation Standards Committee.

Fair value measurement on property under construction is only applied if the fair value is considered to be reliably measured. Otherwise, properties under construction are recognized at acquisition cost and remain so (less any impairment losses) until (a) fair value can be measured with credibility, or (b) the construction is completed.

Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases, income from concession arrangements and assumptions about rental income from future leases in the light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognized as a liability, including finance lease liabilities in respect of leasehold land classified as investment property. Others, including contingent rent payments, are not recognized in the financial statements.

Subsequent expenditure is charged to the property's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Changes in fair values are recognized in the Income Statement. Investment properties are derecognized when they have been disposed or its use has been terminated and no cash flow is expected from its disposal.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognized in equity as a revaluation of property, plant and equipment under IAS 16. If, however, the profit resulting from a fair value valuation reverses previous impairment losses, such profit is recognized in profit or loss, to the extent that it reverses a previous impairment loss, with any remaining increase recognized in other comprehensive income and increase directly to equity in revaluation surplus within equity.

In general, reclassifications from and to investment properties take place when there is a use change that is evidenced as follows::

- (a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property;
- (b) commencement of development with a view to subsequent sale, for a transfer from investment property to inventory,;
- (c) the expiration of owner-occupied property, for a transfer from owner-occupied property to investment property; or
- (d) commencement of an operating lease to a third party, for a transfer from inventories to investment property.

## 2.6. Tangible assets

Tangible assets include: lease-hold buildings, means of transport & mechanical equipment, software, furniture and other equipment.

All tangible assets are shown at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items as well as possible borrowing costs.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group higher than the initially expected according to the initial return of the financial asset and under the assumption that the cost of the item can be measured reliably.

Repairs and maintenance are expensed in Income Statement when incurred..

Depreciation on tangible assets is calculated using the straight-line method with equal annual allocations over the item's estimated useful life, in order to write down the cost in its residual value. The expected useful life of tangible assets is as follows:

Lease-hold Buildings	10-20	years
Transportation & mechanical equipment	5-10	years
Furniture and other equipment	5-10	years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (impairment loss) (note 2.8). In case of write-off of assets that are fully obsolete, the net book value is recognised as loss in Income Statement.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the Income Statement.

## 2.7. Intangible assets

Group's intangible assets refers to installed software in computers valued at cost less depreciation and any impairment loss. Depreciation is carried out using the straight-line method over the useful life of those assets, which is up to 10 years.

## 2.8. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization but are tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Assets that are subject to amortization as well as investments in subsidiaries, joint ventures and associates are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of the impairment's estimation, the assets are categorized at the lower level for which the cash flows can be determined separately.

Specifically, for the investments in subsidiaries, joint ventures and associates that own directly or indirectly investment property (which comprise the largest part of the Group) the valuations of the investment property are taken into account as described in note 5.

Impairment losses are recognized as an expense to the Income Statement, when they occur.

## 2.9. Financial assets

### a) Classification and measurement

According to IFRS 9, financial instruments are subsequently measured at fair value through profit or loss, at amortized cost, or at fair value through other comprehensive income.

Classification is based in two criteria:

- the business model in which the financial asset is held, whether the objective is to hold for the purpose of collecting contractual cash flows or the collection of contractual cash flows and the sale of financial assets; and
- whether the contractual cash flows of the financial asset consist exclusively of capital repayment and interest on the outstanding balance («SPPI» criterion).

The Company uses the following measurement categories for financial assets:

#### Financial assets measured at amortized cost

Financial assets held within the business model are classified as held for the purpose of holding and collecting contractual cash flows that meet the "SPPI" criterion. This category includes all financial assets of the Company, except for investments in financial assets at fair value through other comprehensive income. Financial assets classified in this category mainly include the following assets:

- Cash and cash equivalents
- Receivables
- Other receivables

Trade receivables are amounts required from customers by selling products or providing services in the normal course of business. If the receivables are collected in the normal operating cycle of the enterprise, which is not more than one year, they are presented as current assets, if not, they are presented as non-current assets. Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method less the provision for impairment.

#### Financial assets at fair value through other comprehensive income

They relate to assets held for the purpose of both the collection of contractual cash flows and their sale and create

at specific dates cash flows that consist exclusively of capital repayment and interest on outstanding capital.

Changes in the current value are recognized in other comprehensive income except for the recognition of impairment losses, interest income and foreign exchange gains / losses that are recognized in the Income Statement. When the asset is de recognized, the cumulative gain / loss recognized in other comprehensive income is reclassified to the Income Statement in the line "Other operating income / (expenses) (net)". Interest income is calculated using the effective interest method and is recognized as financial income. Foreign exchange gains / losses are recognized in the line "Foreign exchange differences" and impairment losses are recognized on a separate line in the Income Statement.

On 31 December 2020, the Group held financial derivatives classified in this category and described in note 2.11.

#### Financial assets at fair value through profit or loss

Assets that do not meet the classification criteria under "Unamortized cost" and "Fair value through other comprehensive income" are measured at fair value through profit or loss. The gain / loss is recognized in the Income Statement in the line "Other operating income / (expenses) (net)" in the period in which it arises. On 31 December 2020, the Group held financial derivatives classified in this category and described in note 2.11.

#### **Expected credit losses**

The Group has trade and other receivables (including those arising from operating leases) as well as other financial assets which are measured at carried cost and are subject to the new model of expected credit losses based on IFRS 9.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the eventual value decline is minor.

IFRS 9 requires the Group to adopt the expected credit losses model for each of the above asset categories.

#### **Trade and other receivables**

The Group applies the simplified approach of IFRS 9 for the calculation of expected credit losses. The provision for impairment is always measured at an amount equal to the expected credit losses over the life of the receivable. For determining expected credit losses in relation to trade and other receivables (including those arising from operating leases), the Group uses a credit loss provision matrix based on the maturity of the outstanding receivables. Expected credit losses are based on historical data taking into account future factors in relation to debtors and the economic environment. All assumptions, accounting policies and calculation techniques applied to calculate the expected credit losses will continue to be subject to re-examination and improvements.

#### **Other financial assets measured at amortized costs**

For other financial assets of the Group measured at amortized cost, the general approach is used. These financial assets are considered to be of low credit risk and any provision for impairment is limited to the expected credit losses of the next 12 months.

#### **2.10. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The legally enforceable right cannot be contingent on a future event and must be enforceable in the normal course of business, in the event of default, insolvency or bankruptcy of the company or any counterparty.

#### **2.11. Derivative financial instruments and hedging instruments**

The Group uses derivative financial instruments to hedge risks related to future rate fluctuation. Derivative financial instruments are initially recognized at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognizing the gain or loss resulting by the above valuation depends on whether the derivative is designated as a hedging instrument, and if so, by the nature of the item being hedged.

On the transaction date, the relationship between the hedged item and the hedging instrument is recorded together with the purpose of hedging and the strategy to implement hedging transactions. The Group records also the initial rationale behind hedging as well as whether during the transactions the instruments used therein can hedge effectively any fluctuations in the fair values or the cash flows of hedged items.

For the purpose of hedge accounting, hedges are classified as follows:

- 1) Cash flow hedges when they are used to hedge the fluctuation of cash flows in relation to a recognized asset or liability or in relation to the exchange rate risk of a corporate commitment.
- 2) Fair value hedges when they are used to hedge changes in the fair value of a recognized asset or liability or corporate commitment.

As regards cash flow hedges which meet the hedge accounting criteria, the portion of changes in the fair value corresponding to effective hedging is recognized in an equity special reserve. Any profit or loss arising from variations in the fair value corresponding to non-effective hedging is directly recognized in the "Other income/(expenses) (net)" account in the Income Statement. The accumulated amounts in equity reserve are recycled through the income statement in the periods during which the hedged item affects profit or loss (when the transaction anticipated to be hedged takes place).

As regards those fair value hedges meeting the hedge accounting criteria, the profit or loss arising from the effective portion of the financial instrument of different borrowing rates is recognized in the "Financial cost - net" account in the Income Statement. The profit or loss arising from the non-effective portion of the hedging financial instrument involving different borrowing rates is recognized in the "Other operating income/(expenses) (net)" account in the Income Statement. Any profit or loss stemming from the hedged item due to the hedged risk adjust the book value of the hedged item and are posted in the Income Statement.

Hedge accounting is discontinued when the hedging instrument expires or is sold, is terminated or exercised, or when the hedge does no longer meet the criteria for hedge accounting. If a hedged transaction is not expected any longer to take place, the net accumulated profits or losses which had been recognized in the equity reserves are transferred to the Income Statement.

Any derivative financial instruments that are not designated as hedging instruments and do not meet the hedge accounting conditions are classified as derivatives held for sale and are measured at fair value through the Income Statement. Any fluctuations in the fair value of these derivatives that do not meet the hedge accounting conditions are recognized directly in the "Other operating income/(expenses) (net)" account in the Income Statement.

On 31.12.2020, the Group does not have any fair value hedging instruments. On the same date, the Company held cash flow hedging instruments amounting to €0,6 million for which the Group applied hedging accounting and therefore changes in fair value were recorded in a special equity reserves (see Note 16). Moreover, on 31/12/2020, the Group had cash flow hedging instruments amounting to €0,7 million which had been concluded during the year; as a result, the Company recorded a loss of €0,7 million in the Income Statement. These particular derivative financial instruments did not meet the hedge accounting conditions and, therefore, changes in fair value were recorded through the Income Statement.

## **2.12. Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held with banks and other short-term highly liquid investments with original maturities of three months or less and low risk.

In the consolidated Statement of Financial Position and Cash Flow Statement, bank overdrafts are shown within borrowings in current liabilities.

## **2.13. Share Capital**

The share capital includes ordinary shares and share premium reserve. The share capital represents the value of the company's shares that have been issued and are in circulation.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

**2.14. Trade and other payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer).

Trade payables are recognized initially at fair value and subsequently measured at unamortized cost using the effective interest method.

**2.15. Borrowings**

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

**2.16. Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalized, as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Also, the respective borrowing cost is added to the investment property and to the inventory.

Investment income earned on the temporary investment of specific borrowings taken specifically for the acquisition, construction or production of an asset, are deducted from the borrowing costs eligible for capitalization.

**2.17. Current and Deferred income tax**

The tax expense for the period comprises current and deferred tax. Tax is recognized in the Income Statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated using the financial statements of every company included in the consolidated financial statements, along with the applicable tax law in the respective countries. Management periodically evaluates position in relation to the tax authorities and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and related companies, unless the Group is capable to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognized for deductible temporary differences arising from investments in subsidiaries and related companies, only to the extent that it is probable that these are reversed in the future and there are sufficient future taxable profits that may be used to settle temporary differences.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority or different taxable entities where there is an intention to settle the balances on a net basis.

## **2.18. Employee benefits**

### **(a) Short-term benefits**

Short-term benefits to employees in cash and in kind are recognized as an expense when they become accrued.

### **(b) Right to leave**

Employees' annual leave and long-term leave entitlements are recognized when they arise. Provision is made for the estimated annual leave and the long-term service obligation as a result of services offered up to the reporting date.

### **(c) Retirement benefits**

The Group participates in retirement schemes by paying into publicly administered social security funds. Benefits after retirement include both defined contribution plans and defined benefit plans.

Defined contribution plans include payment of contributions into State Funds (e.g. the Greek Social Security Organization "IKA"). The obligation of the employer is limited to the payment of the employer contributions to the Funds, as a result of which no further obligation of the Group arises in case the State Fund is unable to pay a pension to the insured. The accrued costs of defined contribution plans are classified as expense in the year that arises and is included in staff costs.

Defined benefit plans comprise retirement benefit plans according to which the Group pays to the employee an amount upon retirement that is based on the employee's period of service, age and salary.

The liability recognized in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit is determined by discounting expected future cash outflows using interest rates of high quality corporate bonds in the currency in which the benefit will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The current service cost of the defined benefit plan is recognized in the Income Statement, unless it is included in the cost of an asset. The current service cost reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments or settlements.

Actuarial gains and profits resulting from adjustments based on historical data are recognized in other comprehensive income in the period in which they arise.

Past service cost is recognized immediately in the Income Statement.

The cost of interest is calculated by applying the discount rate to the net defined benefit liability for the defined benefits plan. The net interest is included in employee benefit expense in the Income Statement.

### **(d) Termination benefits**

Termination benefits are payable whenever an employee's employment is terminated by the Group, before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes these benefits earlier than a) when the Group can no longer withdraw the offer of these benefits any longer and b) when the Company recognizes expenses from reorganization that is included in the scope of IAS 37 where the payment from termination benefits is included. In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

### **(e) Share-based compensation**

The Group implements a number of stock option plans in which the Company receives services from its employees in exchange for equity in the parent company, Lamda Malls S.A. The fair value of the employee services received

in exchange for equity securities is recognized as an expense with a corresponding increase in equity. The total amount to be recognized as an expense is determined in relation to the fair value of the options granted:

- including any market performance conditions (e.g. stock price)
- excluding the impact of any non-market vesting conditions (e.g. profitability, achievement of sales goals and the stay of the employee in the Company of a specified period); and
- including the impact of any non-investing conditions (e.g. the requirement for employees to keep or hold securities for a specified period).

The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are met. At the end of each year, the Company revises its estimates regarding the number of options that are expected to vest based on the non-market vesting, as well as the service conditions, and recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

In addition, in some cases, employees may provide the service before the option grant date and therefore the fair value is calculated at the option date, so that the entity can recognize the expense during the period in which the provision of the service started and the option grant date.

When the options are exercised, the Company issues new shares. Receipts received, net of any direct transaction costs, are credited to the share capital (nominal value) and to the share premium.

The Company has adopted a stock option plan under which the Company receives services from employees in exchange for cash payments or stock issue. If the Company estimates that conditions for a stock issue will not be met at the end of the stock option plan, these benefits will be recognized as compensation paid in cash. The fair value of the employees' services received in exchange of the compensation is recognized in expenses with a corresponding increase in liabilities. Liabilities will be measured again on each reporting date until settled.

## **2.19. Provisions**

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when the amount can be reliably estimated.

In case there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of similar obligations. In this case, provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditure required, according to management's best estimate, to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the increases specific to the liability.

## **2.20. Revenue recognition from investment property**

Revenue includes the rental income at fair value excluding value added tax (VAT) and rebates. Revenue from investment property includes revenues from operating leases, concessions, and commercial partnership contracts.

The income from operating leases is recognized in the Income Statement using the straight-line method over the duration of the lease. The most significant part of the income of operating leases has to do with the Base remuneration that each tenant pays (Base rent according each CCA), which is adjusted annually following the Indexation plus margin that differs from tenant to tenant. When the Group provides incentives to its customers, the cost of these incentives is recognized over the duration of the lease or commercial cooperation, using the straight line method, reducing income. Covid-19 related concessions did not include amendments to agreements therefore they were recognized in the year for which the concession and commercial partnership services are provided.

Income from real estate maintenance and management, concession of use and commercial partnership agreements are recognized in the year for which they are provided.



### 2.21. Parking lots revenues

Revenue derives mainly from the retail use of parking lots excluding the value added tax (VAT).

The above revenues are recognized in the year for which the parking lot services are provided.

### 2.22. Interest income

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the carrying amount is reduced to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate. Afterwards, interests are calculated by using the same rate on the impaired value (new carrying amount).

### 2.23. Dividends income

Dividend income is recognized as revenue when the right to receive payment is established.

### 2.24. Leases

#### (a) Group Company as lessee

Assets and liabilities arising from lease contracts are initially measured at the present value of future leases. Lease liabilities contain the present value of the following payments:

- Fixed payments less any lease incentives receivable;
- Variable lease payments that depend on an index or rate;
- Payments that are expected to be made by the lessee as guaranteed residual values;
- Payments related to the price exercising the right of purchase, when the exercise of the right by the lessee is almost certain;
- Payments for penalties for early termination of the lease, if it is considered reasonable that the lessee will proceed to the termination of the contract.

Lease payments are discounted using a lease imputed interest rate. If this interest rate cannot be determined, then the lessee uses the incremental borrowing rate, which is the rate of interest that the lessee would have to pay to borrow the funds necessary to obtain an asset of a similar value in a similar economic environment under the same terms and conditions.

The right-of-use asset is measured at cost and includes the following items:

- The amount of the initial measurement of lease liability;
- Lease payments made before or at inception of the lease less any lease incentives received;
- Any initial costs directly associated with the lease;
- Costs related to the restoration of the leased property.

Each lease payment is allocated between liability and financial cost. The financial cost is charged to the Income Statement during the lease term and is calculated based on a fixed rate over the remainder of the liability of each period. The value of the right of use is depreciated using the straight-line method imputing equal amounts either over the useful life of the right-of-use asset or during the lease term, whichever is shorter. In case the right of use refers to an investment property, then the value of such right is depreciated through the Income Statement as a change in fair value of investment property.

Payments associated with short-term leases and contracts with low-value assets are recognized as expenses in the Income Statement during the lease term. Short-term leases are those that have a lease term of 12 months or less. Low-value assets include mainly office equipment and IT machinery.

#### (b) Company as lessor

Properties leased under operating lease contracts are included in investment properties and measured at fair value (Note 2.5). Note **Error! Reference source not found.** describes the accounting principle of revenue recognition from leases.

### 2.25. Dividend distribution

The dividends corresponding to ordinary shares are recognized as a liability in the period during which they are approved by the General Meeting of the Company's Shareholders. Interim dividends are recognized directly as a reduction of equity in the period during which their distribution is decided by the Company's Board of Directors.

### 2.26. Rounding off

Discrepancies between amounts in the financial statements and the corresponding amounts in the notes are due to the rounding off process.

## 3. Financial risk management

### 3.1. Financial risk factors

The Group is exposed to financial risks, such as market risk (fluctuations in exchange rates, interest rates and market prices), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Financial risk management is carried out by the central Group finance department, that operates under specific policies approved by the Board of Directors. The Board of Directors provides instructions and directions for overall risk management, as well as specific instructions regarding the management of specific risks such as foreign exchange risk, interest rate risk and credit risk.

In addition to the foregoing and as described in note 2.1 with respect to the macroeconomic environment in Greece, the macroeconomic and financial environment in Greece is volatile. Although negative developments are unpredictable, Management assesses the situation on an ongoing basis in order to secure that all necessary and possible steps and actions are taken to minimise any effect on the Company's operations.

Management constantly assesses the likely impact of any changes in the macroeconomic and financial environment in Greece to ensure that all necessary steps and measures are taken to minimise any repercussions on Group's operations in Greece. Despite the aforementioned uncertainties, the Group pursues regularly its activities. However, Management is not able to accurately predict the likely developments in the Greek economy and its impact on the Group activities.. Please also see note **Error! Reference source not found.** with regard to the effects of the pandemic COVID-19 and the resultant uncertainty.

#### (a) Market risk

##### i) Foreign exchange risk

The Group operates mainly in Greece and therefore its transactions are carried out in Euros. The Group is not exposed to foreign exchange risk.

##### ii) Price risk

The Group is exposed to price risk relating to fluctuations in the demand and offer of the domestic real estate market affected by the macroeconomic developments in the country and the domestic real estate market. Any excessive negative change of the above may result in a corresponding negative impact on the business, operational cash flows, fair values of investment properties and equity of the Group.

A drop in the demand or an increase in the offer or a contraction of the domestic real estate market could adversely affect the business and financial standing of the Group and have a negative impact on the occupancy rates of the Group's investment property, the amount of the base rents and the commercial lease agreements, the level of demand and, eventually, the fair value of these properties. In addition, the demand of spaces in the Group's investment property may decrease due to the adverse economic conditions or due to increased competition. The above may result to lower occupancy rates, renegotiation of the terms of lease contracts, higher costs required for the lease contracts, lower revenue from base remuneration, as well as shorter term of lease contracts.

The Group enters into long term operating lease arrangements with customers for a minimum term of 6 years, which

provide for annual rental adjustments linked to the consumer price index plus a spread of up to 2%.

### iii) Interest rate risk

Interest rate risk arises mainly from the borrowings of the Group with a total amount of €155,7 million the majority of which have variable interest rates based on Euribor.

The Group analyses its interest rate exposure and manages the interest rate risk through refinancing, renewal of existing loans, alternative financing and hedging.

Specifically, in order to be covered by interest rate changes, the Group had entered into interest rate swaps for the conversion of floating interest rates into fixed amounts for part of the loan of the subsidiary LAMDA DOMI S.M.S.A. and PYLAIA S.M.S.A. More specifically, LAMDA DOMI S.M.S.A. and PYLAIA S.M.S.A. have entered into interest rate swaps for the conversion of floating interest rates into fixed amounts regarding part of their respective borrowings, amounting on 31/12/2020 to €62,7 million and €72 million respectively.

The sensitivity analysis below is based on change in a variable holding all other variables constant. Actually, such a scenario is unlikely to happen, and changes in variables can be related for example to change in interest rate and change in market price.

On 31 December 2020 an increase by 0,25% on the Group's borrowings floating interest rate at functional currency, applied throughout 2020, would lead to an increase of finance cost by €253k. The Group is also exposed to an interest rate risk with respect to the bank accounts held in its assets. Nevertheless, the risk is not important due to the low interest rates prevailing in the market.

### (b) Credit risk

Credit risk is managed on Group level. Credit risk arises from credit exposures to customers, including outstanding receivables, as well as cash and cash equivalents.

Regarding Group revenue, these are mainly deriving from customers with an assessed credit history and credit limits while certain sale and collection terms are applied.

Revenues will significantly be affected in case where customers cannot fulfil their obligations either as a result of their limited economic activity or either due to the weakness of the domestic banking system.

However, the Group at 31/12/2020 has a well-diversified tenant mix consisting mainly of profitable companies with good reputation and has no concentration of receivables exceeding 10% per customer. The customers' financial condition is monitored on a recurring basis. The Company's management does not expect significant losses from impaired receivables except for those that have been provided for. Additionally, the credit risk in respect of the Group's rental of property is low over time, due to the guarantees on rents required by the Company, as well as the prepayment of rents in the case of Mediterranean Cosmos.

Company's cash and cash equivalents are deposited in banks which are ranked in Moody's external credit rating list. Credit risk of cash is classified in the following table based on credit risk ranking as follows:

Bank's credit rating	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Aa3	-	66	-	-
Caal	32.919.183	36.205.526	1.159.193	4.202.668
	<b>32.919.183</b>	<b>36.205.592</b>	<b>1.159.193</b>	<b>4.202.668</b>

The remaining balance amount of "Cash and cash equivalents" relates to cash in hand and bank deposits (note 10).

The total value of trade and other receivables accounts for the maximum exposure to credit risk. Moreover, there is no significant concentration of credit risk with the exception of bank deposits from which no losses are anticipated in view of the credit status of the banks with which the Group keeps its various accounts.

### (c) Liquidity risk

Group's and Company's liquidity needs are satisfied in full by the timely forecasting of cash needs in conjunction with the prompt receipt of receivables and by holding adequate credit limits with the collaborating banks.

Surplus cash held by the Group over and above balance required for working capital management are transferred to the group treasury. The Group's central treasury department invests cash surplus in interest bearing current accounts, time deposits, money market deposits and marketable securities, by choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. Cash and cash equivalents are considered assets with high credit risk since the current macroeconomic environment in Greece affects significantly the local banks. The Group does not anticipate any credit losses in deposits held at banks as a result of banks' credit rating downgrade.

Based on current cash position, Management evaluates that the future cash needs of the Company are fully satisfied for the next 12 months as of the date these financial statements are prepared.

The table below presents an analysis of Group's financial liabilities into relevant maturity groupings based on the remaining period between the reporting date and the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

<b>GROUP</b>				
	<b>Less than 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Over 5 years</b>
<i>Amounts in €</i>				
<b>31.12.2020</b>				
Total loans	8.073.408	9.648.243	103.735.350	59.705.631
Trade and other payables (excluding payables to public sector)	7.937.111	801.220	-	-
Leases	3.573.295	3.831.139	11.602.760	164.778.157
<b>Total</b>	<b>19.583.814</b>	<b>14.280.602</b>	<b>115.338.111</b>	<b>224.483.788</b>
<i>Amounts in €</i>				
<b>31.12.2019</b>				
Total loans	3.699.301	8.629.673	31.719.787	139.875.546
Trade and other payables (excluding payables to public sector)	9.728.642	400.610	400.610	-
Leases	3.796.152	3.805.888	11.526.245	168.333.210
<b>Total</b>	<b>17.224.095</b>	<b>12.836.170</b>	<b>43.646.642</b>	<b>308.208.755</b>
<b>COMPANY</b>				
	<b>Less than 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Over 5 years</b>
<i>Amounts in €</i>				
<b>31.12.2020</b>				
Trade and other payables (excluding payables to public sector)	583.333	801.220	-	-
<b>Total</b>	<b>583.333</b>	<b>801.220</b>	<b>-</b>	<b>-</b>
<i>Amounts in €</i>				
<b>31.12.2019</b>				
Trade and other payables (excluding payables to public sector)	295.475	400.610	400.610	-
<b>Total</b>	<b>295.475</b>	<b>400.610</b>	<b>400.610</b>	<b>-</b>

The significant change in the Group's financial liabilities per maturity category is mainly due to the maturity of LAMDA DOMI S.M.S.A.,'s syndicated bond loan in 2025.

On December 31, 2020, the Group's long-term borrowings correspond to a bond loan of the subsidiary PYLAIA S.M.S.A. amounting to €72 million and to a bond loan of the subsidiary LAMDA DOMI S.M.S.A. amounting to €83,7 million. A relevant reference is made in Note 14 of the annual financial statements for the year ended 31 December 2020.

The lease obligations mainly correspond to the long-term operating lease of the shopping centre "Mediterranean Cosmos", the right-of-use asset of which is included in investment property. For detailed information please refer to note **Error! Reference source not found.**

In addition to the aforementioned, the consequences from the spread of COVID-19 are described in note 2.1, and in note 28 are described the Company's contingent liabilities in respect of other guarantees arising in the ordinary course of business, for which no significant additional burdens are expected to arise.

### 3.2. Capital risk management

The Group and Company objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide satisfactory returns to shareholders and benefits to other stakeholders, as well as maintaining an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with industry practices, the Group and Company monitors capital on the basis of the gearing ratio. This ratio is calculated as Total debt divided by Total Equity plus Total Debt. Total debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents. Total equity as shown in the consolidated Statement of Financial Position plus total debt.

In 2020, as well as in 2019, the Group and Company's strategy was to maintain the gearing ratio (net debt / total equity) not to exceed 60%.

The gearing ratio as at 31.12.2020 and 31.12.2019 are:

<i>Amounts in €</i>	<b>GROUP</b>	
	<b>31.12.2020</b>	<b>31.12.2019</b>
Total borrowings (note 14)	154.446.732	156.913.490
<u>Less: cash and cash equivalents (note 10)</u>	<u>(33.025.136)</u>	<u>(36.431.861)</u>
<b>Total debt</b>	<b>121.421.596</b>	<b>120.481.630</b>
<u>Total equity</u>	<u>258.399.505</u>	<u>271.272.377</u>
<b>Total borrowings &amp; Total equity</b>	<b>379.821.101</b>	<b>391.754.007</b>
<b>Gearing ratio</b>	32%	31%

### 3.3. Fair value estimation

The Group in the notes of financial statements provides the required disclosures regarding the fair value measurement through a three-level hierarchy, as follows:

- Level 1: Financial instruments that are traded in active markets and their fair value is determined based on the published quoted prices valid at the reporting date for similar assets and liabilities.
- Level 2: Financial assets other than quoted prices the fair value of which is determined using valuation methods and assumptions based directly or indirectly on market assessments on the reported date.
- Level 3: Financial instruments that are not traded in active markets whose fair value is determined using valuation techniques and assumptions that are not substantially based on market data.

The financial instruments that are measured at fair value are the investment property (note 5) and the derivative financial instruments (note 16).

## 4. Critical accounting estimates and judgements

Estimates and judgements of the Management are continually evaluated and are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances.

### 4.1. Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the development of future events. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months concern the following:

#### a. Estimate of fair value of investment property

The best evidence of fair value is current prices in an active market for similar lease and other contracts. When there is absence of such information, the Group determines the amount within a range of reasonable fair value

estimates. In making its judgement, the Group considers information from a variety of sources including:

- i) Current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;
- ii) Recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and
- iii) Discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

Due to the uncertainty and risks associated with the Covid-19 pandemic, there is significant valuation uncertainty involving the valuations of investment properties on the reporting date in accordance with the Group's independent chartered assessors, as fully described in note 5. Respectively, the disclosures regarding the calculation of investment properties' fair value are described in detail in note 5.

#### **b. Estimate of the recoverable amount of investment in subsidiaries**

The Management evaluates on an annual basis if there are indications for impairment regarding its investments in subsidiaries. When there are indications, for impairment the Management evaluates the recoverable value of the investments and compares it with the carrying value in order to decide if there is a reason for an impairment provision. The Management determines the recoverable value as the biggest amount between the current value and the fair value minus any disposal costs. Fair value is determined mainly by the fair value of each investment property on December 31st each year, as this is the most significant amount of its assets.

#### **4.2. Critical management estimates in applying the entity's accounting policies**

There are no areas that require management estimates in applying the accounting policies.

### **5. Investment property**

<i>Amounts in €</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.2020</b>	<b>31.12.2019</b>	<b>31.12.2020</b>	<b>31.12.2019</b>
<b>Balance at 1 January</b>	519.427.568	390.850.000	-	-
Right-of-use assets (note 19)	152.108	78.615.321	-	-
Capital expenditure on investment property (note 6)	6.393.960	18.953.652	-	-
Fair value adjustment	(23.366.946)	31.008.595	-	-
<b>Balance at 31 December</b>	<b>502.606.689</b>	<b>519.427.568</b>	-	-

On 31.12.2020 investment properties include a property that is leased under operating leases with a fair value of €177,4 million and concerns the shopping centre "Mediterranean Cosmos" while on 31.12.2019 the property's fair value amounted to €189,2 million. That right-of-use asset in accordance with IFRS 16 "Leases" on 31.12.2020 amounts to €78,1 million while on 31.12.2019 it amounted to €78,6 million.

In 2020 capital expenditure of €6,4 million occurred and is related to the expansion of the west wing of the investment property of Golden Hall.

The fair value for all investment property was determined on the basis of its highest and best use by the Group taking into account each property's use which is physically possible, legally permissible and financially feasible. This estimate is based on the physical characteristics, the permitted use and the opportunity cost for each investment of the Group.

Investment property is valued each semester or more often given that the market conditions or the terms of any existing lease and other contracts vary significantly from those in the previous reporting period. The valuations are prepared by independent qualified valuers using the Discounted Cash Flows (DCF) method. The cash flows are

based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (where possible) external evidence such as current market rents for similar properties in the same location and condition, and using discount rates of the investment property, the determination of an exit value as well as the current market assessments of the uncertainty in the amount and timing of the cash flows. In some cases, where necessary, the valuation is based on the Comparative Method. The aforementioned valuation methods are classified in Level 3 hierarchy, as described in note 3.

Specifically, all of the Group's investment property relates to malls, the fair value of which has been measured using the discounted future cash flow (DCF) method, as the main assumptions for the following:

- With regards to the Shopping Centres, Mediterranean Cosmos is a lease-holding (with operating life until 2065), and Golden Hall is a lease-holding with operating life until 2103.
- In short, the discount rates and exit yields according to the latest valuations at December 31, 2020 are as follows:

	Discount rate		Exit yields	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Mediterranean Cosmos	9,25%	9,25%	8,50%	8,50%
Golden Hall	9,00%	9,00%	7,50%	7,50%

- In relation to the annual consideration that every tenant of the Malls pays (Base Consideration - fixed consideration that is set in the contract), it is adjusted annually according to the CPI plus a slight indexation which is differentiated between the tenants.
- The average consumer price index that has been used during the calculation period is based on a tiered average inflation rate according to a sequence of forecasts for the period 2021-2028+ ranging from +0,75% to 1,90%.

The most significant valuation assumptions of the investment property are the assumption regarding the future EBITDA (including mostly contractual rents and estimations related to the future monthly lease) of each investment property as well as the estimated yields that are applied for the investment property's valuation. As a result, the table below presents two basic scenarios in relation to the impact on the valuations of the following investment properties of an increase/decrease in the discount rate by +/-25 basis points (+/- 0,25%) per Shopping Mall and Office Building.

<i>(Amounts in million €)</i>	Discount rate	Discount rate	Exit yields	Exit yields
	+0,25%	-0,25%	+0,25%	-0,25%
Med.Cosmos	-2,8	2,9	-1,9	2,0
Golden Hall	-4,2	4,3	-3,9	4,2
<b>Shopping Centers</b>	<b>-7,0</b>	<b>7,2</b>	<b>-5,8</b>	<b>6,2</b>

The economic situation in Greece, as described in note 2.1, and the conclusions drawn are the optimal, under the circumstances, estimate of the Company's investment properties. The changes in fair value of the shopping centers in relation to the changes in the comparable period vary as they incorporate the effect of the COVID-19 outbreak on the shopping centers. In the opinion of the independent assessors, given the uncertainty in the development of the COVID-19 pandemic and the eventual future effects on real estate markets in Greece and on an international scale, and in the absence of adequate comparable items, the conditions of "material valuation uncertainty" are created, as defined in International Valuation Standards. For this reason, property values go through a period in which they are monitored more carefully.

Independent assessors indicate in their reports that the general risk environment in which the Group operates has been increased during the reporting period, which is due to the persistent uncertainty stemming from the effects of Covid-19. This environment could have a significant impact on property valuations. The Group's shopping centres were valued by external assessors at fair value, as estimated by the Royal Institution of Chartered Surveyors ('RICS).

The Covid-19 outbreak which was officially declared a pandemic by the World Health Organization on 11 March 2020 has had a worldwide effect on economic markets. Travel restrictions and other lockdown measures have been implemented in most countries. Economic activities are affected in many segments.

On the valuation date, external assessors believe that they can rely less on past market data for comparable purposes in order to approximate fair value. Due to the above current circumstances, the assessors are faced with an unprecedented situation in making their judgments. This is why their estimate is subject to material valuation uncertainty, as described in VPS 3 and VPGA 10 of the RICS Red Book Global. Therefore, less certainty – and higher degree of caution – is demonstrated in this report in relation to ordinary circumstances. The external assessors have confirmed that the statement of material uncertainty does not imply that one cannot rely on valuations. On the contrary, this statement is used to provide all stakeholders with clarity and transparency in a professional manner so that less certainty is given to valuations under the current extraordinary circumstances than what it would apply otherwise. Because of the material valuation uncertainty regarding the effect of Covid-19, the future cash flows incorporated in valuation models foresee an increased loss of rents, apply extra vacancy to the leases that will expire during 2021, raise and extend the operating expenses that will be covered exclusively by the company for an extended period of time. As a result of the above, the valuation of the Group's investment property on 31.12.2020 resulted in a negative effect of €23,4 million on the Income Statement. There was no change in the valuation methodology applied to investment properties as a result of Covid-19. Management and external assessors believe that the discount rates and exit yields are reasonable based on current market circumstances and the returns expected by the investors for this particular shopping centre which is considered one of the top shopping centres in Greece.

The information provided to the assessors as well as the assumptions and valuation models used by the assessors are examined by the investment property management team, the investment property supervisor and the chief financial officer.

Management will monitor the trends emerging in the investment property market over the next months because fully capturing the consequences of the economic situation in Greece may have an impact on the value of the Group's investment properties in the future. In this context, Management monitors carefully the developments relating to the COVID-19 spread as the short-term effects on the value of the Group's investment properties remain to be seen (note 2.1). On 31.03.2021 pursuant to the valuation of the Group's property carried out by external assessors, the fair value of the property amounted to €428,2 million.

## 6. Tangible assets

<i>Amounts in €</i>	Lease hold land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Assets under construction	Total
<b>GROUP - Cost</b>					
<b>1 January 2019</b>	<b>4.515</b>	<b>2.206.116</b>	<b>4.142.263</b>	<b>159.783</b>	<b>6.512.677</b>
Additions	-	-	283.839	19.063.688	19.347.527
Reclassifications	-	-	26.725	(26.725)	-
Disposals / Write-offs	(4.515)	-	-	-	(4.515)
Transfer to investment property	-	-	-	(18.953.652)	(18.953.652)
<b>31 December 2019</b>	<b>-</b>	<b>2.206.116</b>	<b>4.452.827</b>	<b>243.094</b>	<b>6.902.037</b>
<b>1 January 2020</b>	<b>-</b>	<b>2.206.116</b>	<b>4.452.827</b>	<b>243.094</b>	<b>6.902.037</b>
Additions	-	-	414.553	293.682	708.235
<b>31 December 2020</b>	<b>-</b>	<b>2.206.116</b>	<b>4.867.380</b>	<b>536.776</b>	<b>7.610.272</b>
<b>Accumulated depreciation</b>					
<b>1 January 2019</b>	<b>(2.197)</b>	<b>(1.547.117)</b>	<b>(3.400.755)</b>	<b>-</b>	<b>(4.950.070)</b>
Depreciation for the year	(181)	(258.405)	(118.747)	-	(377.333)
Reclassifications	2.378	-	-	-	2.378
<b>31 December 2019</b>	<b>-</b>	<b>(1.805.523)</b>	<b>(3.519.502)</b>	<b>-</b>	<b>(5.325.024)</b>
<b>1 January 2020</b>	<b>-</b>	<b>(1.805.523)</b>	<b>(3.519.502)</b>	<b>-</b>	<b>(5.325.024)</b>
Depreciation for the year	-	(258.406)	(150.357)	-	(408.763)
<b>31 December 2020</b>	<b>-</b>	<b>(2.063.929)</b>	<b>(3.669.859)</b>	<b>-</b>	<b>(5.733.787)</b>
<b>Net book value on 31 December 2019</b>	<b>-</b>	<b>400.593</b>	<b>933.325</b>	<b>243.094</b>	<b>1.577.012</b>
<b>Net book value on 31 December 2020</b>	<b>-</b>	<b>142.187</b>	<b>1.197.521</b>	<b>536.776</b>	<b>1.876.484</b>

As of 31/12/2020, the Company does not hold any property, plant and equipment. The Group does not hold assets under finance leasing and no interest cost have been capitalized. Tangible assets are not secured by liens.



## 7. Intangible assets

<i>Amounts in €</i>	<b>Software</b>
<b>GROUP - Cost</b>	
<b>1 January 2019</b>	<b>125.561</b>
Additions	795
<b>31 December 2019</b>	<b>128.356</b>
<b>1 January 2020</b>	<b>128.356</b>
Additions	185
<b>31 December 2020</b>	<b>128.541</b>
<b>Accumulated depreciation</b>	
<b>1 January 2019</b>	<b>(75.397)</b>
Depreciation for the year	(8.730)
<b>31 December 2019</b>	<b>(84.127)</b>
<b>1 January 2020</b>	<b>(84.127)</b>
Depreciation for the year	(7.724)
<b>31 December 2020</b>	<b>(91.851)</b>
<b>Net book value on 31 December 2019</b>	<b>44.229</b>
<b>Net book value on 31 December 2020</b>	<b>36.691</b>

On 31/12/2020, the Company does not hold any intangible assets.

## 8. Investment in subsidiaries

The Company's investment in subsidiaries is as follows:

<i>Amounts in €</i>	<b>COMPANY</b>	
	<b>31.12.2020</b>	<b>31.12.2019</b>
<b>Balance at 1 January</b>	<b>172.656.643</b>	<b>172.656.643</b>
<b>Balance at 31 December</b>	<b>172.656.643</b>	<b>172.656.643</b>
<i>Amounts in €</i>	<b>31.12.2020</b>	<b>31.12.2019</b>
<b>Name</b>	<b>Carrying amount</b>	<b>Carrying amount</b>
	<b>Country of incorporation</b>	<b>% interest held</b>
LAMDA DOMI S.M.S.A	Greece	100%
PYLAIA S.M.S.A	Greece	100%
<b>Investment in subsidiaries</b>	<b>172.656.643</b>	<b>172.656.643</b>

Notes on the above-mentioned participations:

- The country of the establishment is the same with the country of operating.
- The interest held corresponds to equal voting rights.
- The Group has contingencies in respect of bank guarantees as well as pledged shares deriving from its borrowings.

## 9. Trade and other receivables

<i>Amounts in €</i>	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Trade receivables	13.253.686	10.677.004	-	-
Minus: provision for impairment of trade receivables	(7.754.411)	(7.317.579)	-	-
<b>Trade receivables - net</b>	<b>5.499.275</b>	<b>3.359.424</b>	-	-
Prepayments and other receivables	9.877.130	11.402.710	46.482	-
Receivables from related parties (note 29)	175.987	4.632	-	-
Accrued income	111.820	1.411.790	-	-
Deferred expenses	880.679	574.049	10	-
Minus: provision for impairment	(116.201)	(153.033)	-	-
<b>Total</b>	<b>16.428.689</b>	<b>16.599.573</b>	<b>46.492</b>	<b>19.423</b>
<b>Receivables analysis:</b>				
Non-current assets	9.233.167	9.604.076	6.404	5.654
Current assets	7.195.522	6.995.496	40.088	13.769
<b>Total</b>	<b>16.428.689</b>	<b>16.599.573</b>	<b>46.492</b>	<b>19.423</b>

The "Trade and other receivables" item is increased in relation to the comparable period due to an increase in receivables from the shopping centre's shopkeepers because of the effects of the pandemic. As far as receivables from shopkeepers are concerned, the Group keeps banking letters of guarantee as collateral against credit risk.

The "Accrued income" item is considerably reduced in relation to the comparable period due to the reduced sales of the shopkeepers resulting from the pandemic, with the Company's revenues were deteriorated from the fees on sales.

At 31/12/2020, the "Prepayments and other receivables" item includes an unamortized amount of €9,4 million relating to the once-off lease payment of €10 million made to the Ecumenical Patriarchate in the year 2018.

The significant drop in the "Prepayments and other receivables" item is mainly due to the outstanding balance of receivable VAT that on 31.12.2019 amounted to €903 thousand due to the significant expenditure in 2019 related to the investment for the expansion of the west wing of the investment property Golden Hall.

The changes in the provisions the Group formed for doubtful customers are as follows

<i>Amounts in €</i>	GROUP	
	31.12.2020	31.12.2019
<b>Balance on 1 January</b>	<b>7.317.579</b>	<b>7.287.372</b>
Debited/(credited) in the income statement	436.832	30.207
Write-offs	-	-
<b>Balance on 31 December</b>	<b>7.754.411</b>	<b>7.317.579</b>

The classification of the Group and Company's "Trade and Other Receivables" item in financial and non-financial assets as well as the provision for expected credit loss for financial assets is as follows:

Group	Simplified approach	General approach	Total
<b>Financial assets</b>			
Gross carrying amount 31.12.2020	13.587.984	1.026.882	14.614.866
ECL (Expected Credit Loss) allowance	(7.754.411)	(116.201)	(7.870.612)
<b>Net carrying amount 31.12.2020</b>	<b>5.833.573</b>	<b>910.681</b>	<b>6.744.254</b>
Non-financial assets 31.12.2020			9.684.435
<b>Total trade and other receivables 31.12.2020</b>			<b>16.428.689</b>

Group	Simplified approach	General approach	Total
<b>Financial assets</b>			
Gross carrying amount 31.12.2019	12.093.389	1.801.442	13.894.831
ECL (Expected Credit Loss) allowance	(7.317.579)	(153.033)	(7.470.612)
<b>Net carrying amount 31.12.2019</b>	<b>4.775.810</b>	<b>1.648.409</b>	<b>6.424.219</b>
Non-financial assets 31.12.2019			10.175.354
<b>Total trade and other receivables 31.12.2019</b>			<b>16.599.573</b>

Company	Simplified approach	General approach	Total
<b>Financial assets</b>			
Gross carrying amount 31.12.2020	46.482	10	46.492
<b>Net carrying amount 31.12.2020</b>	<b>46.482</b>	<b>10</b>	<b>46.492</b>
<b>Total trade and other receivables 31.12.2020</b>			<b>46.492</b>

Company	Simplified approach	General approach	Total
<b>Financial assets</b>			
Gross carrying amount 31.12.2019	19.423	-	19.423
<b>Net carrying amount 31.12.2019</b>	<b>19.423</b>	<b>-</b>	<b>19.423</b>
<b>Total trade and other receivables 31.12.2019</b>			<b>19.423</b>

The Group applies the simplified approach for calculating the impairment of lease receivables using a credit loss provision table based on the aging of the customer balances while the general approach is used to calculate the impairment of other financial assets. The Company applies the general approach for dividends and pre-dividends receivables, the credit risk of which on 31/12/2020 is insubstantial.

## 10. Cash and cash equivalents

Amounts in €	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash at bank	32.919.183	36.205.592	1.159.193	4.202.668
Cash in hand	105.954	226.269	650	907
<b>Total</b>	<b>33.025.136</b>	<b>36.431.861</b>	<b>1.159.843</b>	<b>4.203.575</b>

The Group and the Company did not recognize any provision for impairment on the cash and cash equivalents as the credit risk deriving from the banks that the Group keeps current accounts is unsubstantial. No significant credit losses are anticipated in view of the credit status of the banks that the Group keeps current accounts. The above comprise the cash and cash equivalents used for the purposes of the cash flow statement. In relation to the credit risk of banks see note 3.1.b.

## 11. Financial instruments by category

GROUP - 31.12.2020	Financial assets at unamortized cost	GROUP - 31.12.2020	Financial liabilities at unamortized cost	Financial liabilities at fair value through income statement	Financial liabilities at fair value through other comprehensive
Financial assets		Financial liabilities			
Amounts in €	Amounts in €	Amounts in €	Amounts in €	Amounts in €	Amounts in €
Trade and other receivables	5.499.275	Bond Borrowings	154.446.732	-	-
Receivables from related parties	175.987	Trade and other payables	5.252.191	-	-
Cash and cash equivalents	33.025.136	Payables to related parties	878.240	-	-
Other financial receivables	218.386	Other financial payables	955.848	-	-
		Derivative financial instruments	-	673.385	1.577.201
		Interests payable	336.000	-	-
<b>Total</b>	<b>38.918.784</b>	<b>Total</b>	<b>161.869.011</b>	<b>673.385</b>	<b>1.577.201</b>

<b>GROUP - 31.12.2019</b>	<b>Financial assets at unamortized cost</b>	<b>GROUP - 31.12.2019</b>	<b>Financial liabilities at unamortized cost</b>	<b>Financial liabilities at fair value through other comprehensive income</b>
<b>Financial assets</b>		<b>Financial liabilities</b>		
<i>Amounts in €</i>		<i>Amounts in €</i>		
Trade and other receivables	3.359.424	Bond Borrowings	156.913.490	-
Receivables from related parties	4.632	Trade and other payables	5.235.564	-
Cash and cash equivalents	36.431.861	Payables to related parties	1.740.848	-
Other financial receivables	1.667.796	Other financial payables	869.330	-
		Derivative financial instruments	-	775.886
		Interests payable	336.000	-
<b>Total</b>	<b>41.463.713</b>	<b>Total</b>	<b>165.095.232</b>	<b>775.886</b>
<hr/>				
<b>COMPANY - 31.12.2020</b>	<b>Financial assets at unamortized cost</b>	<b>COMPANY - 31.12.2020</b>	<b>Financial liabilities at unamortized cost</b>	
<b>Financial assets</b>		<b>Financial liabilities</b>		
<i>Amounts in €</i>		<i>Amounts in €</i>		
Cash and cash equivalents	1.159.843	Trade and other payables		12.862
Other financial receivables	46.482	Other financial payables		797.857
		Payables to related parties		236.651
<b>Total</b>	<b>1.206.325</b>	<b>Total</b>		<b>1.047.371</b>
<hr/>				
<b>COMPANY - 31.12.2019</b>	<b>Financial assets at unamortized cost</b>	<b>COMPANY - 31.12.2019</b>	<b>Financial liabilities at unamortized cost</b>	
<b>Financial assets</b>		<b>Financial liabilities</b>		
<i>Amounts in €</i>		<i>Amounts in €</i>		
Cash and cash equivalents	4.203.575	Trade and other payables		3.036
Other financial receivables	19.387	Payables to related parties		85.472
<b>Total</b>	<b>4.222.962</b>	<b>Total</b>		<b>88.508</b>

## 12. Share capital

<i>Amounts in €</i>	Number of shares (thousands)		Share premium	Total
	Ordinary shares			
<b>1 January 2019</b>	<b>164.600.000</b>	<b>164.600.000</b>	<b>8.192.043</b>	<b>172.792.043</b>
Changes during the year	-	-	-	-
<b>31 December 2019</b>	<b>164.600.000</b>	<b>164.600.000</b>	<b>8.192.043</b>	<b>172.792.043</b>
<b>1 January 2020</b>	<b>164.600.000</b>	<b>164.600.000</b>	<b>8.192.043</b>	<b>172.792.043</b>
Changes during the year	-	-	-	-
<b>31 December 2020</b>	<b>164.600.000</b>	<b>164.600.000</b>	<b>8.192.043</b>	<b>172.792.043</b>

The share capital of the Company amounts to 164.600.000 shares of nominal value €1,00 each.

## 13. Other reserves

<i>Amounts in €</i>	Statutory reserves	Cumulative actuarial gains	Hedging reserves(1)	Total
<b>GROUP</b>				
<b>1 January 2019</b>	<b>5.136.223</b>	-	-	<b>5.136.223</b>
Changes during the year	1.180.879	(48.668)	(589.673)	542.538
<b>31 December 2019</b>	<b>6.317.102</b>	<b>(48.668)</b>	<b>(589.673)</b>	<b>5.678.761</b>

<b>1 January 2020</b>	6.317.102	(48.668)	(589.673)	5.678.761
Changes during the year	1.044.284	(21.550)	(608.999)	413.735
<b>31 December 2020</b>	7.361.386	(70.218)	(1.198.673)	6.092.495
<i>Amounts in €</i>	<b>Statutory reserves</b>	<b>Cumulative actuarial gains</b>	<b>Hedging reserves(1)</b>	<b>Total</b>
<b>COMPANY</b>				
<b>1 January 2019</b>	1.134.992	-	-	1.134.992
Changes during the year	637.032	(48.668)	-	588.364
<b>31 December 2019</b>	1.772.024	(48.668)	-	1.723.356
<b>1 January 2020</b>	1.772.024	(48.668)	-	1.723.356
Changes during the year	767.250	(21.550)	-	745.700
<b>31 December 2020</b>	2.539.274	(70.218)	-	2.469.056

(1) The reserves form the cumulative actuarial losses and the hedging reserves are disclosed net of deferred tax.

### Statutory reserve

The legal reserve (Group €7.361 thousand and Company €2.539 thousand) is created under the provisions of Greek law according to which, an amount of at least 5% of the profit (after tax) for the year must be transferred to the reserve until it reaches one third of the paid share capital. The legal reserve can only be used, after approval of the Annual General meeting of the shareholders, to offset retained losses and therefore cannot be used for any other purpose.

### Cash Flow Hedging reserve

The abovementioned reserve on 31.12.2020 corresponded to €-801 thousand from the interest rate swap's valuation at fair value (after deferred tax €-609 thousand).

## 14. Borrowings

<i>Amounts in €</i>	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
<b>Non-current</b>				
Bond borrowings	151.921.932	155.879.941	-	-
<b>Total non-current</b>	<b>151.921.932</b>	<b>155.879.941</b>	-	-
<b>Current</b>				
Bond borrowings	2.524.801	1.033.549	-	-
<b>Total current</b>	<b>2.524.801</b>	<b>1.033.549</b>	-	-
<b>Total borrowings</b>	<b>154.446.732</b>	<b>156.913.490</b>	-	-

The movement of borrowings is analyzed as follows:

<i>Amounts in €</i>	GROUP	COMPANY
<b>Balance at 1 January 2019</b>	<b>135.004.034</b>	-
Borrowings transaction costs - amortization (note 24)	379.144	-
Borrowings transaction costs	(899.004)	-
Borrowings repayments	(74.840.684)	-
Bond borrowings	97.270.000	-
<b>Balance at 31 December 2019</b>	<b>156.913.490</b>	-

	GROUP	COMPANY
<b>Balance at 1 January 2020</b>	<b>156.913.490</b>	-
Borrowings transaction costs - amortization (note 24)	246.272	-
Borrowings repayments	(2.713.030)	-
<b>Balance at 31 December 2020</b>	<b>154.446.732</b>	-

Borrowings are secured by pledges of the Company's and its subsidiaries' shares, as well as and/or by assignment of receivables from the operations of the two shopping centres.

In 2020, LAMDA DOMI S.M.S.A. repaid a borrowing amount of €2,7 million. On 31.12.2020, the aggregate amount of borrowing, with a capital of €83,7 million, concerned a floating rate instrument, with Class A and Class B hedged by 75% against interest-rate risk, and with 3-month Euribor as the reference interest rate (weighted average interest rate: 0,43% on 31.12.2020) plus weighted average spread of 3,07%. Therefore, the total weighted interest rate of the Company on 31.12.2020 is 3,50%.

In 2019, and under the syndicated bond loan, LAMDA DOMI S.M.S.A. took further borrowing amounting to €25.3 million and made repayments of €2,9 million. On 31.12.2019, the aggregate borrowing refers to and Class A hedged by 75% against interest-rate risk, and with 3-month Euribor as the reference interest rate (weighted average interest rate: 0,29% on 31.12.2019) plus weighted average spread of 3,07%. Therefore, the total weighted interest rate of the Company on 31.12.2019 is 3,36%.

LAMDA DOMI S.M.S.A.'s secured syndicated bond loan with a current balance of €83,7 million, issued by the following banking institutions: Eurobank Ergasias, Alpha Bank, Bank of Piraeus and HSBC France must satisfy the following key financial ratios: Loan to value <60% and Debt Service Cover Ratio >120%. On 31.12.2020, LAMDA DOMI S.M.S.A. satisfied the above ratios.

The secured bond loan of PYLAIA S.M.S.A. with Eurobank, with a principal balance of €72 million, must satisfy the following key financial ratios: Loan to value < 60% and Debt Service Cover ratio > 120%. On 19/04/2019 the refinancing arrangement of the Company amounting to €64,8 million was concluded with an additional drawn down of €7,2 million for the repayment of the overdraft account. The bond loan term set for 7 years with principal repayments starting from 2021 and bearing interest rate of 3-month Euribor plus a spread of 3%. The Company satisfies these particular bank loans ratios.

On 31.12.2020 all the aforementioned ratios are met on a consolidated level.

Total borrowings on 31/12/2020 include unamortised bond loan issue costs of €1,3 million. (compared to €1,3 million on 31/12/2019), out of which €0,3 million (compared to €0,3 million on 31/12/2019) relate to short-term borrowing, while the remainder €1 million (compared to €1,3 million on 31/12/2019) relates to long-term borrowing.

The maturity dates for long-term loans are as follows:

<i>Amounts in €</i>	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Between 1 and 2 years	4.235.257	3.467.580	-	-
Between 2 and 5 years	88.924.354	17.616.669	-	-
Over 5 years	58.762.321	134.795.692	-	-
	<b>151.921.932</b>	<b>155.879.941</b>	-	-

The carrying amount of the loans with floating rate approaches their fair value as it is presented in the statement of financial position.

The fair value estimation of the total borrowings is based on inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

On 31/12/2020, the weighted average interest rate (reference rate) of the Group is 0,33% and the weighted average bank spread is 3,04%. Therefore, on 31/12/2020, the Group total weighted average borrowing rate stands at 3,37%.

## 15. Trade and other payables

	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
<i>Amounts in €</i>				
Trade payables	5.252.191	5.235.564	12.862	3.036
Liabilities to related parties (note 29)	878.240	1.740.848	236.651	85.472
Social security cost and other taxes/charges	169.758	558.009	95.672	238.191
Unearned income	2.122.185	2.302.944	-	-
Accrued expenses	3.256.584	3.157.028	828.097	763.122
Accrued interest	336.000	336.000	-	-
Advances from customers	381.333	492.498	-	-
Other liabilities	165.983	376.833	-	-
<b>Total</b>	<b>12.562.274</b>	<b>14.199.722</b>	<b>1.173.283</b>	<b>1.089.821</b>
	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Non-current assets	650.998	712.875	494.277	556.155
Current assets	11.911.276	13.486.846	679.006	533.667
<b>Total</b>	<b>12.562.274</b>	<b>14.199.722</b>	<b>1.173.283</b>	<b>1.089.821</b>

Non-current liabilities include the fair value of the benefits to Management and senior officers plan as currently in force, amounting to €494 thousand on 31.12.2020 (31.12.2019: €556 thousand).

Trade and other payables' carrying amounts value approach their fair value.

## 16. Derivative financial instruments

	GROUP				COMPANY			
	31.12.2020		31.12.2019		31.12.2020		31.12.2019	
<i>Amounts in €</i>	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Interest rate swaps – cash flow hedges (IRS)	-	2.250.586	-	775.886	-	-	-	-
<b>Total</b>	<b>-</b>	<b>2.250.586</b>	<b>-</b>	<b>775.886</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Non-current	-	2.250.586	-	775.886	-	-	-	-
Current	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>2.250.586</b>	<b>-</b>	<b>775.886</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The nominal value of loans hedged by interest rate swaps (IRS) as at 31.12.2020 is €62,7 million with maturity in November 2025, and €54 million with maturity in May 2026. The interest rate swaps have been measured at fair value. As at 31.12.2020, the long-term borrowings floating rates hedged with interest risk derivatives (IRS) varied based on 3-month Euribor plus a weighted average spread of 3,2%.

The total fair value of a derivative financial instrument (described under hierarchy 2 in note 3.3) is classified as a non-current asset or liability if its term exceeds 12 months, otherwise it is classified as a current asset or liability.

The total movement in fair value is related to the effective portion of the cash flow hedge and is recognized in special reserves in equity (note 13). The effectiveness test of the cash flow hedges is based on discounted cash flows according to the forward rates (3-month Euribor) and their volatility rating. However, when such derivatives do not meet the conditions of hedging accounting, they are classified as “derivatives for sale”. On 31 December 2021, the Company recognized in the Income Statement a loss of €0,7 million, given that the specific derivative financial instruments did not meet the conditions of hedging accounting, and therefore the changes in fair value were classified through the Income Statement.

## 17. Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The amounts which have not been offset are as follows:

<i>Amounts in €</i>	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
<b>Deferred tax liabilities:</b>	<b>(48.439.137)</b>	<b>(53.137.221)</b>	-	-
<b>Deferred tax assets:</b>	<b>623.579</b>	<b>273.106</b>	-	-
	<b>(47.815.558)</b>	<b>(52.864.115)</b>	-	-

The gross movement on the deferred income tax account is as follows:

<i>Amounts in €</i>	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
<b>Balance at 1 January</b>	<b>(52.864.115)</b>	<b>(46.648.364)</b>	-	-
(Debit) / Credit in the income statement (note 25)	4.856.241	(8.267.898)	-	-
Effect due to change in the income tax rate through the income statement (note 25)	-	1.865.935	-	-
Debited/(credited) in equity	192.316	186.213	-	-
Effect due to change in the income tax rate through equity	-	-	-	-
<b>Balance at 31 December</b>	<b>(47.815.558)</b>	<b>(52.864.115)</b>	-	-

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances without the same tax jurisdictions, is as follows:

### Deferred Tax Liabilities:

<i>Amounts in €</i>	Investment	Concession right	Other	Total
	property	IBC		
<b>1 January 2019</b>	<b>44.169.268</b>	<b>2.889.413</b>	<b>(274.647)</b>	<b>46.784.035</b>
Debit in the income statement	8.026.180	198.367	-	8.224.547
Effect due to change in the income tax rate through the income statement	(1.755.785)	(115.577)	-	(1.871.361)
Debit in equity	-	-	-	-
<b>31 December 2019</b>	<b>50.439.663</b>	<b>2.972.204</b>	<b>(274.647)</b>	<b>53.137.221</b>
<b>1 January 2020</b>	<b>50.439.663</b>	<b>2.972.204</b>	<b>(274.647)</b>	<b>53.137.221</b>
Debit in the income statement	(4.869.331)	198.367	(27.120)	(4.698.084)
Effect due to change in the income tax rate through the income statement	-	-	-	-
<b>31 December 2020</b>	<b>45.570.332</b>	<b>3.170.571</b>	<b>(301.767)</b>	<b>48.439.137</b>

### Deferred Tax Assets:

<i>Amounts in €</i>	Receivables	Other	Total
	impairment		
<b>1 January 2019</b>	<b>135.671</b>	-	<b>135.671</b>
Debit in the income statement	(43.350)	-	(43.350)
Debit in equity	-	186.213	186.213
Effect due to change in the income tax rate through the income statement	(5.427)	-	(5.427)
<b>31 December 2019</b>	<b>86.894</b>	<b>186.213</b>	<b>273.106</b>
<b>1 January 2020</b>	<b>86.894</b>	<b>186.213</b>	<b>273.106</b>
Debit in the income statement	-	158.157	158.157
Debit in equity	-	192.316	192.316
<b>31 December 2020</b>	<b>86.894</b>	<b>536.685</b>	<b>623.579</b>



- Deferred tax assets are recognized per entity based on the amounts of future taxable profit for which Management believes that there is a high probability of occurrence against which temporary difference that have resulted in a deferred tax asset can be set-off.
- Regarding to the deferred tax asset for tax losses, management has relied on future estimates of the expected profitability of the Company and its subsidiaries and to the extent that it is estimated that future performance will not be sufficient to cover tax losses, there has not been formed deferred tax asset.
- The Company and the Group have not formed a deferred tax asset for accumulated tax losses of €8,1 million (31/12/2019: €6,2 million).
- The largest proportion of deferred tax liabilities and receivables is recoverable after 12 months because it mainly concerns temporary differences related to depreciation differences, changes in fair value of investment properties and inventories, provisions for personnel compensation and tax losses.

## 18. Net employee defined benefit liabilities

The amounts that have been recognized in the Statement of Financial Position are as follows:

<i>Amounts in €</i>	<b>GROUP</b>	<b>COMPANY</b>	<b>GROUP</b>	<b>COMPANY</b>
	31.12.2020	31.12.2020	31.12.2019	31.12.2019
<b>Amounts recognized in the Statement of Financial Position</b>				
Present value of obligations	213.886	213.886	178.948	178.948
Fair value of plan assets	-	-	-	-
<b>Net liability in the Statement of Financial Position</b>	<b>213.886</b>	<b>213.886</b>	<b>178.948</b>	<b>178.948</b>

The amounts recognized in the Income Statement are as follows:

<i>Amounts in €</i>	<b>GROUP</b>	<b>COMPANY</b>	<b>GROUP</b>	<b>COMPANY</b>
	31.12.2020	31.12.2020	31.12.2019	31.12.2019
Service cost	11.437	11.437	14.037	14.037
Interest cost	1.951	1.951	2.083	2.083
<b>P/I charge</b>	<b>13.388</b>	<b>13.388</b>	<b>16.120</b>	<b>16.120</b>
Recognition of past service cost	-	-	9.688	9.688
Settlement/ Curtailment/Termination loss/(gain)	-	-	104.472	104.472
<b>Total charge in the income statement</b>	<b>13.388</b>	<b>13.388</b>	<b>130.280</b>	<b>130.280</b>

The amounts recognized in the other comprehensive income statement are as follows:

<i>Amounts in €</i>	<b>GROUP</b>	<b>COMPANY</b>	<b>GROUP</b>	<b>COMPANY</b>
	31.12.2020	31.12.2020	31.12.2019	31.12.2019
<b>Reconciliation of benefit obligation in the Statement of Financial Position</b>	<b>178.948</b>	<b>178.948</b>	-	-
Service cost	11.437	11.437	14.037	14.037
Interest cost	1.951	1.951	2.083	2.083
Settlement/Curtailment/Termination gains (loss)	-	-	104.472	104.472
Past service cost recognized in the year	-	-	9.688	9.688
Actuarial (gain)/loss	21.550	21.550	48.668	48.668
<b>Defined Benefit Obligation at end of year</b>	<b>213.886</b>	<b>213.886</b>	<b>178.948</b>	<b>178.948</b>

The movement in the liability recognized in the Statement of Financial Position is as follows:

<i>Amounts in €</i>	<b>GROUP</b>	<b>COMPANY</b>	<b>GROUP</b>	<b>COMPANY</b>
	31.12.2020	31.12.2020	31.12.2019	31.12.2019
<b>Movements in Net Liability in the Statement of Financial Position</b>				
Net liability in the Statement of Financial Position – beginning of year	178.948	178.948	-	-
Total expense recognized in the income statement	13.388	13.388	130.280	130.280
Total amount recognized in the comprehensive income statement	21.550	21.550	48.668	48.668
<b>Net Liability in the Statement of Financial Position</b>	<b>213.886</b>	<b>213.886</b>	<b>178.948</b>	<b>178.948</b>
<i>Amounts in €</i>	<b>GROUP</b>	<b>COMPANY</b>	<b>GROUP</b>	<b>COMPANY</b>
	31.12.2020	31.12.2020	31.12.2019	31.12.2019

<b>Adjustments</b>				
Defined benefits liability due to changes in assumptions	(22.932)	(22.932)	(44.143)	(44.143)
Liability due to past service	1.382	1.382	(4.525)	(4.525)
<b>Total gain/(loss) recognized in comprehensive income</b>	<b>(21.550)</b>	<b>(21.550)</b>	<b>(48.668)</b>	<b>(48.668)</b>

The principal actuarial assumptions that were used for accounting purposes are as follows:

	GROUP		COMPANY	
	31.12.2020	31.12.2020	31.12.2019	31.12.2019
Discount rate	0,57%	0,57%	1,09%	1,09%
Inflation rate	1,43%	1,43%	1,43%	1,43%
Plan duration (years)	20	20	21	21

A -0,5% change in the discount rate would bring about a +€237 thousand change in the Group's defined benefits plan. A +0,5% change in the payroll would bring about a +€236 thousand change in the Group's employees benefits liabilities.

Expected future contributions under the defined benefits plans until retirement of the last employee of the Group and the Company are the following:

Amounts in €	2020	
	GROUP	COMPANY
Up to 1 year	4	4
Between 1 and 2 years	5	5
Between 2 and 5 years	26	26
Over 5 years	240.617	240.617
	<b>240.652</b>	<b>240.652</b>

## 19. Leases

The Group leases property, plant and equipment consisting mainly in land, buildings and cars, under operating lease agreements. The most important operating lease of the Company is the lease concluded with the Ecumenical Patriarchate in relation to the land on which the shopping centre "Mediterranean Cosmos" has been developed and will operate till 2065. The remaining rental contracts are made for a period between 2 to 5 years and may have extension options. The Group leases motor vehicles from leasing companies and office building from a subsidiary company of the Group, for a period not exceeding the 4 years.

The terms and conditions of the leases are negotiated each time a new and are modified. The lease contracts do not incorporate any predefined covenants, and leased assets may not be used as security for borrowing purposes.

The changes in the Group's and the Company's right-of-use assets during 01.01–31.12.2019 are presented below:

<b>Group</b>				
<i>(Amounts in €)</i>				
	Land	Offices	Cars	Total
<b>Right-of-use assets - 1 January 2019</b>	<b>78.615.321</b>	<b>21.256</b>	<b>10.749</b>	<b>78.647.325</b>
Net gain/(loss) from fair value adjustment	(137.753)			(137.753)
Depreciation		(10.544)	(5.374)	(15.918)
<b>Right-of-use assets - 31 December 2019</b>	<b>78.477.568</b>	<b>10.712</b>	<b>5.374</b>	<b>78.493.654</b>

  

<b>Company</b>			
<i>(Amounts in €)</i>			
	Office buildings	Cars	Total
<b>Right-of-use assets - 1 January 2019</b>		<b>10.749</b>	<b>16.389</b>
Depreciation	(2.736)	(5.374)	(8.111)
<b>Right-of-use assets - 31 December 2019</b>	<b>2.904</b>	<b>5.374</b>	<b>8.279</b>

The changes in the Group's and the Company's right-of-use assets during 01.01–31.12.2020 are presented below:

<b>Group</b>				
<i>(Amounts in €)</i>				
	Land	Offices	Cars	Total
<b>Right-of-use assets - 1 January 2020</b>	<b>78.477.568</b>	<b>10.712</b>	<b>5.374</b>	<b>78.493.654</b>
Additions due to receivables remeasurement	152.108	--	--	152.236
Depreciation	-	(10.839)	(8.736)	(19.575)
Adjustments of rents	-	-	40.328	40.328

Right-of-use assets - 31 December 2020	<b>78.056.689</b>	-	<b>36.967</b>	<b>78.093.656</b>
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**Company**

(Amounts in €)

	Office buildings	Cars	Total
Right-of-use assets - 1 January 2020	<b>2.904</b>	<b>5.374</b>	<b>8.279</b>
Additions due to receivables remeasurement	64	-	<b>64</b>
Depreciation	(2.968)	(8.736)	<b>(11.703)</b>
Adjustments of rents	-	40.328	<b>40.328</b>
Right-of-use assets - 31 December 2020	-	<b>36.967</b>	<b>36.967</b>

The right-of-use assets of €78,1 million (31.12.2019: € 78,5 million) for land concern the property of the shopping centre “Mediterranean Cosmos”, which is leased under operating lease agreements included under IFRS 16 “Leases”, and are classified in the “Investment property” item (note 5).

Total operating lease liabilities recognized by the Company and the Group on 1/1/2019 and 31/12/2019 are as follows:

**Group**

	Land	Offices	Cars	Total
Lease liabilities as at 1 January 2019	<b>78.615.321</b>	<b>21.256</b>	<b>10.749</b>	<b>78.647.325</b>
Interest Expense	3.459.269	647	311	3.460.227
Lease Payments	(3.597.023)	(10.959)	(5.537)	(3.613.518)
Lease liabilities as at 31 December 2019	<b>78.477.568</b>	<b>10.944</b>	<b>5.523</b>	<b>78.494.034</b>
Current liabilities				349.157
Non-current liabilities				<u>78.144.877</u>
<b>Total</b>				<b><u>78.494.034</u></b>

**Company**

(Amounts in € thousands)

	Land	Cars	Total
Lease liabilities as at 1 January 2019	<b>5.641</b>	<b>10.749</b>	<b>16.389</b>
Interest Expense	172	311	482
Lease Payments	(2.908)	(5.537)	(8.445)
Lease liabilities as at 31 December 2019	<b>2.904</b>	<b>5.523</b>	<b>8.427</b>
Current liabilities			8.338
Non-current liabilities			89
<b>Total</b>			<b><u>8.427</u></b>

Total operating lease liabilities recognized by the Company and the Group on 1/1/2020 and 31/12/2020 are as follows:

**Group**

	Land	Offices	Cars	Total
Lease liabilities as at 1 January 2020	<b>78.477.568</b>	<b>10.944</b>	<b>5.523</b>	<b>78.494.034</b>
Additions due to liabilities remeasurement	152.108	128	-	152.236
Additions	-	-	40.327	40.327
Interest expense	3.461.869	234	766	3.462.869
Lease payments	(3.315.540)	(11.306)	(10.002)	(3.336.848)
Rent concessions	(719.315)	-	-	(719.315)
Lease liabilities as at 31 December 2020	<b>78.056.689</b>	-	<b>36.614</b>	<b>78.093.303</b>
Current liabilities				144.525
Non-current liabilities				<u>77.948.778</u>
<b>Total</b>				<b><u>78.093.303</u></b>

**Company**

	Land	Offices	Cars	Total
Lease liabilities as at 1 January 2020		<b>2.904</b>	<b>5.523</b>	<b>8.427</b>
Additions due to liabilities remeasurement		64	-	<b>64</b>
Additions		-	40.327	<b>40.327</b>
Interest expense		62	766	<b>828</b>
Lease payments		(3.030)	(10.002)	<b>(13.032)</b>
Rent concessions		-	-	-
Lease liabilities as at 31 December 2020		-	<b>36.614</b>	<b>36.614</b>
Current liabilities				<b>7.658</b>
Non-current liabilities				<u>28.956</u>

<b>Total</b>	<b>36.614</b>
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The effect that arose for the Group with respect to the 40% exemption of lease payments due to the government measures corresponds to a total amount of €719 thousand, which is included in operating results and in particular in the “Expenses associated with investment property” account (Note 21).

The Company does not face any significant liquidity risk regarding lease obligations while there are no significant lease commitments that have not entered into force until the end of the reporting period.

## 20. Revenue

<i>Amounts in €</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>
<b>Revenues from leases</b>				
Base remuneration	26.185.382	35.689.463	-	-
Turnover Remuneration	219.411	2.016.120	-	-
Office Income	1.266.237	1.143.434	-	-
Mall (advertising) Income	1.078.731	1.911.998	-	-
Entrance fee (key money)	14.167	22.006	-	-
<b>Total</b>	<b>28.763.928</b>	<b>40.783.020</b>	-	-
Parking Revenue	2.465.931	4.697.431	-	-
<b>Total Revenue</b>	<b>31.229.859</b>	<b>45.480.452</b>	-	-

The significant drop in Group’s revenues is mainly due to the effects of the Covid-19 pandemic on the revenues from the operation of the shopping centre, and refers to lease discounts for 2020 because of the mandatory exemption from the obligation to make lease payments by operation of law, and the additional discounts provided by the Group’s subsidiaries. Moreover, the Group lost a great portion of revenues from the exploitation of parking lots and the revenues from the advertising use of the shopping centre’s areas, as well as the turnover-based variable rent from shopkeepers’ sales due to the lockdown and the drop in footfall and shopkeepers’ sales.

## 21. Expenses related to investment property

<i>Amounts in €</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>
Operating leases rents	51.051	(1.289.408)	-	-
Unrecovered common area expenses borne by the owner	(4.013.580)	(2.261.587)	-	-
Vacant units common charges	(169.888)	(189.740)	-	-
Parking expenses	(1.569.297)	(1.616.448)	-	-
Property management services	(656.505)	(979.634)	-	-
Promotion and marketing expenses	(367.127)	(842.589)	-	-
Administrative and financial services	(240.000)	(240.000)	-	-
Technical advisors' fees and costs	(127.962)	(175.837)	-	-
Insurance costs	(531.702)	(466.851)	-	-
Other professional fees	(190.171)	(179.213)	-	-
Agencies	(197.930)	(426.189)	-	-
Maintenance and repairs	(697.794)	(622.047)	-	-
Reversal of provision for impaired trade receivables (note 9)	(400.000)	(150.000)	-	-
Other	(159.055)	(189.948)	-	-
<b>Total</b>	<b>(9.269.960)</b>	<b>(9.629.489)</b>	-	-

Operating lease payments for 2020 account for turnover-based (variable) rents and the impact of the IFRS 16 “Covid-19-Related Rent Concessions” modification, which accounts for €719 thousand as analysed in note 19. In addition, the communal expenses of the shopping mall are increased by €1,7 million due to the increased share of the Company during the lockdown period.

**22. Other operating income / (expenses) net**

<i>Amounts in €</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>
Asset management services	(236.342)	(85.472)	(236.342)	(85.472)
Taxes - charges	(5.425)	(3.734)	(1.000)	(1.393)
Professional fees	(426.679)	(331.058)	(33.574)	(27.614)
Operating lease	(7.431)	(17.791)	(7.431)	(17.791)
Other expenses/(income)	248.480	(48.489)	(32.869)	(19.889)
Losses from sale / valuation of financial instruments at fair value through the income statement	(673.385)	-	-	-
<b>Total</b>	<b>(1.100.782)</b>	<b>(486.543)</b>	<b>(311.216)</b>	<b>(152.158)</b>

The increase in other operating income/expenses is mainly due to the losses from the valuation at fair value of cash flow hedging instruments on Group level.

**23. Employee benefits expense**

<i>Amounts in €</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>
Wages and salaries	(1.401.091)	(1.331.452)	(1.401.091)	(1.331.452)
Social security costs	(252.136)	(269.587)	(252.136)	(269.587)
Cost of defined benefits plan (note 18)	(13.388)	(130.280)	(13.388)	(130.280)
Other benefits to employees	(85.623)	(905.259)	(85.623)	(905.259)
<b>Total</b>	<b>(1.752.238)</b>	<b>(2.636.578)</b>	<b>(1.752.238)</b>	<b>(2.636.578)</b>
<b>Number of employees at year end</b>	<b>22</b>	<b>23</b>	<b>22</b>	<b>23</b>

**24. Finance income / (costs) - net**

<i>Amounts in €</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>
Interest expense:				
- Borrowings interest - contractual	(5.288.569)	(3.667.709)	-	-
- Other costs and commissions	(184.774)	(240.094)	(312)	(25.858)
-Interest expense on lease liabilities (note 19)	(3.462.869)	(3.460.227)	(828)	(482)
- Costs related to the extension of loan repayment installments (note 14)	-	(158.772)	-	-
- Borrowings transaction costs – amortization (note 14)	(246.272)	(379.144)	-	-
	<b>(9.182.484)</b>	<b>(7.905.946)</b>	<b>(1.140)</b>	<b>(26.340)</b>
Net gains from Exchange translation differences	18.026	12.277	-	-
<b>Financial expenses</b>	<b>(9.164.458)</b>	<b>(7.893.669)</b>	<b>(1.140)</b>	<b>(26.340)</b>
Financial income:				
- Interest expenses	3.994	4.437	265	2.308
-Long-term receivables impairment	-	8.852	-	-
<b>Financial income</b>	<b>3.994</b>	<b>13.290</b>	<b>265</b>	<b>2.308</b>
<b>Total</b>	<b>(9.160.464)</b>	<b>(7.880.379)</b>	<b>(875)</b>	<b>(24.032)</b>

The financial cost for the year 2020 is increased compared to the previous period due to the refinancing of the subsidiary PYLAIA S.M.S.A.'s bank borrowing with an increase in the total borrowing rate, and due to the subsidiary LAMDA DOMI S.M.S.A.'s borrowing of €25,3 million in 2019 in instalments, following the progress of the works for the expansion of the west wing of Golden Hall shopping center.

## 25. Income tax

According to the article 22 of law 4646/2019 passed on 12.12.2019, the corporate income tax rate of legal entities in Greece is set for 2019 at 24% from 28% and for 2020 and forth at 24%. However, under article 120 of law 4799/2021 passed on 17.05.2021, the corporate income tax rate in Greece for the fiscal year of 2021 and after, is reduced to 22%.

Under Greek tax regulations, an income tax advance calculated on each year's current income tax liability is paid to the tax authorities. Net operating losses which are tax deductible, can be carried forward in order to be offset against taxable profits for a period of five years from the year they are generated.

<i>Amounts in €</i>	<b>1.1.2020 to 31.12.2020</b>	<b>1.1.2019 to 31.12.2019</b>	<b>1.1.2020 to 31.12.2020</b>	<b>1.1.2019 to 31.12.2019</b>
Income tax	(2.204.990)	(6.008.585)	-	-
Effect due to change in the income tax rate	-	1.865.935	-	-
Deferred tax	4.856.241	(8.267.898)	-	-
<b>Total</b>	<b>2.651.250</b>	<b>(12.410.549)</b>	-	-

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate of the company's country of establishment as follows:

<i>Amounts in €</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>
<b>(Loss)/ Profit for the year before tax</b>	<b>(13.856.593)</b>	<b>55.454.075</b>	<b>15.345.727</b>	<b>12.741.846</b>
Tax calculated at domestic tax rate (2020-2019:24%)	3.325.582	(13.308.978)	(3.682.974)	(3.058.043)
Income not subject to tax	-	-	4.181.222	3.735.054
Expenses not deductible for tax purposes	(194.708)	(152.459)	(6.470)	(2.177)
Loss for which no deferred tax provision was recognized	(479.624)	(815.046)	(491.778)	(674.978)
Effect due to change in the income tax rate/Reversal of deferred tax	-	1.865.935	-	-
<b>Taxes</b>	<b>2.651.250</b>	<b>(12.410.549)</b>	-	-

### Tax certificate and unaudited tax years

The unaudited tax years for the Company and the Group's companies are as follows:

	<u>Fiscal years unaudited by the tax authorities</u>
LAMDA MALLS A.E.	2017-2020
PYLAIA S.M.S.A.	2013-2020
LAMDA DOMI S.M.S.A.	2013-2020

For the year ended 31 December 2011 and onwards as the Law 4174/2013 (article 65A) currently stands (and as Law 2238/1994 previously provided in article 82), up to and including fiscal years starting before 1 January 2016, the Greek societies anonymes and limited liability companies whose annual financial statements are audited compulsorily, were required to obtain an 'Annual Tax Certificate', which is issued after a tax audit is performed by the same statutory auditor or audit firm that audits the annual financial statements.

For fiscal years starting from 1 January 2016 and onwards, the 'Annual Tax Certificate' is optional, however the Group will obtain such certificate. In accordance with the Greek tax legislation and the respective Ministerial Decisions issued, additional taxes and penalties may be imposed by the Greek tax authorities following a tax audit within the applicable statute of limitations (as a general principle, 5 years from the end of the fiscal year to which the tax return should have been filed), irrespective of whether an unqualified tax certificate has been obtained from the tax paying company.

The Company has been audited by a statutory auditor and has received the relevant tax certificate for 2019 whereas the other Group companies have received the relevant tax certificates for the fiscal years 2013 to 2019. A tax audit of the Company is under way by the competent tax authorities for the years 2017 and 2018. For the fiscal years ending after 31 December 2012 and onwards, that remain unaudited by the relevant tax authorities, the Company's management estimates that any taxes that may arise will not have a material effect on the financial statements. For

the fiscal year 2020, the tax audit is currently carried out by PriceWaterhouseCoopers SA., and the relevant tax certificate is expected to be issued after the publication of the financial statements in the first half of 2021.

According to the relevant tax provisions: (a) article 36 of Law 4174/2013 (unaudited cases of income taxation ); b) paragraph 1 of article 57 of Law 2859/2000 (unaudited cases of Value Added Tax); and (c) of paragraph 5 of Article 9 of Law 2523/1997 (imposition of fines for income tax cases), the right of the State to impose tax for the fiscal years up to 2014 has been suspended until 31.12.2020, subject to special or exceptional provisions which may provide for a longer limitation period and under the conditions that they provide.

## 26. Operating cash flows

<i>Amounts in €</i>	Note	GROUP		COMPANY	
		1.1.2020 to 31.12.2020	1.1.2019 to 31.12.2019	1.1.2020 to 31.12.2020	1.1.2019 to 31.12.2019
Profit for the year					
<u>Adjustments for:</u>					
Tax	24	(11.205.342)	43.043.527	15.345.727	12.741.846
		(2.651.250)	12.410.549	-	-
Depreciation	6,7				
		436.061	401.981	11.703	8.111
Impairment of receivables		400.000	150.000	-	-
Losses from sale/valuation of financial instruments at fair value through income statement		673.385	-	-	-
Dividends income		-	-	(17.421.759)	(15.562.725)
Provision for retirement benefit obligations	18	13.388	130.280	13.388	130.280
Losses from the sale of property, plant and equipment		-	-	-	-
Financial income	24	(3.994)	(13.290)	(265)	(2.308)
Financial expense	24	9.164.458	7.893.669	1.140	26.340
Other non-cash (income) / expenses		(998.897)	-	-	-
Net gain from fair value adjustment on investment property	5	23.366.946	(31.008.595)	-	-
		<b>19.194.755</b>	<b>33.008.121</b>	<b>(2.050.066)</b>	<b>(2.658.456)</b>
<b>Changes in working capital:</b>					
(Increase)/decrease in receivables		53.574	4.066.886	(27.069)	24.543.828
(Decrease)/increase in payables		(1.262.776)	1.782.217	83.462	184.802
		<b>(1.209.202)</b>	<b>5.849.103</b>	<b>56.392</b>	<b>24.728.630</b>
<b>Net operating cash flows</b>		<b>17.985.553</b>	<b>38.857.224</b>	<b>(1.993.674)</b>	<b>22.070.174</b>

## 27. Commitments

### Capital commitments

As at 31/12/2020, obligations on capital expenditure, amounting to €0,8 million, have been committed at a consolidated level and have not been executed.

The Group has no contractual obligations for the repairs and maintenance of its investment property.

## 28. Contingent liabilities and assets

The Group and the Company have contingencies in respect of banks, other guarantees and other matters arising in the ordinary course of business, for which no significant additional burdens are expected to arise, as follows:

<i>Amounts in €</i>	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
<b>Liabilities</b>				
Letters of guarantee related to obligations	3.550.645	3.532.980	-	-
Other	400	-	-	-
<b>Total</b>	<b>3.551.045</b>	<b>3.532.980</b>	<b>-</b>	<b>-</b>
<b>Assets</b>				
Letters of guarantee related to receivables (from tenants)	23.964.593	23.582.420	-	-
Advance payment guarantees	319.207	332.694	-	-
Performance bonds received from contractor	544.877	1.630.003	-	-
	<b>24.828.677</b>	<b>25.545.118</b>	<b>-</b>	<b>-</b>

In addition to the issues mentioned above the following matter must be taken into consideration, which are not required under IAS 37 to formulate provisions as in accordance with the relevant opinions of the Company's legal advisors and the estimates of the Management, are not considered likely that outflow of resources will be required to settle the matter.

A public (already private) law entity under the trade name "Hellenic Olympic Committee" ("HOC") has filed a lawsuit against the Public Real Estate Property Company S.A. ("ETAD"). By means of the said lawsuit, the HOC claims to be entitled to, and therefore to be granted, the use, management, and exploitation of a plot of land of its ownership in which the International Broadcasting Centre ("IBC") is built. The HOC also claims ETAD to be declared as liable for an overall amount of €90.784.500, which is alleged to have been the lease price paid by the company under the trade name "LAMDA DOMI S.M.S.A." ("LAMDA DOMI") to ETAD (and its predecessor "HELLENIC OLYMPIC REAL ESTATE S.A.") for the period 30.04.2007-30.06.2019. The Annual financial report for the year ended 31 December 2021 said lawsuit is based on the alleged by the HOC contravention of Article 35 of Law 3342/2005 to Article 17 of the Constitution and more specifically on the allegation that the delegation of use, management and exploitation deprives the HOC from its right to use the plot and benefit therefrom as its rightful owner. Pursuant to an impleader by ETAD, LAMDA DOMI filed a "supporting intervention" in favor of ETAD. Pursuant to the hearing of the case on 13.05.2021, and the relevant decision is pending. According to the views of the Company's legal counsels, there is reasonable ground for the Court to dismiss the HOC's lawsuit.

Additionally, there are various pending legal cases of the Group's companies, which are not expected to create material additional liabilities.

## 29. Related party transactions

The following transactions were carried out with related parties.

<i>Amounts in €</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>1.1.2020 to 31.12.2020</b>	<b>1.1.2019 to 31.12.2019</b>	<b>1.1.2020 to 31.12.2020</b>	<b>1.1.2019 to 31.12.2019</b>
<b>i) Sales of services</b>				
- LAMDA Development S.A.	1.092.209	1.005.965	-	-
- other related parties	947.350	227.750	-	-
	<b>2.039.559</b>	<b>1.233.715</b>	-	-
<b>ii) Purchases of services</b>				
- LAMDA Development S.A.	679.167	527.690	236.342	85.472
- companies which controlling interests belong to Latsis family	477.305	1.498.212	-	-
- other related parties	2.862.660	3.516.897	6.200	-
	<b>4.019.131</b>	<b>5.542.799</b>	<b>242.542</b>	<b>85.472</b>
<b>iii) Dividend income</b>				
- subsidiaries	-	-	17.421.759	15.562.725
<b>iv) Transactions and remuneration of members of BoD and management</b>				
Members of BoD:				
- Salaries and other short-term employment benefits	208.159	472.748	208.159	472.748
	<b>208.159</b>	<b>472.748</b>	<b>208.159</b>	<b>472.748</b>
<b>v) Year-end balances from sales-purchases of services</b>				
<i>Amounts in €</i>	<b>GROUP 31.12.2020</b>	<b>31.12.2019</b>	<b>COMPANY 31.12.2020</b>	<b>31.12.2019</b>
Receivables from related parties:				
- LAMDA Development S.A.	2.961	4.632	-	-
- other related parties	173.025	-	-	-
	<b>175.987</b>	<b>4.632</b>	-	-
Payables to related parties:				
- LAMDA Development S.A.	399.312	122.672	236.651	85.472
- companies which controlling interests belong to Latsis family	-	619.268	-	-
- other related parties	478.928	998.908	6.200	-



878.240	1.740.848	242.851	85.472
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According to the benefit plan to senior officers and members of the Management, the benefit plan's fair value on 31.12.2020 amounted to € 494 thousand (31.12.2019: € 556 thousand).

Under IFRS 16, the Group's and Company's liabilities to related parties include lease liabilities. The Group's and Company's lease liabilities toward related parties are analyzed as follows:

**GROUP**

	01/01/2020 Lease liability, opening balance	Lease payments	Additions due to remeasuring of liabilities	Interest Expense	31/12/2020 Lease liability, closing balance
<b>Lamda Development S.A.</b>	10.944	(11.306)	128	234	-

**GROUP**

	01/01/2019 Lease liability, opening balance	Lease payments	New contracts / Amendments	Interest Expense	31/12/2019 Lease liability, closing balance
<b>Lamda Development S.A.</b>	21.256	(10.959)	-	647	10,944

**COMPANY**

	01/01/2019 Lease liability, opening balance	Lease payments	Additions due to remeasuring of liabilities	Interest Expense	31/12/2019 Lease liability, closing balance
<b>Lamda Development S.A.</b>	2.904	(3.030)	64	62	-

**COMPANY**

	01/01/2019 Lease liability, opening balance	Lease payments	New contracts / Amendments	Interest Expense	31/12/2019 Lease liability, closing balance
<b>Lamda Development S.A.</b>	5.641	(2.908)	-	172	2.904

Receivables and payables from and to related parties are satisfied and their carrying amounts approach their fair value.

Services from and to related parties, as well as sales and purchases of goods, take place based on the price lists in force with non-related parties.

### 30. Dividends

The Company's Board of Directors decided to submit to the Ordinary General Meeting approving the results of the fiscal year 2020 a motion proposing the distribution of a €14.517.720 dividend, €0,0882 per share, to the shareholders of the Company. Respectively, a dividend of €12.065.180, i.e. €0,0733 per share, was approved by the Company's shareholders for the year 2019, out of which the amount of €11.028.200 was distributed in 2019 as pre-dividend and the remainder €1.036.980 was distributed in 2020.

**31. Audit and other fees**

<i>Amounts in €</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.2020</b>	<b>31.12.2019</b>	<b>31.12.2020</b>	<b>31.12.2019</b>
Audit fees	66.630	66.630	14.865	14.865
Annual Tax Certificate's fees	69.220	66.600	8.620	8.000
Fees for other assurance services	6.500	8.620	-	620
<b>Total</b>	<b>142.350</b>	<b>141.850</b>	<b>23.485</b>	<b>23.485</b>

**32. Business Combinations**

The Company LAMDA MALLS S.A. was established on March 20, 2017, by contribution in kind of the investments in the entities LAMDA DOMI S.M.S.A. and PYLAIA S.M.S.A. and by contribution in cash an amount of €300 thousand. The contribution in kind was at a value determined by the valuation reports for both entities prepared according to the article 9 of law K.N. 2190/1920.

According to International Financial Reporting Standards, business combinations among companies of the same group are exempted from the scope of application of IFRS 3. Therefore, the Company applies to such transactions the “predecessor accounting” method. According to this method, the Company incorporates the accounting values of the entities that are combined (without any adjustment to their fair values). The Group’s financial statements assume that the new structure is effective since 1 January 2016. Any difference between the value at the date of contribution and the book value of the contributed net assets goes directly to equity.

**33. Events after the reporting period**

The pandemic continues to have an impact on the financial situation of the Company for the year 2021. By government order, the Group’s Shopping Centers were closed for the biggest part of the period from 01.01.2021 up to and including 23.04.2021. During that period, the Shopping Centers remained open from 18.01.2021 to 07.02.2021 without restrictions and from 08.02.2021 to 04.03.2021 according to the click away system. The government decided to release commercial tenants from the full amount of their rent for the months from January to April by legislative act. Respectively for the same time period, the Government will indemnify the Company with 60% of the rent. Taking these legislative acts into account, the loss of income from rents for the first quarter of 2021 amounts to €4,4 million. In addition, under the aforementioned Law-Decree, the Group, as lessee of the commercial and leisure Mediterranean Cosmos in Pylaia, Thessaloniki, has received a €482 thousand reduction on the fixed part of the payable rent for the period January-April 2021.

However, the General Secretary of Commerce and the Deputy Minister of Civil Protection issued an announcement decreeing the reopening of shopping centers from 24.04.2021 which have remained open to the publication date of these annual financial statements (note 2.1).

Under article 120 of law 4799/2021 passed on 17.05.2021, the corporate income tax rate in Greece for the fiscal year of 2021 and after, is reduced to 22%. The impact of the reduction of the tax rate from 24% to 22% will reduce the deferred tax liability by €4 million through the Income Statement.

There are no other events after the balance sheet date considered to be material to the financial statements.