

# **LAMDA Development S.A.**



## **ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**ACCORDING TO  
INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)**

*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.*

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The financial statements are uploaded on the website [www.lamdadev.com](http://www.lamdadev.com), the independent auditor's report and the annual report of the Board of Directors for the companies which are incorporated in the consolidated financial statements of the Group.

**I. STATEMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS**

**STATEMENTS OF THE BOARD OF DIRECTORS OF "LAMDA DEVELOPMENT S.A." FOR THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (ACCORDING TO THE ARTICLE 4, Par.2(c) OF THE LAW 3556/2007)**

We state to the best of our knowledge, that the annual financial statements of the Company and the Group of "LAMDA DEVELOPMENT S.A." for the year ended on December 31, 2022 which have been prepared in accordance with the international accounting standards in effect, reflect fairly the assets, liabilities, equity and the results of "LAMDA DEVELOPMENT S.A.", as well as of the entities that are included in the consolidation taken as a whole.

Furthermore, we state to the best of our knowledge that the Annual Report of the Board of Directors reflects fairly the development, the performance and the status of LAMDA DEVELOPMENT S.A., as well as of the entities that are included in the consolidation taken as a whole and includes a description of the main risks and uncertainties they confront.

**Maroussi, 2 May 2023**

**The undersigned**

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**Anastasios K.Giannitsis**

**Chairman of the BoD**

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**Odysefs E. Athanasiou**

**Chief Executive Officer**

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**Evgenia G. Paizi**

**Member of the BoD**

## II. ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

### OF THE COMPANY «LAMDA Development S.A.» TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR THE FISCAL YEAR 01.01.2022 – 31.12.2022

Dear Shareholders,

According to the provisions of L.3556/2007 and the relevant decisions of the Capital Market Committee Board of Directors, we present the annual Board of Directors' report of "LAMDA Development S.A." concerning the Consolidated and Standalone Financial Statements for the fiscal year that ended on December 31, 2022.

#### A. GROUP FINANCIAL POSITION

According to the International Financial Reporting Standards, the main financial figures for the Group and the Company for the fiscal year from 01.01.2022 to 31.12.2022 are as follows:

<b>CONDENSED PRESENTATION OF CONSOLIDATED FINANCIAL RESULTS</b>			
<i>Amounts in € million</i>	<b>01.01.2022 to 31.12.2022</b>	<b>01.01.2021 to 31.12.2021</b>	<b>(%) change</b>
<b>Group operating result (EBITDA) before valuations and other adjustments excluding Ellinikon project</b>	<b>54,4</b>	<b>39,6</b>	<b>+38%</b>
Group operating result (EBITDA) before valuations and other adjustments of Ellinikon project	(67,1)	(31,6)	-
<b>Group operating result (EBITDA) before valuations and other adjustments</b>	<b>(12,6)</b>	<b>8,0</b>	<b>-</b>
Revaluation gains of Shopping Malls and other investment properties	40,4	9,8	-
Revaluation gains of Ellinikon investment properties	105,6	315,5	-
Provision for impairment of inventories	(11,7)	(0,3)	-
Gain on disposal of investments in entities and investment properties	0,1	2,1	-
<b>Total Group operating result (EBITDA)</b>	<b>121,8</b>	<b>335,1</b>	<b>-</b>
<b>Net results (after taxes and non-controlling interests)</b>	<b>(31,4)</b>	<b>191,2</b>	<b>-</b>

Consolidated revenues amounted to €141,7m compared to €79,1m of year 2021. The significant increase in the Group's sales is mainly due to the impact of the Coronavirus COVID-19 pandemic on the revenue from the operation of the Group's shopping malls in the base year 2021, as more specifically for the first semester of 2021 significant rent discounts were applied due to the mandatory exemption from the obligation to pay rents by law. In addition, the Group lost in the first half of 2021 a large part of the revenue from the operation of the car parking stations, revenue from the advertising exploitation of shopping malls and the variable consideration on the sales of the shopkeepers, due to the lockdown and the reduction in traffic and the sales of shopkeepers. At consolidated level in 2022, a positive effect on the change in revenue is the integration for a period of almost 5 months (from 06.08.2022) of the newly acquired shopping mall Designer Outlet Athens as well as Marina of Agios Kosmas, after the acquisition of the shares of HELLINIKON S.M.S.A. at the end of June 2021. Additionally, within the second half of 2022, the Group recorded total sales from the exploitation of the project in Ellinikon of €25,6 million and mainly concern (a) €21,9 million from residential projects (contracted sales of apartments) and (b) €3,2 million from contracted land rentals and construction project management and supervision services. It is noted that no revenue related to Ellinikon project was recorded in 2021.

Regarding operating results, Group operating result (EBITDA) before valuations and other adjustments excluding Ellinikon project reached €54,4 million increased by 38% compared to 2021. The increase resulted by (a) the significant increase of Shopping Malls operating result EBITDA as explained in detail above and (b)

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the integration for a period of almost 5 months (from 06.08.2022) of the newly acquired shopping mall Designer Outlet Athens (positive contribution in EBITDA of €3,7m).

The revaluation, by an independent appraiser, of part of the assets (Investment Properties) of HELLINIKON S.M.S.A. improved the consolidated results of the fiscal year 2022 before taxes by €105,6 million, while the revaluation of the Shopping Malls and other Group's properties recorded profits of €40,4 million.

The total operating results (EBITDA) before valuations and other adjustments of the Ellinikon project amounted to losses of €67,1 million compared to losses of €31,6 million in 2021 as the Group has significantly accelerated the preparation and implementation of its strategic plan for the Ellinikon project. Consequently, the consolidated net results of the Group, after taxes and minority rights, amounted to losses of €31,4 million against profits of €191,2 million in 2021.

It is noted that the financial results of 2021 included the positive impact of €315,5 million compared to €105,6 million in 2022 that came from the revaluation, by an independent appraiser, of Investment Properties related to the Ellinikon project. Excluding the net results of Ellinikon project, the Adjusted consolidated net results, after taxes and minority rights, amounted to a profit of €3,0 million (versus a loss of €7,6 million in the corresponding fiscal year 2021).

The operating results of Shopping Malls before valuations and other adjustments (Retail EBITDA) are as follows:

<i>Amounts in € million</i>	<b>01.01.2022 to 31.12.2022</b>	<b>01.01.2021 to 31.12.2021</b>	<b>(%) change</b>
The Mall Athens	26,7	18,5	+44%
Mediterranean Cosmos	19,1	14,1	+36%
Golden Hall	19,1	12,8	+49%
Designer Outlet Athens	3,7	0,0	-
<b>Retail EBITDA (Shopping Malls operating result before valuations and other adjustments)</b>	<b>68,6</b>	<b>45,4</b>	<b>+51%</b>

**EBITDA of Shopping Malls The Mall Athens, Golden Hall and Mediterranean Cosmos** in 2022 amounted to €64,9 million, increased by 43% compared to 2021, recording a new historical record-high operating profitability (+1% compared to 2019, milestone year with historically high revenues). It is noted that the operating result EBITDA of Shopping Malls in 2021 was adversely impacted by (a) the suspension of their operation for an aggregate period of about 3 months<sup>1</sup>, and (b) the legal provision for rent discounts (40%<sup>2</sup> discount) to shopkeepers/tenants which applied for the entire period of first half of 2021 (January – June). In 2022, Shopping Malls operated with minimal restrictions<sup>3</sup> related to the pandemic, while no legal provision for rent discounts.

**EBITDA of Shopping Malls (Retail EBITDA) including the newly acquired Designer Outlet Athens** amounted to €68,6 million (+51% compared to 2021 and +7% compared to previous historically high operating profits of 2019).

The total gross assets value (GAV) of the Shopping Malls as at 31.12.2022 (based on the assessment of independent appraisers) exceeded €1 billion after the integration of the newly acquired Designer Outlet Athens (from 06.08.2022). Excluding the value of Designer Outlet Athens (€116,3 million), the total value of Shopping Malls as at 31.12.2022 increased by €44,2 million compared to 31.12.2021 reaching to €916.3 million, recording a new record-high (€24 million increase compared to 2019). The Group, amidst the pandemic crisis during the last 2 years, has negotiated new or proceeded to the renewal of commercial agreements under similar or better financial terms that were in force before the pandemic crisis, thus enhancing the Shopping Malls' value, which is also reflected in revaluations assessed by independent appraisers in 2022.

The Group monitors the performance of the Shopping Malls through indicators, out of which the primary, according to the international standards, are the customer visits (total footfall) indicator and the

<sup>1</sup> The Shopping Malls "The Mall Athens" and "Golden Hall" in Athens remained closed for an aggregate period of 95 days each in 2021. "Mediterranean Cosmos" in Thessaloniki remained closed for an aggregate period of 71 days in 2021 (in February 2021, shops in Thessaloniki operated under the restrictive measures click-away). These restrictive measures were abolished on 15.05.2021.

<sup>2</sup> As per relevant legislation, shopkeepers/tenants have been exempted from paying the full (100%) rent for the entire period between January-May 2021, while the Ministry of Finance compensated LAMDA through a rebate of 60% of the rents. In June 2021, shopkeepers/tenants in the retail trade sector have received a 40% discount on rents, while shopkeepers/tenants active in the sectors of F&B/Entertainment/Cinemas have been exempted from paying the full (100%) rent, with the Ministry of Finance compensating LAMDA through a rebate of 60% of the said rent. No rent discounts are applied from July 2021.

<sup>3</sup> Restrictions on the entry of visitors to the retail outlets and F&B shops of the Shopping Malls were in force until 30.04.2022.

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tenants/shopkeepers sales indicator which present the percentage increase between the current and the comparative period.

Given the suspension of the Shopping Malls operation in 2021 for a total period of approximately 3 months, the comparison of the key Shopping Malls' indicators against the corresponding period in 2021 is not only practically difficult but also becomes meaningless and therefore, the comparison of the key indicators cannot lead to safe conclusions. Therefore, below are presented the Shopping Malls' performance indicators comparing 2022 with the corresponding period of 2019 (pre-pandemic period).

<b>Shopping Malls Performance Indicators <sup>4</sup></b>				
<b><u>2022 vs 2019</u></b>	<b>The Mall Athens</b>	<b>Golden Hall</b>	<b>Mediterranean Cosmos</b>	<b>Total</b>
Tenants' (shopkeeper) sales <sup>5</sup>	-10%	+13%	+6%	<b>+1%</b>
Number of visitors (footfall) <sup>6</sup>	-45%	+4%	-15%	<b>-23%</b>

Despite the adverse conditions in the economy and especially in the retail sector, due to the energy crisis and intense inflationary pressures, the following were observed during the year 2022:

- **the total turnover of the stores of The Mall Athens, Golden Hall and Mediterranean Cosmos Shopping Malls** in 2022 recorded a new historical record-high (€604 million against the previous record-high of €595 million in 2019). In particular, during in the second half of 2022 the total turnover (€361 million) increased 8% compared to the previous record of 2019. Regarding Designer Outlet Athens, the total turnover of the stores for the period August-December 2022 (consolidated from 06.08.2022) increased by 14% compared to 2019.
- **the total number of visitors of The Mall Athens, Golden Hall and Mediterranean Cosmos Shopping Malls** in 2022 decreased by 26% compared to 2019, reflecting the negative effects of the pandemic. However, it should be noted that the total number of visitors to the Golden Hall increased by 4% compared to 2019 (second half 2022: +9% compared to 2019) largely reflecting the positive contribution of the expansion of the western part of the property, which gradually started its operation since December 2019. Regarding Designer Outlet Athens, the total number of visitors for the period August-December 2022 (consolidated from 06.08.2022) increased by 12% compared to 2019.
- **the average expenditure per visitor of The Mall Athens, Golden Hall and Mediterranean Cosmos Shopping Malls** in 2022 increased by 38% compared to 2019, confirming the upward trend recorded from June 2021 onwards, following the gradual relaxation of restrictive measures for dealing with the pandemic. Given the decline in traffic, this increase is largely explained by the fact that the main reason for visiting is now purchases of goods. Regarding Designer Outlet Athens, the average expenditure per visitor for the period August-December 2022 (consolidated from 06.08.2022) increased by 2% compared to 2019.

Regarding the **impact of the project for the development of the property in Ellinikon on the Group's net results** for 2022, the following are highlighted:

- Total revenues amounted to €25,6 million (in contract to 2021 when no revenues were recorded) and mainly concern (a) €21,9 million from residential projects (contracted sales of apartments) and (b) €3,2 million from contracted land leases and construction project management and supervision services.
- The total operating expenses related to the exploitation of the property in Ellinikon amounted to €73,6 million (€32,0 million in 2021) as the Group has significantly accelerated the preparation and implementation of its strategic plan for the exploitation of property in Elliniko.
- Total operating results (EBITDA) before valuations and other adjustments of the Ellinikon project presented losses of €67,1 million (losses of €31,6 million in 2021).
- The positive impact from revaluation, by an independent appraiser, of the Investment Properties related to the Ellinikon project amounted to €105,6 million (€315,5 in 2021).

<sup>4</sup> The newly acquired Designer Outlet Athens (consolidated from 06.08.2022) is not included.

<sup>5</sup> The indicator regarding the change in the tenant's (shopkeeper) sales is calculated as follows: total tenants' sales of each Shopping Mall at the reporting period minus total tenants' sales of each Shopping Mall at the comparative reporting period / Total tenants' sales of each Shopping Mall at the comparative reporting period.

<sup>6</sup> The indicator regarding the change of number of visitors (footfall) to Shopping Malls is calculated as follows: Total visitors passing from the entrances of each Shopping Mall at the reporting period minus total visitors passing from the entrances of each Shopping Mall at the comparative reporting period / Total visitors passing from the entrances of each Shopping Mall at the comparative reporting period.

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- Finance costs, which do not have an impact on cash and concern the accounting recognition of future liabilities<sup>7</sup> regarding the development of the property in Ellinikon, amounted to €38,0 million (compared to €18,6 million in 2021 due to the consolidation of HELLINIKON S.M.S.A. from 25.06.2021).
- Net profits/(losses) of the period for Ellinikon project, amounted to a loss of €34,4 million (against profit of €194,6 million in 2021).

The **total gross assets value (GAV) of the Ellinikon project** on 31.12.2022 amounted to €1,95 billion, increased by approximately €159 million compared to 31.12.2021, due to (a) the accelerated implementation of the investment plan (increase of approximately €72 million) and (b) of inventory sales (decrease approximately €19 million) and (c) revaluation (increase approximately €106 million), based on the independent appraiser's assessment, of the value of the investment properties.

The **net assets value (NAV)** on 31.12.2022 amounted to €1,36 billion (i.e. €7,78 per share), marginally lower (around €5 million) compared to 31.12.2021.

NET ASSETS VALUE (NAV)			
	31.12.2022	31.12.2021	(%) Variance
<b>Net Assets Value (NAV)</b> (€ million) (as derives by internal information of the Group)	<b>1.357</b>	<b>1.362</b>	<b>-0,4%</b>
<b>Net Assets Value (NAV)</b> (€ per share) <sup>8</sup>	<b>7,78</b>	<b>7,73</b>	<b>+0,7%</b>

KEY ITEMS OF STATEMENT OF FINANCIAL POSITION		
<i>Amounts in € million</i>	31.12.2022	31.12.2021
Cash	693,9	539,4
Restricted Cash	(178,3)	(377,0)
<b>Free cash</b>	<b>515,5</b>	<b>162,4</b>
<b>Investment Portfolio</b>	<b>3.156,2</b>	<b>2.840,1</b>
<b>Total Investment Portfolio</b>	<b>3.330,6</b>	<b>3.017,5</b>
<b>Total Assets</b>	<b>4.183,3</b>	<b>3.670,9</b>
<b>Total Equity</b>	<b>1.167,6</b>	<b>1.301,2</b>
<b>Total Debt</b>	<b>1.862,5</b>	<b>1.405,6</b>
<b>Adjusted Total Debt</b>	<b>2.491,1</b>	<b>2.040,6</b>
<b>Total Liabilities</b>	<b>3.015,6</b>	<b>2.369,7</b>

FINANCIAL RATIOS		
	31.12.2022	31.12.2021
<b>ADJUSTED NET TOTAL DEBT / TOTAL INVESTMENT PORTFOLIO</b>	<b>54,0%</b>	<b>49,7%</b>
<b>TOTAL DEBT / TOTAL EQUITY AND TOTAL DEBT (GEARING RATIO)</b>	<b>61,5%</b>	<b>51,9%</b>

<sup>7</sup> It concerns (a) the purchase price consideration of HELLINIKON S.M.S.A. and (b) the obligation to carry out Infrastructure Projects of public interest (e.g. roads, public utility networks, undergrounding and footbridges etc.) which will be handed over to the Greek State upon completion, free of charge.

<sup>8</sup> Adjusted number of shares for the 2.382.693 and 533.292 treasury shares held by the Company on 31.12.2022 and 31.12.2021 respectively.



### The impact due to the coronavirus pandemic COVID-19

The COVID-19 pandemic, although in recession, continued to be present during 2022. It is noted that the operating EBITDA of Shopping Malls in 2022 was not negatively affected at all, either by the suspension of store operations or by the implementation of Greek State's directive for discounts on rents, in stark contrast to the corresponding period of 2021. Consequently, EBITDA profitability of Shopping Malls in 2022 showed accelerated rates of recovery reaching to pre-pandemic (2019) levels.

### **B. ALTERNATIVE PERFORMANCE MEASURES ("APMs")**

The Group uses certain Alternative Performance Measures (APMs) according to the characteristics of the certain sector that it operates, which are defined as follows:

#### **Definitions :**

- 1. Group operating result (EBITDA):** Profit/(loss) before income tax, plus net finance costs, plus depreciation of tangible assets, intangible assets and right-of-use assets.
- 2. Operating result (EBITDA) of Ellinikon project:** Profit/(loss) before income tax, plus net finance costs, plus depreciation of tangible assets, intangible assets and right-of-use assets, which concern Ellinikon project, excluding operations of Marina of Agios Kosmas.
- 3. Group operating result (EBITDA) excluding Hellinikon project:** Group operating result (EBITDA) minus operating result (EBITDA) of Ellinikon project.
- 4. Total Group operating result (EBITDA) before valuations and other adjustments:** Group operating result (EBITDA) excluding any investment property fair value gains/losses, inventory impairment losses, profit or loss from acquisition/disposal of participation share in investments, profit or loss from disposal of investment properties and other extraordinary valuation gains/losses and costs, as well as other adjustments.
- 5. Total operating result (EBITDA) before valuations and other adjustments of Ellinikon project:** Group operating result (EBITDA) excluding any investment property fair value gains/losses, inventory impairment losses, profit or loss from acquisition/disposal of participation share in investments, profit or loss from disposal of investment properties and other extraordinary valuation gains/losses and costs, as well as other adjustments, which concern Ellinikon project, excluding operations of Marina of Agios Kosmas.
- 6. Total Group operating result (EBITDA) before valuations and other adjustments excluding Ellinikon project:** Total Group operating result (EBITDA) before valuations and other adjustments minus total operating result (EBITDA) before valuations and other adjustments of Ellinikon project.
- 7. Retail EBITDA (Shopping Malls Operating Result before valuations and other adjustments):** Individual operating result (EBITDA) before valuation and other adjustments of the entities LOV S.M.S.A., PYLAIA S.M.S.A. and LAMDA DOMI S.M.S.A. and DESIGNER OUTLET ATHENS S.M.L.L.C., which are involved in the exploitation of the Shopping Malls The Mall Athens, Mediterranean Cosmos, Golden Hall and Designer Outlet Athens respectively.
- 8. Net Asset Value (NAV):** Equity attributable to equity holders of the Company adjusted by the deferred tax liability and asset attributable to equity holders of the Company.
- 9. Investment Portfolio:** Investment property, excluding Right-of-use Assets for which a relevant lease liability is recognized, plus Inventories, plus Tangible and Intangible assets, plus Investments in joint ventures and associates, plus Right-of-use Assets of the Ellinikon properties under development.
- 10. Total Investment Portfolio:** Investment property, plus Inventories, plus Tangible and Intangible assets, plus Investments in joint ventures and associates, plus Right-of-use assets.
- 11. Total Debt:** Borrowings, plus Lease liabilities, plus Consideration payable for the acquisition of HELLINIKON S.M.S.A..
- 12. Adjusted Total Debt:** Total Debt, plus Provisions for infrastructure investments in HELLINIKON S.M.S.A..
- 13. Net Total Debt:** Total Debt, less Cash and cash equivalents, less Restricted cash for serving or securing Borrowings, less Restricted cash for the purpose of repaying Consideration payable for the acquisition of HELLINIKON S.M.S.A..
- 14. Adjusted Net Total Debt:** Adjusted Total Debt, less Cash and cash equivalents, less Restricted cash for serving or securing Borrowings, less Restricted cash for the purpose of repaying Consideration payable for the acquisition of HELLINIKON S.M.S.A..

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### 15. Adjusted Net Total Debt / Total Investment Portfolio

### 16. Gearing Ratio: Total Debt / (Total Equity and Total Debt)

**17. Net profit/(loss) of the period of Ellinikon project:** Net profits/(losses) of the period which concern Ellinikon project, excluding operations of Marina of Agios Kosmas.

**18. Adjusted net profit/(loss) attributable to equity holders of the parent Company:** Net profits/(losses) for the period attributable to equity holders of the parent Company minus net profits/(losses) of the period of Ellinikon project.

For the present financial report and compared to the previous financial reports of 2022 and 2021, the Group has reformed the APMs to reflect more representatively its performance after the recent developments of the Ellinikon project.

### **Calculations :**

<i>Amounts in € thousand</i>	<b>01.01.2022 to 31.12.2022</b>	<b>01.01.2021 to 31.12.2021</b>
<b>Total Group operating result (EBITDA) before valuations and other adjustments excluding Ellinikon project</b>	<b>54.428</b>	<b>39.556</b>
Total operating result (EBITDA) before valuations and other adjustments of Ellinikon project	(67.065)	(31.601)
<b>Total Group operating result (EBITDA) before valuations and other adjustments</b>	<b>(12.637)</b>	<b>7.955</b>
Revaluation gains of Shopping Malls and other investment properties	40.423	9.778
Revaluation gains of Ellinikon investment properties	105.609	315.521
Provision for impairment of inventories	(11.736)	(272)
Gain on disposal of investments in entities and investment properties	109	2.092
<b>Group operating result (EBITDA)</b>	<b>121.768</b>	<b>335.074</b>

<i>Amounts in € thousand</i>	<b>01.01.2022 to 31.12.2022</b>	<b>01.01.2021 to 31.12.2021</b>
<b>Group operating result (EBITDA) excluding Hellinikon project</b>	<b>83.224</b>	<b>51.155</b>
Operating result (EBITDA) of Ellinikon project	38.544	283.919
<b>Group operating result (EBITDA)</b>	<b>121.768</b>	<b>335.074</b>
Depreciation	(8.982)	(8.602)
Finance income	5.289	283
Finance costs	(94.509)	(58.892)
<b>Profit/(loss) before income tax</b>	<b>23.566</b>	<b>267.863</b>

<i>Amounts in € thousand</i>	<b>01.01.2022 to 31.12.2022</b>	<b>01.01.2021 to 31.12.2021</b>
The Mall Athens	26.730	18.540
Mediterranean Cosmos	19.080	14.061
Golden Hall	19.082	12.792
Designer Outlet Athens	3.721	-
<b>Retail EBITDA (Shopping Malls Operating Result before valuations and other adjustments)</b>	<b>68.613</b>	<b>45.393</b>

## Annual financial report for the year ended 31 December 2022

<i>Amounts in € thousand</i>	<b>01.01.2022 to 31.12.2022</b>	<b>01.01.2021 to 31.12.2021</b>
<b>Net profit/(loss) for the period attributable to equity holders of the parent</b>	<b>(31.409)</b>	<b>191.242</b>
Minus: Net profit/(loss) of the period of Ellinikon project	(34.386)	194.555
<b>Adjusted net profit/(loss) for the period attributable to equity holders of the parent</b>	<b>2.977</b>	<b>(3.313)</b>

<i>Amounts in € thousand</i>	<b>31.12.2022</b>	<b>31.12.2021</b>
Investment property	2.010.614	1.846.920
Inventories	1.067.924	948.197
Tangible assets	88.429	58.146
Intangible assets	27.920	20.384
Investments in joint ventures and associates	3.919	3.483
Right-of-use assets	131.783	140.329
<b>Total Investment Portfolio</b>	<b>3.330.589</b>	<b>3.017.459</b>

<i>Amounts in € thousand</i>	<b>31.12.2022</b>	<b>31.12.2021</b>
Borrowings	1.162.661	721.420
Lease liabilities	181.336	182.912
Consideration payable for the acquisition of HELLINIKON S.M.S.A.	518.528	501.245
<b>Total Debt</b>	<b>1.862.525</b>	<b>1.405.577</b>

<i>Amounts in € thousand</i>	<b>31.12.2022</b>	<b>31.12.2021</b>
Total Debt	1.862.525	1.405.577
Less: Cash and cash equivalents	(515.515)	(162.402)
Less: Restricted cash for serving or securing borrowings	(11.347)	(210.000)
Less: Restricted cash for the purpose of repaying consideration payable for the acquisition of HELLINIKON S.M.S.A.	(167.000)	(167.000)
<b>Net Total Debt</b>	<b>1.168.663</b>	<b>866.175</b>

<i>Amounts in € thousand</i>	<b>31.12.2022</b>	<b>31.12.2021</b>
Total Debt	1.862.525	1.405.577
Plus: Provisions for infrastructure investments in HELLINIKON S.M.S.A.	628.614	635.008
<b>Adjusted Total Debt</b>	<b>2.491.139</b>	<b>2.040.585</b>

<i>Amounts in € thousand</i>	<b>31.12.2022</b>	<b>31.12.2021</b>
Adjusted Total Debt	2.491.139	2.040.585
Less: Cash and cash equivalents	(515.515)	(162.402)
Less: Restricted cash for serving or securing borrowings	(11.347)	(210.000)
Less: Restricted cash for the purpose of repaying consideration payable for the acquisition of HELLINIKON S.M.S.A.	(167.000)	(167.000)
<b>Adjusted Net Total Debt</b>	<b>1.797.277</b>	<b>1.501.183</b>

## Annual financial report for the year ended 31 December 2022

<i>Amounts in € thousand</i>	<b>31.12.2022</b>	<b>31.12.2021</b>
<i>Total Investment Portfolio</i>	3.330.589	3.017.459
Total Debt	1.862.525	1.405.577
Net Total Debt	1.168.663	866.175
Adjusted Total Debt	2.491.139	2.040.585
Adjusted Net Total Debt	1.797.277	1.501.183

<b>Group Financial Ratios</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
<b>ADJUSTED NET TOTAL DEBT / TOTAL INVESTMENT PORTFOLIO</b>	<b>54,0%</b>	<b>49,7%</b>
<b>TOTAL DEBT / TOTAL EQUITY AND TOTAL DEBT (GEARING RATIO)</b>	<b>61,5%</b>	<b>51,9%</b>

### C. SIGNIFICANT EVENTS UNTIL THE DATE OF THE FINANCIAL RESULTS

#### Important developments regarding Ellinikon project

In January 2022, a framework agreement was signed between HELLINIKO S.M.S.A. and BINCER HOLDING LTD, a company of the group BROOK LANE CAPITAL, for the development of a state-of-the-art Mixed-Use Tower, within the Commercial Hub in the Vouliagmenis Avenue, which will be completed during the first five-year phase of the Ellinikon project. The development concerns the realization of a tower consisting of office space, a luxury hotel and residences, intended to be a landmark of the entire area and will be done through a special purpose vehicle company whose share capital will be held by a company of the group BROOK LANE CAPITAL and by HELLINIKON S.M.S.A. at 70% and 30% respectively. The design of the Mixed-Use Tower has been assigned to the leading international architectural firm AEDAS, while the management of the hotel and residences will be assigned to an internationally renowned management company (hotel operator).

In March 2022, the process of the technical and financial evaluation of the submitted offers regarding the infrastructure construction works in Phase 1 of the Ellinikon project has been completed. The process that started in July 2021 and was completed in March 2022, has resulted in the selection of AVAX S.A. to be awarded as Main Contractor. The works started in March 2022 and will continue until September 2025. Infrastructure works in Phase 1 will be delivered gradually and include, inter alia, the provision of an extensive road network. The road network includes the Poseidonos Avenue underpass and flyover, as well as the construction of utilities networks to serve all planned buildings. Among those are the buildings for residential and commercial developments and the sports complex, the Metropolitan Park as well as other developments planned during Phase 1 of the project.

In April 2022, the consortium between Bouygues Batiment International and Intrakat was selected as a consultant to provide pre-construction advisory services in the form of "Early Contractor Involvement (ECI)" for the construction of the Riviera Tower. These ECI consulting services are provided in preparation for the construction of the Riviera Tower and cover the design, planning, procurement, logistics, and construction management, in preparation for the construction of the project.

In April 2022, Lamda Development presented the plans for the new building complex to be developed in the Ellinikon site, which will be the first building of the landmark investment. The incorporation of a building complex for vulnerable groups in the Ellinikon site, confirms that this landmark project involves and supports the entire society. The welfare of people with disabilities and especially the existence of suitable caring and occupational structures are crucial to them and their families. The initiative of the Group to make the first building to emerge at The Ellinikon a building for persons with disabilities is highly symbolic. The new building at The Ellinikon, which will house the associations of Amimoni, Ermis, Niki Victor Artant, as well as the Association of Persons with Multiple Sclerosis, stands out for its pioneering, green, sustainable design, like the rest of the investment. The construction cost of the building at €15 million will be borne entirely by the Group Lamda Development. The vision of Lamda Development goes beyond simply creating a modern building. It showcases a new way of life, of higher quality, easier, more open, more extrovert, that will improve the daily life of children, but also adults with disabilities. It is for that reason that the entire Ellinikon investment was designed, planned, and is being created with special provisions for persons with disabilities. In May 2022, the building permit was issued for the construction of a new Building Complex to which the above 4 Associations for persons with disabilities are to be relocated. The construction works of the building, which is considered an international model for Care Units, is already underway and will be completed in 2023.

In June 2022, the subsidiary HELLINIKO S.M.S.A. signed a Memorandum of Understanding (MoU) with ORILINA PROPERTIES REIC (hereinafter "ORILINA PROPERTIES"), under which the parties will consider the purchase by ORILINA PROPERTIES of the leasehold rights on parts of the Development Zone of the Coastal Front in the Ellinikon and in particular on land plots located in the wider area of the Marina Agios Kosmas. The said plots, with a potential total buildable area of up to 5.790 sqm.

In August 2022, the Government Gazette of the amendment of the KYA was issued for the "Approval of the spatial organization of the Development Zones PM-A1 "Neighborhood of Marina Agios Kosmas"..." which captures the land plots (located between the residential tower Riviera Tower and the commercial destination of Riviera Galleria) which will be the object of the transaction with ORILINA PROPERTIES, with the completion of the final contract estimated to be signed in May 2023. The total investment by ORILINA PROPERTIES for the development in question is estimated at €70 million and concerns on the one hand a residential building and other ancillary their service facilities, and on the other hand, a building that will include areas for catering, recreation, wellness, events, as well as the sale of catering-related products.

In April 2022, the revision of the building permit was issued for the Experience Center housed in the Air Force Hangar C' designated as a newer monument. The Experience Center opened its doors to the public (free entry) from 28.04.2022.

In June 2022, Lamda Development presented its design for the creation of The Ellinikon Park, the largest coastal park in Europe, which will be positioned in the heart of The Ellinikon. The world-renowned architectural firm Sasaki, which has designed and implemented some of the largest and most impressive urban parks in the world, in cooperation with the Greek architecture office Doxiadis, are currently working on the design and the study for The Ellinikon Park.

### The areas of The Ellinikon Park

The Olympic Square will highlight the Olympic heritage, while the nearby amphitheater will host concerts and other events. At its highest point, a variety of open-air, sculpture and contemporary art exhibitions will be curated, with emphasis on works made by Greek artists. An area larger than Pedion tou Areos, will be filled with vine gardens, olive trees and fields, inviting guests on a discovery journey of the Greek agriculture. In the Saarinen area one can find the imposing main building of the Eastern Ellinikon International Airport, which was the gateway to Athens for decades. This modern monument will be given a new life as an exhibition and cultural centre. The Trachones stream is restored resulting in the rejuvenation of the local ecosystem and the transformation of the surrounding area. The remodeled canoe-kayak Lake, created for and used during the 2004 Olympic Games in Athens, will offer spectacular views and countless opportunities for exploration. Lastly, an integral part of The Ellinikon Park is the Experience Park, in proximity to the three hangars of the Hellenic Air Force, which has already become the new destination for relaxation in the southern suburbs.

### A "smart" park of the future

The Ellinikon Park will be the first "smart" park in Greece which will incorporate smart solutions for the visitors' security, and the protection of the natural environment such as lighting systems whose intensity will be adjusted depending on the season and time of day, but also systems for continuous monitoring of surrounding conditions to reduce energy and water consumption. Lamda Development's objective is for the smart infrastructures at The Ellinikon Park to serve as a model nationally and internationally.

### Sustainability being the focus of the design

The Ellinikon Park was designed based on sustainability principles and taking into account the biodiversity of the Attica region. The 1.000.000 new trees and plants that will be planted in the Park will enrich the existing vegetation that will be incorporated in the design. Through innovative, contemporary infrastructures, The Ellinikon Park will be able to cover its irrigation and electricity needs, completely offsetting its carbon footprint in its life cycle.

Lamda Development's objective is to deliver, in the coming years, an urban park which will be one of a kind for Greece and worldwide, and for everyone to visit, enjoy and make part of their daily life.

In June 2022, the subsidiary HELLENIC S.M.S.A. signed a Memorandum of Cooperation (MoU) with PRODEA INVESTMENTS and Costeas-Geitonas School (CGS) with the aim of establishing a modern educational

organization of primary and secondary education in Hellinikon (CGS Ellinikon). The MoU envisages a long-term lease of land to PRODEA, which will develop the school facilities which it will lease to CGS.

In August 2022, the building permit of the Riviera Tower residential building on the Coastal Front of Hellinikon was issued, marking the start of construction work on the tallest (200 meters) building in Greece. It is emphasized that the issuance of the permit was completed according to the schedule, despite the particularly complex and demanding process (due to the large number of more specialized approvals and the parties involved in the process). It should also be noted that the Riviera Tower has received "gold" pre-certification from June 2022, according to the internationally recognized LEED (Leadership in Energy & Environmental Design) certification system for sustainable buildings. Riviera Tower is the first and only residential building in Greece that has a "gold" pre-certification of a "green" LEED building.

In September 2022, an agreement was signed between HELLINIKO S.M.S.A (100% subsidiary of the Company) and the company IRC HELLINIKON S.A. (joint venture GEK TERNA - Hard Rock), the Real Estate Agreement for the concession to IRC ELLINIKOU of land in Elliniko, in which the latter has undertaken to develop an Integrated Resort Casino ["Integrated Resort Casino" (IRC)]. The duration of the Real Estate Agreement is 30 years.

In March 2023, part of the annual rent of €5 million was received. The development in question will host a five (5) star hotel, conference and exhibition center and public gathering space for sporting and/or cultural events and casino. The development of the IRC will take place in accordance with the provisions of the Concession Agreement between the Greek State and IRC HELLINIKO S.A (L. 4949/2022 - GG A' 126/30.06.2022) and it is estimated that it will be completed within three (3) years from the start of the relevant works.

In December 2022, the building permit was issued for the particularly demanding project of the New Sports Facilities in the Metropolitan Park. It should be pointed out that for the specific project important individual permits/approvals/opinions were required with the involvement of many different parties (issuance of a Decision on the Approval of Environmental Conditions by the Environmental Licensing Division of Ministry of the Environment and Energy, approval in terms of functionality by the General Secretariat of Sports of the Ministry of Culture and Sports etc.).

### ***Infrastructure Works and preliminary/preparatory work and other construction work***

The Company has significantly accelerated its project execution efforts. Among others we highlight the following:

- The AVAX group, as the Main Contractor for the infrastructure construction projects of Phase 1 of the Hellinikon project, started the relevant works from May 2022. It is noted that the infrastructure projects include an extensive road network, including the undergrounding and the uneven junction of Poseidonos Avenue, the port works, the wastewater treatment facility as well as the construction of utility networks to serve all the developments foreseen during Phase I of the project.
- construction works related to the Posidonos Avenue underpass: has been completed **50% of** the excavations and 25% of the concreting,
- was completed the construction of new high-voltage power supply lines,
- concreting of central rainwater collectors,
- start of main and local road construction works,
- construction Flyover works, with preloading of the soil, preparation of a scaffolding and bypass study for the construction of the bridge carrier over Posidonos Avenue,
- excavations in the Trachones stream
- demolition of existing airport runways and reuse of their materials,
- soil and groundwater remediation and decontamination works,
- in the new buildings relocation (AMEA) has been completed 100% concrete works. Has been completed 95% of the thermal facade, internal partitions have been completed and the internal finishing works are in full progress. Demarcation and permanent fencing of the property have begun and the Electromechanical works are in full swing. The horticultural works will start in early May and will be

## Annual financial report for the year ended 31 December 2022

completed by the end of the construction. The construction of the PWD project will contractually be completed within the summer of 2023 including testing & commissioning. Pickup / delivery is scheduled for July 2023.

- start of deep foundation work (pile construction) at Riviera Tower (approx. 45% of total 300 piles completed).

### **Commercial developments - Progress of commercial leases**

**Vouliagmenis Mall:** have been already signed/agreed Heads of Terms (HoT) for 52% of the gross leasable area (GLA) (40% on 31.12.2022). Within 2023 HoT are expected to be signed for 70% of GLA. The signing of commercial cooperation contracts is expected to start from the end of 2023.

**Riviera Galleria:** have been already signed/agreed Heads of Terms (HoT) for 21% of the gross leasable area (GLA) (19% on 31.12.2022). Within 2023 HoT are expected to be signed for 50% of GLA. The signing of commercial cooperation contracts is expected to start from the end of 2023.

### **Collections from the sale of plots and apartments on the Coastal Front**

- **Villa land plots (The Cove Villas):** the sale (signing of a notarial deed) has been completed for 19 plots of land (15 plots on 31.12.2022) out of the total of 28 available plots, with the total proceeds from said sales amounting to approximately €77 million (approximately €55 million on 31.12.2022) (concerns the payment of 50% of the value of the plot as well as 100% of the value of the infrastructures attributable to them). In addition, customer advances have already been deposited for 8 plots, with the total amount of advances amounting to approximately €1.4 million. Completion of the purchase and sale for these 8 plots is expected in Q2 2023. The estimated total gross revenue from the sale of all plots, during the first five years (Phase A'), is estimated at approximately €214 million including revenue from construction management. The construction costs are assumed by the buyers, while the management of the design and partly of the construction by HELLINIKON S.M.S.A.
- **Riviera Tower:** the sale (signing of a notarial deed) has been completed for 133 apartments (122 apartments on 31.12.2022) out of the total of 170 apartments (78% of the total), with the total proceeds from said sales amounting to approximately €75 million. (approx. €69 million on 31.12.2022) (concerns the payment of 20% of the price). In addition, customer advances have already been deposited for 22 apartments (13% of the total), with the total amount of advances amounting to approximately €7 million (approximately €8 million on 31.12.2022). The completion of the sale for the said 22 apartments as well as for the remaining 15 apartments (for which until now there are negotiations with interested buyers but no advances have been deposited) is expected within the Q2 2023. The estimated total gross income for the total of apartments, during the first five years (Phase A'), amount to approximately €625 million.
- **The Cove Residences (Condos):** Regarding the reservations for the future purchase of the said apartments, customer advances have already been deposited, which correspond to approximately 90% of the total (approximately 87% of the total on 31.12.2022), amounting to approximately €26 million (approximately €26 million on 31.12.2022). It is estimated that the signing of the notarial acts for the completion of sales will begin in the Q2 2023, where 25% of the total price will be collected. The estimated total gross income for all the condos, during the first five years (Phase A'), amounts to approximately €279 million, upon completion of the respective sales.
- **Sale of properties in the context of the of the strategic cooperation between the Company and TEMES S.A.:** on 06.03.2023 the first installment of a total amount of approximately €30 million was collected regarding the sale by HELLINIKON S.M.S.A. of the two properties on which the two modern, luxurious 5-star hotels and the corresponding tourist-residential complexes (branded residences) will be developed jointly with TEMES on the Coastal Front of Ellinikon.

### **Building permits, pre-approvals and certifications of sustainable buildings**

- **The Cove Residences (Condos):** in January - February 2023, building permits were issued for all building blocks.
- **Vouliagmenis Mall:** a landmark project designed by the world-renowned architectural firm AEDAS from Hong Kong has been designated as of March 2023 as a Building of Special Architectural Design by the relevant agencies of Ministry of the Environment and Energy. The traffic and environmental studies were submitted in December 2022 and are in the approval process with the issuance of the building permit estimated in July 2023 according to the project schedule. The selection of the contractor for the Early Contractor Involvement (ECI) pre-construction consultancy is in final negotiations with the award estimated in May 2023 marking the start of excavation work on this landmark project.
- **Riviera Galleria:** landmark project Riviera Galleria designed by the world-renowned Japanese architect Kengo Kuma has been designated as of October 2022 as a Building of Special Architectural Design by the competent services of of Ministry of the Environment and Energy. It is emphasized that the Riviera Galleria received in December 2022 "gold" pre-certification, according to the internationally recognized LEED (Leadership in Energy & Environmental Design) sustainable building certification system. Riviera Galleria is the first and only shopping malls in Greece that has a "gold" pre-certification of a "green" LEED building. In March 2023 and according to the Project schedule, the Pre-Approval of the building permit was issued, which also ensures the final approval of the building permit, which is estimated in July 2023.

### **Amendments to the Urban Studies and Amendment of PD for Approval of the Integrated Development Plan in Hellinikon – Agios Kosmas**

- In March 2022, the Government Gazette of the amendment of the KYA was issued for the "Approval of Urban Planning Studies of the areas to be urbanized A-P1, A-P2, A-P3, A-P4, A-P5, A-P6 and PM-P1 of Metropolitan Pole of Hellinikon-Agios Kosmas..", with the main purpose of turning the residential area on the coastal front (PM-Π1) practically into a "car-free" neighborhood.
- In August 2022, the Government Gazette of the amendment of the KYA was issued for the "Approval of spatial organization of the Development Zones PM-A1 "Neighborhood of Agios Kosmas Marina"..." in order to implement new business initiatives, e.g. commercial developments, hotels.
- In July 2022, the Government Gazette was issued amending the PD for IDP Approval for the reduction of the required parking spaces in properties served by Fixed Track Vehicles within a radius of 500 meters as well as for the implementation of the NOK's urban planning incentives.

### **New Business Agreements**

As part of the implementation of the business plan for the development of the project, the Company recently announced the following new important business agreements:

#### **Strategic cooperation with TEMES S.A. for the development of a top tourist destination in Ellinikon:**

- in February 2023 the company BELT Riviera S.A. was established which is 70% controlled by TEMES S.A. and 30% from HELLINIKO S.M.S.A. The company BELT Riviera S.A. will undertake the development, according to the original design, of a 5-star hotel with 160 rooms as well as a residential complex of 17 branded luxury homes/apartments (Branded Residences) with unobstructed sea views. On 06.03.2023 the company BELT Riviera S.A. acquired 100% of the right of full ownership over a property of 80,011 sq.m. in the "PM-A2" Development Zone of the Hellinikon-Agios Kosmas Metropolitan Pole, on which the said development will take place. The total price of the said transaction amounted to approximately €38,3 million, which includes the acquisition value of the property amounting to approximately €22,3 million and the participation in the corresponding infrastructure costs of Metropolitan Pole amounting to approximately €16 million. The first installment of approximately €12,8 million, plus taxes, was paid on 06.03.2023.
- in February 2023 the company MALT Riviera S.A. was established. which is 70% controlled by TEMES SA. and 30% from HELLINIKO S.M.S.A. The company MALT Riviera S.A. will undertake the development, according to the original design, of a 5-star hotel with 200 rooms as well as a residential complex of 49 branded luxury homes/apartments (branded residences) with unobstructed views of the sea and Marina Ag. Cosmas. On 06.03.2023 the company MALT Riviera S.A. acquired 100% of the surface right on a property with an area of 132,822 sq.m. in the "PM-A1" Development Zone of the



Hellinikon-Agios Kosmas Metropolitan Pole, on which the said development will take place. The total price of the said transaction amounted to approximately €52,5 million, which includes the acquisition value of the property amounting to approximately €32,5 million and the participation in the corresponding infrastructure costs of Metropolitan Pole amounting to approximately €20 million. The first installment of approximately €17,5 million, plus taxes, was paid on 06.03.2023.

### **Financing for the development of the Property of Ellinikon**

The Company, on 27.01.2020 signed with "Eurobank S.A." and "Piraeus Bank S.A." the "Heads of Terms" regarding the bank financing intended to cover part of the capital to be invested by the Group during the first five years of the Ellinikon project development.

On 07.04.2021, the Company signed with the aforementioned banks an agreement for the update of the "Head of Terms". This update emanated from the gradual evolution and maturity of the Company's plans regarding the envisaged projects and investments during the first five years of the Project. The aforementioned bank financing agreement includes:

(a) the financing of infrastructure and other developments' works during the first five years of the Project (Phase A), as well as the financing of V.A.T., with a bond loan of up to €442m to be issued by HELLINIKON S.M.S.A. (plus an amount of up to €100m for financing of recoverable V.A.T. cost), with a duration of 10 years from the Transfer Date,

(b) the financing of the commercial development on Vouliagmenis Avenue (Vouliagmenis Mall), as well as the financing of V.A.T., with a bond loan of up to €415m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an amount of up to €86m for financing recoverable V.A.T. cost), with a duration of 6 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 5 years, reaching 11 years in total from first loan drawdown),

(c) the financing of the commercial development within the Aghios Kosmas Marina (Riviera Galleria), as well as the financing of V.A.T., with the issuance of a bond loan of up to €102m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an additional amount of up to €19m for financing of recoverable V.A.T. cost), with a duration of 5 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 6 years, reaching 11 years in total from the loan first drawdown) and in conjunction with the financing mentioned in points (a) and (b) above,

(d) the issuance of a letter of guarantee of €175m, to secure the fulfillment of LAMDA DEVELOPMENT S.A. obligations to cover any cost overruns of Phase A of the Project, as well as to cover any shortfall in sales and/or assets exploitation intended to finance Phase A of the Project budget I. Following the written agreement dated 29.06.2022 with the Representative of the Bondholders, the amount of the aforementioned Letter of Guarantee was reduced from €175 million to €160 million.

Regarding the (a) above, HELLINIKON S.M.S.A. signed on 06.04.2022 with the banks "Eurobank S.A." and "Piraeus Bank S.A." the bond program and subscription agreement for the financing of infrastructure and other developments' works of Phase A of up to €394m, as well as for the financing of V.A.T. (additional amount up to €100m), with a duration until the completion of 10 years from the Date of Transfer, a fact that covers its revised needs. Regarding, (d) above, LAMDA DEVELOPMENT S.A. signed on 06.04.2022 the relevant contractual documents.

Regarding the (b) and (c) above the Company is still in progress to finalize the contractual agreements with the mandated lead arranger banks.

### **Significant events – Shopping Malls**

During July 2022, the Company announced that, through its 100% subsidiary company L.O.V. S.M.S.A. – owner of The Mall Athens, acquired the minority percentage (31,7%) of the subsidiary company LAMDA MALLS S.A., which was previously owned by the company Wert Blue SarL, a 100% subsidiary of Värde Partners and the price amounted to €109 million, which was paid in cash. Therefore, the Company acquired the total control of subsidiary LAMDA MALLS S.A., which owns the companies LAMDA DOMI S.M.S.A. and PYLAIA S.M.S.A., owners of Golden Hall and Mediterranean Cosmos shopping centers respectively. The above transaction is part of the Company's existing strategy aimed at further developing the activities of the Shopping Malls.

In July 2022, the wholly owned subsidiary L.O.V. S.M.S.A. (owner of The Mall Athens) signed a new Common Bond Loan programme with Eurobank and Piraeus Bank, for an amount of €365 million. On August 2022 amount of €361 million was utilized from all three distinct series which were used for the repayment of the

existing bond loan with NBG amounting €209,5 million, as well as for the acquisition of (a) minority interest 31,7% of LAMDA MALLS S.A. and (b) 100% of DESIGNER OUTLET ATHENS S.M.L.L.C. (former McArthurGlen Hellas S.M.L.L.C.), owner of shopping center Designer Outlet Athens.

In August 2022, the Company announced that, through its 100% subsidiary company L.O.V. S.M.S.A., acquired on 05.08.2022 100% of the shares of the company DESIGNER OUTLET ATHENS S.M.L.L.C. (former MCARTHURGLEN HELLAS S.M.L.L.C.), owner of the retail park Designer Outlet Athens in Spata, region of Attica, from the company MGE Hellenic Investments S.à.r.l.. Designer Outlet Athens is one of the leading retail parks in Greece with a total leasable area of approximately 21,200 sq.m. and more than 100 shops, café and restaurants. The occupancy rate on 30.06.2022 was about 95% while the total number of visitors in full and unhindered operation (in 2019, before the pandemic) was about 4,2 million visitors per year. The said transaction forms part of the Company's existing strategy to further develop the activities as well as the portfolio of the Shopping Malls.

### **Significant events – Parent Company**

On 28.03.2022 the Board of Directors of the Company decided, following the sad loss (on 20.03.2022) of the member of the Board of Directors Odysseus Kyriakopoulos, to continue the management and representation of the Company with the remaining members and in accordance with the current terms of management and representation.

On 25.05.2022, the Board of Directors of the Company in its meeting accepted the resignation of Mr. Fotios Antonatos from the position of non-executive member of the Board of Directors of the Company and elected Mr. Emmanuel Bussetil as a non-executive Member, replacing the resigned for the remainder of his term of office, in accordance with article 82 of Law 4548/2018 and paragraphs 5 and 8 of article 10 of the Company's Articles of Association.

In June 2022, Lamda Development Group acquired percentage of 67,71% of GREEN VOLT P.C. through participation in a share capital increase of €1,65 million. The subsidiary will be active in the renewable energy sector.

In July 2022, in the midst of adverse market conditions (intense inflationary pressures and rising interest rates, geopolitical and energy crisis), the Company completed, through a Public Offer, the issuance of the first Green Common Bond Loan (CBL) amount of €230 million (7-year duration with interest rate 4.70%), with the participation of more than 14.000 Greek investors, recording a new record of investor participation in a bond issue and with a significant over-coverage (3,12 times). The raised funds of the Green Bond will be allocated exclusively to eligible Green investment categories such as the development of Sustainable Buildings and sustainable urban outdoor spaces, Green Energy and Smart Cities. On 13.07.2022 the trading of the 230.000 bonds in the Fixed Income Securities category of Athens Stock Exchange began (trading code: "LAMDAO2"/"LAMDAB2").

In October 2022, the Company made its first investment in Green Energy, which is financed by the proceeds of the €230 million Green Bond Loan issued on 12.07.2022. LAMDA ENERGY INVESTMENTS, a wholly owned subsidiary of the Company, signed a share transfer agreement for the acquisition of 20% of the share capital of R Energy 1 Holding for a cash consideration of €5 million. At the same time, R Energy 1 Holding S.A. proceeded with the issue of a 3-year convertible bond loan of €10.0 million, which was fully covered by LAMDA ENERGY INVESTMENTS S.M.S.A. in October 2022. Upon conversion of the above-mentioned convertible bond loan, LAMDA ENERGY INVESTMENTS will have the right to acquire a 50,1% stake in the share capital of R Energy 1 Holding. The acquisition of a 20% stake in the share capital of R Energy 1 Holding S.A. was completed in January 2023. R Energy 1 Holding currently owns renewable energy projects in operation with a total capacity of 43,5MW and, according to the company's investment plan, the total installed capacity is expected to reach approximately 100MW by the end of 2024.

## D. PROSPECTS, SIGNIFICANT CONTINGENT EVENTS AND RISKS FOR THE YEAR 2023

### **Impact from inflationary pressures, energy crisis, increased interest rates and geopolitical instability**

In the context of the inflationary pressures observed in international markets as well as in Greece, the Company's rental income is mostly inflation adjusted, linked to an adjustment clause in connection to changes in the consumer price index (CPI). The said adjustment clause is translated into a 1.5-2 percentage points margin over the officially announced consumer price index. According to the official statistics by ELSTAT, in December 2022 the CPI registered an annual increase of 7,2% compared to December 2021, while the average CPI for the twelve-month period (January-December) 2022 registered an annual increase of 9,6% compared to the corresponding period in 2021.

Increasing energy costs, a trend observed in the international markets, due to the energy crisis, had an adverse impact in Shopping Malls' operating expenses during 2022. The total energy cost of the Shopping Malls (The Mall Athens, Golden Hall and Mediterranean Cosmos) for the year 2022 amounted to €4,4 million, increased by 64% compared to 2021. Most of the said cost relate to the common areas in the Shopping Malls, which are undertaken by the shopkeepers/tenants.

The following are noted regarding the increase in energy costs in 2022:

- (a) the Group had active contracts for fixed energy prices until the end of April 2022, which ensured very low unit prices for the first quarter and was not affected by the significantly high market prices,
- (b) the Group, in the context of competitions, entered into new fixed-term variable pricing contracts (one for the period up to September 2022 and the second for the following period up to April 2023), with one of the highest-profile providers in Greece, following the conditions of the energy market, which ensured competitive prices compared to the market,
- (c) the energy consumption in the Shopping Malls was higher in 2022 compared to 2021, due to their longer operating period (in 2021 the Shopping Malls remained closed, by law, for a total period of about 3 months).

The Group constantly monitors the developments in the energy market in order to react immediately and take advantage of possible market variations. Finally, the Group will intensify its efforts to implement its "green" energy investments in eligible properties, to reduce future energy costs, by limiting dependence on traditional energy sources.

The Group has not agreed or contracted final selling prices for the larger part of the projects and developments included in The Ellinikon. This enables the Group to pass on to its counterparties all or part of the increase in raw material prices and energy costs, observed recently in the market, while maintaining selling prices at competitive levels based on the broader market conditions. Worth noting that, in accordance with international practices related to the preparation of future estimates-budgets for projects of similar size and complexity, the Group has included contingencies in the cost estimates for all projects and developments included in The Ellinikon. Regarding the exposure, at Group level, to the risk of increases in interest rates, it is pointed out that this risk mainly concerns long-term borrowings with a floating interest rate. Borrowings with a floating interest rate at the end of 2022 (31.12.2022) constituted approximately 53% of total and amounted to approximately €617 million. At the same time, interest rate swap contracts have been concluded, in order to hedge against changes in interest rates, amounting to approximately €112 million. Therefore, according to the relevant sensitivity analyses, a +/- 1 percentage point change in the reference interest rates (Euribor) of floating rate borrowings has an impact of approximately €5 million on the annual finance cost on a consolidated basis (respectively in the pre-tax consolidated results of the Group). In addition to the above, the Group has entered into an interest rate swap agreement of €100 million regarding the bank borrowings to finance the development of the Property in Ellinikon, which has not yet been disbursed.

Regarding the war in Ukraine and the current geopolitical developments, it is worth highlighting the following: (a) the Company does not own subsidiaries and/or other investments in Russia/Ukraine, or other neighboring areas directly affected from war conflicts (b) in the Shopping Malls there are no shopkeepers/tenants originated from the said countries and (c) there are no customers from said countries who have submitted deposits for the future purchase of both apartments on the residential tower Riviera Tower and land plots for Beach Villas.

The Company's Management closely monitors and evaluates the events in relation to the war in Ukraine to take the necessary measures and to adjust its business plans (if required) in order to ensure business continuity and limitation of any negative effects on the Group's activities. At this stage it is not possible to

predict the general impact that may have on the financial status of the Group's customers a prolonged energy crisis and increase in prices in general. Based on its current assessment, it has concluded that no additional provisions for impairment are required for the Group's financial and non-financial assets as at 31 December 2022.

### **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, not only for the existing Shopping Malls, but also for part of the assets (Investment Property) of the HELLINIKON S.M.S.A. In addition, the complete impact of the consequences of the economic situation and the effects of a prolonged crisis in Ukraine, energy crisis, inflationary pressures, as well as the possibility of spread of pandemic COVID-19 may affect the value of the Group's investment property in the future.

However, due to the successful performance of existing Shopping Malls "The Mall Athens", "Golden Hall" in Maroussi and "Mediterranean Cosmos" in Pylaia Thessaloniki, their market value is less likely to be reduced. We note that despite the existing factors of increased uncertainty, the values reported provide the best estimate for the Company's investment property.

### **Credit risk**

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

Regarding Group 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 December 31, 2022 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 Management considers that there is no substantial risk for doubtful debts, other than those for which sufficient provisions have already been recognized. In addition, customers' credit risk is significantly reduced due to the Group's policy of receiving bank letters of guarantee from tenants.

Taking into account the impact of the COVID-19 pandemic and energy crisis, the Group and the Company have also included in the assessment of expected credit losses, the increase in credit risk to customers whose activities have been adversely affected, as well as to customers whose repayment capacity of their contractual obligations presented a greater risk.

Total value of trade and other receivables is the maximum exposure to the credit risk.

The deposits and cash of the Group and the Company are rated in Moody's. As at 31.12.2022, the Group's cash and cash equivalents and restricted cash are concentrated mainly in 3 bank institutions in Greece higher than 10%, which shows significant concentration of credit risk. No significant credit losses are anticipated in view of the credit status of the banks that the Group keeps current accounts.

The recent crisis in the banking sector (Silicon Valley and Credit Suisse) can significantly affect international markets and economies, e.g. widening of credit margins. According to analysis by international rating agencies and a relevant recent report by the Governor of the Bank of Greece, the possibility of the crisis spreading to the rest of the banks is very small. Banks are adequately capitalized, liquidity ratios are very high and there does not seem to be a problem in the Greek or European banking system.

### **Foreign exchange risk**

The Group operates mainly in Greece and the Balkans and is therefore exposed to foreign exchange risk arising from various currencies. The majority of the Group's transactions are carried out in Euro. Foreign exchange risk arises from future commercial transactions as well as the assets, liabilities and net asset value of investments operating in foreign countries.

The Group's stable policy is to avoid purchasing foreign currency in advance and contracting FX future contracts with external counterparties, as well as FX hedging.

The Group has participations in subsidiaries that operate abroad which equity is exposed to foreign exchange risk at the conversion of their financial statements for consolidation purposes. In relation to the operations outside Greece, the most significant operations take place in Serbia where the foreign exchange rate historically does not show considerable changes and most of the Group's transactions are conducted in Euro. Also, the Group's operations outside Greece do not include material commercial transactions and therefore there is not a significant foreign exchange risk.

### Interest rate risk

Interest risk mainly derives from the Group's loans with floating interest rates based on Euribor. This risk is partially hedged through cash held at floating rates. Also, 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.

The Group's exposure to the risk of changes in market interest rates mainly concerns the long-term borrowings of the Group with floating interest rates. The Group also manages interest rate risk by having a balanced loan portfolio with fixed and floating interest rates. As of December 31, 2022 approximately 47% of the Group's loans had a fixed interest rate which concern the Common Bond Loan of nominal value €320m and bond yield of 3,40%, as well as the Company's new Common Bond Loan under the Framework of Green Bond of nominal value €230m and bond yield of 4,70%.

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 the loan of the subsidiary LAMDA DOMI S.M.S.A. which amounts to €60,1 million as at 31.12.2022, as well as for part of the loan of the subsidiary PYLAIA S.M.S.A. which amounts to €51,6 million as at 31.12.2022. The change in the fair value of the derivatives (interest rate swaps) was recorded in the statement of comprehensive income and the income statement, as hedge accounting is applied.

The sensitivity analysis below is based on change in a variable keeping all other variables constant. Such a scenario is not probable to happen, and changes in variables can be related for example to change in interest rate and change in market price.

As of December 31, 2022 a change by +/- 1,00% on reference rates (Euribor) of loans at functional currency with floating rate, would have an impact of +/-€5 million in finance cost at Group level on annual basis and +/-€0,1 million at Company level. The impact (increase / decrease) on results before tax of the year and the equity respectively of the Group and the Company would be corresponding.

### 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 (including inventories of the Ellinikon project). Any extreme negative changes of the above may have a corresponding negative impact on business activity, operating cash flows, fair value of the Group's investment property, and in 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 of spaces in the Group's investment property may decrease due to the adverse economic condition or due to increased competition. The above may result to lower occupancy rates, renegotiation of commercial cooperation contracts terms, higher costs required for entering into commercial agreements, lower revenue from base remuneration, as well as lower term commercial cooperation contracts.

The Group enters into long-term operating lease arrangements for a minimum of 6 years, and the lease payments are adjusted annually according to the Consumer Price Index plus margin coming up to 1,5-2%.

### Liquidity risk

Existing or future risk for profits and capital arising from the Group's inability to either collect overdue debts without incurring significant losses or to meet its obligations when payable, since cash outflows may not be fully covered by cash inflows. The Group ensures the required liquidity in time to meet its obligations in a timely manner, through the regular monitoring of liquidity needs and debt collection from tenants, the maintenance overdraft accounts with systemic banking institutions and the prudent management of cash. The liquidity of the Group is monitored by the Management at regular intervals.

As at 31.12.2022, the short-term bank bond loans mainly include the bank bond loan of the subsidiary L.O.V. S.M.S.A. ("LOV") signed on 29.07.2022 with the credit institutions under the name Eurobank and Piraeus Bank new program of common bond loan for amount up to €365m, consisting of three distinct series with interest rate of 2,70% plus 3-month Euribor. Until 31.12.2022, an amount of €361 million has been disbursed, which is classified in the short-term part of the Group's borrowings. The Group in cooperation with the banks, is planning to refinance the said loan, as well as the bank loans of the rest of Shopping Malls, in the context of planned restructure withing 2023.

The short-term bank borrowings include also the Credit Agreement with open account of the Company with Piraeus Bank for amount up to €10 million, which was signed on 06.06.2022. As at 31.12.2022, the amount of said loan amounted to €7,98 million.

More detailed disclosures regarding liquidity risk are presented in note [3](#) of the consolidated and standalone financial statements for the year ended December 31, 2022.

### External Factors

The Company has investments mainly in Greece, and to a much lesser extent in Serbia, Romania and Montenegro. The Group can be affected by external factors such as political instability, economic uncertainty and changes in local tax regimes.

At the macroeconomic level, focusing mainly on Greece, the early repayment of part of the Greek Debt to the IMF strengthens the international profile of the country and signals the recovery of the confidence of the financial markets and international rating agencies, reflecting the successful implementation of reform commitments. Additionally, positive prospects are reinforced by the funds of the EU Resilience and Recovery Fund that are expected to foster economic growth through structural investments. However, the disposable income and private consumption in turn are affected by the current economic conditions in Greece, such as the GDP, unemployment, inflation and taxation levels. As such, a potential deterioration of the aforementioned indicators together with a decline in economic sentiment and/or consumer confidence, could result in a decrease of the spending activity of the Group's customers.

The Company's Management closely monitors and evaluates the events in order to take the necessary measures and to adjust its business plans (if required) in order to ensure business continuity and limitation of any negative effects on the Group's activities. It is worth pointing that the Company has constituted a Risk Management Unit (RMU). The aim of the RMU is to strengthen the risk management culture, while its mission is to make a substantial contribution to the development of a modern operating framework at all organizational levels, to identify, assess and manage the risks faced by the Company. RMU ensures that the risks taken by the company's units comply with the risk appetite and tolerance limits set and shaped by the senior management.

Despite the aforementioned uncertainties, the Group's operations continue without any disruption. However, Management is not able to accurately predict the likely developments in the Greek economy and its impact on the Group activities.

The financial risk factors are disclosed in note [3](#) of the annual consolidated and standalone financial statements for the year that ended on 31.12.2022.

## E. PENDING LITIGATION

### THE MALL ATHENS

With regard to the legal issues relating to the particular investment, the following should be noted:

The company L.O.V. S.M.S.A. ("L.O.V.") had to pay for the transfer of specific real property in the past (on 2006), property transfer tax of approximately €13,7m, reserving its rights regarding this tax and finally taking recourse to the administrative courts against the silent rejection of its reservations by the competent Tax Authority. In 2013 the said recourse was accepted in part and the re-calculation of the owed property tax was ordered, which led to the returning to L.O.V. of an amount of approximately €9,5m. Further to appeals on points of law filed by both parties, the Council of State rejected LOV's appeal and accepted the Hellenic Republic's appeal; consequently the case was referred back to the Administrative Court of Appeals, which initially postponed the issue of a final decision and obliged the parties to adduce evidence for the determination of the market value of the property; after resuming hearing of the case, the Administrative Court of Appeals finally rejected the recourse, determined the taxable value of the property and obliged the competent Tax

Authority to re-calculate the transfer tax due upon the new taxable value. Following this decision, L.O.V. had to pay transfer tax of approximately €16,3m. An appeal on points of law has been filed before the Council of State and is estimated by the legal counsels of the Company to have high chances of success. In specific, grounds of appeal challenging re-calculation of transfer tax upon the market value of the property, to the extent it exceeds the objective value, are expected to succeed with very high probability. The hearing of the appeal was held on 25.5.2022 and on 18.1.2023 Council of State decision No 54/2023 was issued, which remains unclear. According to its published order, the appeal of L.O.V. is accepted and the decision of the Administrative Court of Appeal which calculated the taxable value of the property based on the market value is annulled, to the extent that it exceeds the objective value. Following this, a new tax settlement and return to L.O.V. is expected, equal to the excess amount of approximately €9.3 million (including interest until 31.12.2022).

#### GOLDEN HALL

With respect to LAMDA DOMI S.M.S.A., 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 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, decision No. 2374/2021 of the Multi-Member First Instance Court of Athens was issued. By means of said decision, the HOC's lawsuit has been dismissed. According to the data available on Athens First Instance Court website, an appeal was recently filed against said decision. LAMDA DOMI has not been served with a copy of this appeal yet.

#### HELLINIKON S.M.S.A.

HELLINIKON S.M.S.A. has no significant open legal cases against, but on the other hand there are several open cases in favor. Therefore, although until the date of publication of the annual financial statements of 31.12.2022 the result cannot be reliably measurable, the Company's Management concludes that by the time those will be finalized, the result will not affect, significantly, the financial results of the Group.

For the aforementioned pending litigation of the Group, we should clarify that there is no reason under IAS 37 for recognizing provisions as according to the relevant opinion of the Group's companies' legal advisors and the Management's estimations, it is not considered as likely that resources will be required to settle these cases.

### **F. RELATED-PARTY TRANSCATIONS**

The related-party transactions according to IAS 24 of the Company and the Group are disclosed in note [34](#) of the consolidated financial statements for the year ended on 31 December 2022.

### **G. BRANCHES**

Branches of the Group are the shopping and entertainment centers "The Mall Athens" and "Mediterranean Cosmos" located in Marousi at 35 A. Papandreou Street and at the 11th km of the Thessaloniki-Neon Moudania National Road respectively, as well as the Agios Kosmas Marina in the Ellinikon region of Attica.

## H. NON-FINANCIAL POSITION OF THE GROUP

This Non-Financial Statement is part of the Board of Directors Management Report and includes information related to the LAMDA Development<sup>9</sup> Group activities (hereinafter referred to as "Group" or "LAMDA Development" and "Company" when exclusively referring to the listed LAMDA Development S.A.) in the following thematic aspects, as defined in articles 151 and 154, Law 4548/2018, as codified by Law 5019/2023, Government Gazette A' 104/13-06-2018. In addition, it includes a relevant section in compliance with the EU Taxonomy Regulation 2020/852:

1. Brief description of the business model
2. Main non-financial risks
3. Environmental issues/Climate change
4. Social and labour issues
5. Respect for human rights
6. Anti-corruption and issues related to bribery
7. Supply chain issues
8. EU Taxonomy report

This Statement, includes information on the European common enforcement priorities for the annual financial reports and statements for the year 2022, as announced by ESMA (European Enforcers focus on Russia's invasion of Ukraine, economic outlook and climate-related disclosures and European Common Enforcement Priorities 2022) and in particular:

- Priority 1: Climate-related topics (see section Environmental issues/Climate change).
- Priority 2: Disclosures under Article 8 of the Taxonomy Regulation (see section Taxonomy Report).
- Priority 3: Scope of the Report and data quality (below).

The purpose of the non-financial information provided, is to inform stakeholders in an integrated and comprehensive manner, about the strategy, objectives, and performance of the Group (including its subsidiaries) in its value chain (upstream, midstream, downstream). In the context of the sustainable development strategy (it concerns The Ellinikon project, which will also be adapted to the rest of the Group's activities in the coming period), key performance indicators are recognized, to:

- monitor the progress of its implementation, as well as to
- identify, in a timely manner, potential challenges that may hinder its implementation, and thus, proceed in taking all necessary corrective actions.

These indicators, that will be published in the Sustainable Development Report 2022, will be based both on the materiality analysis results and international best practices. The Sustainable Development Unit is responsible for the preparation of this information and undertakes to collect all the necessary information and compile the present statement, in cooperation with the competent Departments within the Group. The information is reviewed by the Internal Audit Department. The Board of Directors (BoD) approves the annual financial report, of which this non-financial statement forms part.

The content of the present non-financial statement has been prepared by taking into consideration the GRI Standards (2021). In addition, it incorporates Athens Stock Exchange's 2022 ESG Disclosure Guide metrics (a more complete depiction of the GRI Standards disclosures and the Athens Stock Exchange ESG Reporting Guide metrics will be available in the Sustainable Development Report 2022). LAMDA Development participates in the ESG index of the Athens Stock Exchange.

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<sup>9</sup> The current Statement includes Golden Hall, The Mall Athens, Mediterranean Cosmos, Designer Outlet Athens, Flisvos Marina, The Ellinikon (including Ag.Kosmas Marina), Head Offices (unless otherwise indicated), which constitute more than 85% of the activities of the Group in terms of revenue.



## 1. Brief description of the business model

LAMDA Development S.A., is a holding Company which specializes in the development, investment, and management of real estate properties. It is the leading Company in the real estate developer in Greece and the undisputed leader in the sector of shopping centers, with successful differentiation in the office and residential spaces sectors. Marinas and coastal development of residences and commercial activities, hold an important share of its portfolio and strategy.

Its property portfolio currently includes:

- The Ellinikon – Agios Kosmas Metropolitan Park area that is currently being redeveloped (urban regeneration of the former Ellinikon airport and upgrading of the coastal front).
- The Mall Athens, the first and largest shopping and leisure center in Greece.
- The Golden Hall, an internationally renowned shopping and leisure center, which also houses the Athens Olympic Museum and the XPLORE family leisure center.
- The Mediterranean Cosmos, the largest shopping and leisure center in Northern Greece.
- The Designer Outlet Athens, Greece's premier designer outlet in Spata area.
- The Marinas in Flisvos and Elliniko (Ag. Kosmas).
- Office buildings.
- Innovative residential complexes.

### Sustainable Development Strategy

The Group has formulated a Sustainable Development Strategy for The Ellinikon project, that will also be tailored to the rest of the Group's activities over the coming period. The Strategy, once fully integrated into its activities, will constitute an integral part of its business strategy, focusing on achieving the U.N. Sustainable Development Goals. The Strategy for The Ellinikon project was completed in 2021 and was approved by the Board of Directors in 2022.

The Strategy consists of 3 main pillars, each of which has a broader target and individual focus areas:

1. **Decarbonization:** The goal is to transition to a zero-carbon economy across the entire spectrum of business activity (currently for The Ellinikon project) and to build resilience in a changing environment.
2. **Circularity:** A commitment to have a net zero impact on water consumption and waste management.
3. **People and Prosperity:** The goal is to create economic value, accelerate social well-being and engage people.

The Strategy was updated at the end of 2022 and will be submitted for approval by the Board of Directors within 2023.

### Green Bond Framework

Since 2022, LAMDA Development has drafted and adopted the Green Bond Framework for the issuance of "green" bonds, in accordance with the Green Bond Principles (GBP), of the International Capital Market Association (ICMA), as revised in June 2021 with the aim to describe the use of bond proceeds and define the eligible categories of green investments as well as the evaluation and approval process.

According to the Framework, the categories of eligible "green" investments, which will contribute towards specific environmental objectives, as well as towards the U.N Sustainable Development Goals (SDGs), are:

- Sustainable buildings and redevelopment of sustainable urban outdoor spaces.
- "Green" energy.
- "Smart" cities and technologies.

The LAMDA Development Investment Committee is responsible for directing the raised funds towards investments of the above categories.

More information is available on the website [https://www.lamdadev.com/images/LD\\_Green-Bond-Framework\\_ENG.pdf](https://www.lamdadev.com/images/LD_Green-Bond-Framework_ENG.pdf).

## Sustainable Development Policy and Oversight

### [ATHEX ESG Metric C-G4]

Since 2021, a specific Sustainable Development Policy, approved by a BoD decision on July 16, 2021, is published on the website <https://www.lamdadev.com>. The Policy summarizes the Group's commitment to responsibly manage the economic, social and environmental impacts arising from all its activities to its stakeholders, as well as more broadly, to the economy, society and the natural environment, in order to reduce any negative impacts such as greenhouse gas emissions and to increase positive impacts, such as job creation, in the context of the United Nations Sustainable Development Goals.

The Sustainable Development Policy covers the axes of environment, society and corporate governance. The Board of Directors is responsible for observing compliance with the Sustainable Development Policy and the stemming strategy.

Moreover, towards the end of year 2022, a dedicated Sustainable Development Policy was drafted for The Ellinikon project, as well as a Sustainable Development Management Plan, in accordance with the Sustainable Development Policy. More information on specific initiatives, results and targets will be available in the Sustainable Development Report 2022.

## Corporate Governance

### [ATHEX ESG Metrics C-G1, C-G2]

LAMDA Development S.A. fully complies with the applicable corporate governance legislation. In this context, and in accordance with the provisions of article 17 of Law 4706/2020 and article 4 of Decision 2/905/3.3.2021 of the Hellenic Capital Market Commission's Board of Directors, the Company, following the 16.7.2021 decision of its Board of Directors, has adopted, and implements, the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council, with any deviations that will be explicitly referred in the Corporate Governance Statement, as included in the Annual Financial Report.

To achieve its business objectives, a specific corporate governance system is implemented, through which command and control matters are managed. The BoD is the competent body that decides on all matters relating to the representation, administration, management and pursuit of LAMDA Development's scope, in accordance with the relevant legislation, excluding all matters falling under the competence of the General Meeting of Shareholders to decide.

The BoD, exercises effectively its leading role and manages all corporate affairs for the benefit of the Company and all shareholders, ensuring that the Management follows the corporate strategy. Mr. Anastasios Giannitsis is President of the BoD, and a non-executive member, and Mr. Odyssefs Athanasiou is the CEO.

The BoD defines and/or allocates the responsibilities of the CEO and establishes a policy for identifying, avoiding and dealing with conflicts of interest between the Company interests and those of all employees and affiliated companies, within the meaning of article 32 of Law 4308/2014, the members of the BoD and its Committees, Directors and Executives, Consultants, Main Shareholders (hereinafter referred to as the "Liable") and any other persons who have a close personal relationship with the above, or legal persons over which they exercise significant influence.

In 2022, the Board's composition<sup>10</sup> consisted by 25% of women (compared to 23%<sup>11</sup> in 2021), 92% are non-executive members (same as 2021 levels), while 33% of the members are non-executive and independent members (compared to 31% in 2021). 83% of the members of the Board of Directors, have the necessary knowledge and skills on sustainable development topics and 92% on corporate governance topics (as of 25.11.2022). The Sustainable Development Unit is responsible for managing the organization's impact on the economy, the environment and society. At the same time, it is responsible for informing the Board of Directors accordingly. During 2022, sustainable development topics were raised at the meetings of the Board of Directors, such as the approval of the Sustainable Development Strategy for The Ellinikon project and discussion for its further specialization in the Group's individual activities, as well as the approval of the

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<sup>10</sup> The Board composition for the reference year was recorded at 31.12 and is compared to the corresponding date of 2021, in the meantime the Company proceeded to small changes in the number of members by replacing some of them with others.

<sup>11</sup> In 2021, the number of women on the Board of Directors (3 women out of 13 Board members) meets the criterion of 25% of the total number of members rounded up during the calculation, to the previous integer ( $25\% \cdot 13 = 3.25$ . Therefore 3) referred to in Greek legislation. The discrepancy is due to the different way of calculating the ATHEX ESG Metric C-G1 (3/13%).

establishment of the Sustainable Development Unit in the context of updating the Company's Internal Regulation of Operation.

More information is included in the Corporate Governance Statement, within the Annual Financial Report, available on the website <https://www.lamdadev.com>.

### Sustainable Development Unit

In 2022, the Sustainable Development Unit was established, reporting to the Operations Division<sup>12</sup>, with the following responsibilities:

- The formulation of the Group's overall strategy proposed to the Senior Management in the areas of Environmental, Social of Sustainable Development as a key pillar of the investment strategy.
- The setting and monitoring of key benchmarks, as well as the compliance with the procedures that will govern the group's operation based on the strategy and the supervisory guidelines and compliance rules of local and international bodies.
- The coordination of initiatives and all related actions provided for by the ESG/Sustainability frameworks by all the group's financial instruments governed by the relevant principles.
- The monitoring of best practices in the industry both in Greece and globally and the formulation of policies and the coordination of actions for the group's harmonization with the highest standards in this area.
- The preparation and submission of reports (in cooperation with the respective divisions) to the competent bodies for the company's compliance with its regulatory obligations as well as the communication thereof to third parties.
- The rating of the company in the Environmental and Social areas by relevant bodies (ESG rating) as and when deemed appropriate for either regulatory or investment purposes.
- The initial assessment, in cooperation with other units of the Company, and submission of "green" investment proposals to the Investment Committee.
- The keeping of the Green Bond Register.
- The oversight and alignment of the subsidiaries' individual strategic sustainable development objectives with the Group's overall strategy.

Respectively, the responsibility for the implementation of the Sustainable Development programs lies with the individual Divisions in cooperation with the Sustainable Development Unit.

### Stakeholder engagement and materiality analysis

#### [GRI 2-29, ATHEX ESG Metrics C-S1, C-G3]

The Group communicates and interacts constantly with its stakeholders, who belong to either its internal or external environment. As key stakeholders are considered those entities, individuals or groups, that are influenced or can be affected by its operations. Continuous communication with its stakeholders, is key in creating mutual trust and seamless cooperation. In the context of the continuous improvement of its approach to Sustainable Development topics, a materiality analysis is also conducted, based on the GRI Standards, for the prioritization of topics that represent the most significant actual and potential (positive and negative) impacts on the environment, the economy, and people, as well as those that significantly affect or may affect the interests of the Group's stakeholders.

The Sustainable Development Report 2021 describes the key stakeholder groups, the topics of interest that arise per stakeholder group, the communication channels, as well as the frequency of communication between the Group and its stakeholders. In addition, it describes all the phases of the materiality analysis process (e.g., determination of identified topics, changes in relation to the previous materiality analysis, etc.), as well as the material topics arising from the process. The Group, in 2023, proceeds to a new materiality analysis in accordance with the GRI 2021 Standards, the results of which will be available in the Sustainable Development Report 2022.

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<sup>12</sup> During the reporting period 2022, the Sustainable Development Unit reported to the Strategy & Investor Relations Division.

## **2. Main non-financial risks**

A Risk Management Unit has been established, with the main mission to contribute substantially to the development of a modern operational framework at every organizational level, for the identification, evaluation and management of the risks faced by the Group. The Risk Management Unit ensures that the risks assumed by the Units are in line with the risk-taking and tolerance limits, defined and established by the Top Management. The Risk Management Policy as well as the Risk Appetite Statement were formally approved by the BoD in December 2022 and are applied to the entire Group.

The Group has identified risks and opportunities including those related to Sustainable Development issues and, in particular, in relation to compliance with regulatory requirements, the sustainable development goals that are set, as well as the ability to adapt and mitigate climate change. In addition, risks related to best Environmental Compliance, as also Health and Safety practices that may result in fines or sanctions issued by regulatory authorities are identified and managed.

Other categories of non-financial risks that have been identified, are information security risks, strategic, management of archaeological findings and culture etc. When assessing the level of exposure to identified risks, in addition to the financial impact, reputational criteria, environmental and coexistence issues with communities that influence and are influenced by the Group's activities, are also taken into consideration.

The identification, recording and evaluation of risks and opportunities at Group level is carried out with the help of an electronic application that allows immediate information on all risk (or opportunity) elements, as well as on measures already taken, or actions in progress at any time.

For The Ellinikon, a risk management process is implemented, in accordance with the principles described in the ISO 31000 standard, includes, in summary, the following stages:

- 1) Communication and consulting.
- 2) Definition of the object and the objectives.
- 3) Identification of risks.
- 4) Risk analysis.
- 5) Risk assessment.
- 6) Management (treatment).
- 7) Audit and review.

This process is followed to ensure that the approach is both systematic and effective. It is carried out in conjunction with the operational planning and includes the review and update of risks. The followed approach is top-down, starting from the highest seniority level, and vice-versa.

## **3. Environmental issues/Climate change**

### **Environmental compliance**

The shopping centers, as well as the Flisvos Marina, comply with the requirements of environmental legislation. Where required, they have approved Environmental Impact Studies and the necessary environmental permits have been issued.

In addition, all the developments of the Elliniko – Agios Kosmas Metropolitan Pole (M.P.E.A.), comply with the applicable environmental legislation and the approved environmental terms issued, during the evaluation of the Environmental Impact Study (E.I.S.) of the Integrated Development Plan (I.D.P.), (2019), but also the environmental conditions and commitments arising from the individual projects within Elliniko.

In the context of compliance with the applicable environmental legislation and the environmental framework, resulting from the approved environmental terms of the I.D.P. of the M.P.E.A. and the individual projects within the M.P.E.A., during 2022 the environmental permitting of 2 individual projects within the M.P.E.A. was completed, 3 Technical Environmental Studies (T.E.S.) were approved and 2 new Environmental Impact Studies (E.I.S.) were submitted for evaluation with regards to upcoming developments.

## **a) Climate change, air, noise and particulate matter pollution**

### Corporate policies and due diligence

By following a modern architectural design along with optimal functional uses and implementing sustainability strategies, the Group aims to ensure environmentally friendly operations for all projects in operation and under development, in the context of Sustainable Development.

By taking into consideration climate and environmental factors during the design and construction of projects, the Group aims at the resilience and adaptation of its buildings to changing conditions. At the same time, it aims to protect air quality, as well as to control noise emissions from the operation of its existing and under-development properties.

More specifically, in projects under construction and with regards to air pollutant and noise emissions management, an integrated Environmental Management System (EMS) is implemented, with the aim of reducing air pollutant concentrations and noise emissions. The main orientation, via these measures of air pollution and noise emissions management, is to ensure the health of employees, visitors and all parties involved.

For the year 2022, the evaluation of the carbon footprint in accordance with the specifications of ISO 14064-1:2018 and the GHG Protocol was conducted, including direct and indirect greenhouse gas emissions, and is currently running a verification process of the results. The ultimate goal is to reduce the carbon footprint in all Group's activities.

In addition, in the context of green investments, LAMDA Development proceeded to the drafting of an agreement for the future transfer of shares, which concerns the acquisition of 20% of the share capital of R-Energy 1 Holdings, to which it has provided lending through a Convertible Bond Loan, that will yield the total of at least 50.1% of the company's shares within the next 3 years, with exclusive resources of the Green Bond 2022. R-Energy 1 Holdings S.A is an energy company with a portfolio of Renewable Energy Sources (RES) projects with a total capacity of 44 MW. The company has prepared a Business Plan for further expansion of the portfolio of RES projects by 140MW of capacity, which includes Solar AND Wind Power projects. These projects can directly secure "green" energy for the assets of LAMDA Development S.A. through Bilateral Energy Supply Contracts and will effectively contribute to the avoidance of CO2 emissions for the respective uses.

### Shopping centers (Golden Hall, The Mall Athens, Mediterranean Cosmos, Designer Outlet Athens)

The shopping centers apply an EMS and are equipped with Building Management Systems (B.M.S.). Through the B.M.S., the energy consumption is monitored, and the operation of the installed systems is adjusted, aiming at optimal energy consumption, and ultimately maximizing the energy performance of buildings. The Designer Outlet Athens is also certified according to the ISO 14001:2015 with the aim of improving environmental performance. In each shopping center, environmental units have been created which, among other tasks, have the responsibility to monitor energy consumption.

Also, in the context of managing and maximizing energy efficiency, the environmental unit undertakes corrective and preventive actions, aimed at reducing energy requirements. The same units monitor the application of management standards, in relation to energy consumption, on a daily basis.

### Flisvos Marina

The Management of Flisvos Marina applies an EMS, in accordance with ISO 14001:2015, through which energy consumption is monitored, by taking corrective action where and when required. Respectively, through the EMS, the Marina aims at the systematic management and prevention of air and noise pollution in all its facilities, through specific actions, such as the annual noise measurements.

Since 2016, Flisvos Marina has been preparing an energy footprint assessment report, in accordance with the international standard ISO14064-1:2018. In this way, the marina can, in a documented way, utilize the results of the relevant measurements, to implement a mitigation program for pollutants associated with its carbon footprint (CO2), which result from its activities.

The Ellinikon– Phase A

For the development of The Ellinikon, an environmentally friendly design approach is followed, with the aim to mitigate environmental impacts and adapt to climate change. Focusing on the Sustainable Development Strategy and in line with the Sustainable Development Policy, the Environmental Policy and the relevant EMS during the design and construction phase (as well as during the operation of the project), measures are taken for the proper use and consumption of energy, the reduction of embedded carbon during construction, the reduction of greenhouse gas emissions, as well as the dust and air pollution emissions, through a variety of actions. It is worth noting that in 2022, The Ellinikon’s EMS was certified according to ISO 14001:2015. In line with the European climate neutrality objectives, the project aims at maximizing energy efficiency and renewable energy sources use, by applying best practices and by closely monitoring the projects progress.

In this context, and in collaboration with designers, contractors, and consultants, principles of sustainable development, bioclimatic design, efficient heating, ventilation, and air conditioning systems, smart building management systems (BMS) and lighting control, selection of sustainable materials resistant to time, with recycled content and a recorded carbon footprint, are incorporated. Moreover, advanced design models are used in the projects, for the simulation of energy behavior, natural lighting analysis and Life Cycle Analysis (LCA). At the same time, upon completion of the projects’ construction, commissioning services are provided by independent consultants, to verify the correct functioning of the building’s systems.

Outcomes of the above policies and non-financial key performance indicators

The full reopening of the shopping centers, the increase in the construction activities of The Ellinikon, the increase of visitors’ traffic at the marina and the addition of the Designer Outlet Athens to the investment portfolio, contributed to the increase of the total energy consumed for 2022.

[GRI 302-1]

Energy consumption within the Group (MJ)	
	2022
<b>Energy consumption from non-renewable energy sources</b>	
Natural gas	20,981,188.8
CNG	842.3
Diesel	2,709,521.3
Petrol	3,775,794.3
<b>Total amount of energy consumed within the organization from non-renewable sources</b>	<b>27,467,346.7</b>
<b>Electricity consumption</b>	
<b>Total amount of electricity consumed within the organization from non-renewable sources</b>	103,872,290.2
Electricity consumption with Guarantees of origin	15,665,111.0
<b>Total electricity consumption</b>	119,537,401.2
<b>Total energy consumed within the organization</b>	
<b>Total energy consumption</b>	<b>147,004,747.9</b>

Notes:

- The requirements of GRI 302-1b disclosure are met, given that there is no consumption of energy from renewable sources within the Group (based on GRI, guarantees of origin are not included in renewable energy consumption within the Group in disclosure 302-1).
- The requirements of GRI 302-1c disclosure are met given that there is no consumption of heating, cooling, or steam.
- The requirements of GRI 302-1d disclosure are met given that there is no sale of electricity, heating, cooling, or steam.
- For the calculation of the above figures, the methodology followed includes the collection of the Group's primary consumption data (e.g., kWh of electricity, liters of fuel, etc.) from relevant tariffs and meters and their conversion into MJ by multiplication using DEFRA UK conversion factors.
- Any variations in totals are due to rounding.

**[ATHEX ESG Metric C-E3]**

Energy consumption and production	
	2022
Total amount of energy consumed (MWh)	40,835
Percentage of electricity consumed over the total energy consumption	81.3%
Percentage of energy consumed from renewable sources over the total energy consumption	10.7%
Total amount of energy produced (MWh)	0
Percentage of energy produced from renewable sources over the total energy consumption	0%

**[GRI 305-1, GRI 305-2, ATHEX ESG Metrics C-E1, C-E2]**

Greenhouse Gas Emissions	
	2022
Direct emissions - Scope 1 (tCO <sub>2</sub> e)	2,489.63
Biogenic emissions (tCO <sub>2</sub> e)	0
Indirect emissions - Scope 2 location-based (tCO <sub>2</sub> e)	13,946.69
Indirect emissions - Scope 2 market-based (tCO <sub>2</sub> e)	11,003.61
Total emissions - Scope 1 & Scope 2 location based (tCO <sub>2</sub> e)	16,436.32
Total emissions - Scope 1 & Scope 2 market based (tCO <sub>2</sub> e)	13,493.24

## Notes:

- The disclosure requirements of GRI 305-1 d and 305-2 d cannot be met, as 2022 is the first year in which the Group proceeded with the calculation of emissions.
- The gases included in the calculations are CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O.
- The conversion factors used to calculate emissions were obtained from the most recent national emission inventory, from the reports of the Renewable Energy Sources and Guarantees of Origin Operator (DAPEEP), as well as from DEFRA UK (only for fugitive refrigerants). CH<sub>4</sub> GWP = 25, N<sub>2</sub>O GWP = 265.
- The consolidation method used is that of "Operational Control".
- The methodology followed is that of the GHG Protocol.
- Emissions intensities, along with Scope 3 emissions, according to the requirements of ATHEX ESG disclosures C-E1, C-E2, GRI 305-3, GRI 305-4 will be available in the 2022 Sustainable Development Report.

**b) Biodiversity, soil, resource efficiency**

## Corporate policies and due diligence

The Group aims to protect biodiversity and continuously improves its efforts to reduce its impacts on the fauna and flora in the areas where it operates, as well as to prevent the disruption of ecosystems and soil. Emphasis is placed mainly on projects which are expected to have a significant impact on existing ecosystems and relate to the regeneration and development of wider areas, such as Flisvos Marina and The Ellinikon. Respectively, the Group recognizes the importance of the sustainable use of raw materials and natural resources and the need to implement systems and practices that will reduce the use of materials during the operation of existing business units (Golden Hall, The Mall Athens, Mediterranean Cosmos, Designer Outlet Athens and Flisvos Marina), but also in new projects such as The Ellinikon.

## Shopping centers (Golden Hall, The Mall Athens, Mediterranean Cosmos, Designer Outlet Athens)

Golden Hall started its operation in November 2008 and is centrally located on Kifissias Avenue in Athens, while The Mall Athens and Mediterranean Cosmos started operating in November and October 2005 in the Neratziotissa area, in Athens, and in Thessaloniki, respectively. Designer Outlet Athens started its operation in June 2011 in Spata, Attica and was incorporated in the Group in 2022. None of the above areas

are designated as protected areas under current legislation or as areas with high biodiversity value, according to the United Nations Convention on Biological Diversity (1992). Its approach with regards to the sustainable use of raw and other materials, is reflected, on the one hand, in the application of the EMS in Golden Hall, The Mall Athens, Mediterranean Cosmos and Designer Outlet Athens shopping centers, and in its Suppliers' Code of Ethics on the other.

### Flisvos Marina

Flisvos Marina develops various initiatives for the protection of biodiversity, although it is not located in or near protected areas or areas of high biodiversity value. For these purposes, the marina monitors various marine species that visit it, such as sea turtles, seals, and species of fish (mullet), although a complete record is not kept. For the protection of the marine ecosystem and the contribution to the protection of the environment, which constitutes a strategic goal of the marina, 2 special devices have been installed with a basket (Seabins) for the removal of sea microplastics and floating waste/waste, with the aim to maintain the marina's water quality, while fishing is prohibited within the marina. Regarding the control of water quality, 8 samplings are carried out from various points and depths of the port during the year in collaboration with a specialized accredited laboratory.

### The Ellinikon – Phase A

For the development of The Ellinikon, the Group is committed to the protection of biodiversity and the protection and improvement of the soil. In cases of building and infrastructure demolition, before the entry of the machinery, the species of fauna are investigated, located and removed. These species, after being tested by biologists, are released into natural ecosystems.

The conservation and restoration of the existing soils in the project and the wider area of the of the Elliniko Metropolitan Pole, is in line with the recent recognition of healthy soil as a valuable commodity and component of local Mediterranean ecosystems, according to the European Green Deal. More specifically, the design of the sections of the Metropolitan Park, including the first part of the park "The Experience Park", was designed to meet the requirements of international certification systems, such as the "Sustainable SITES Initiative" certification, which includes special requirements regarding biodiversity, soil conservation and enhancement and sustainable conservation of the site. Goals are already set from the design phase of the project, for the preservation of the existing natural areas (soils and plantations), and the environmental restoration, and enrichment of the damaged areas in terms of biodiversity.

2022 was the first full year of operation (official opening 20/12/2021) of "The Experience Park", a new urban park covering an area of 75 acres within The Ellinikon. The basic principles were sustainable development and respect for the environment and the heritage of the area. The soil was enriched, in line with a special study, to make it more fertile and better support the planted surfaces. Plants and trees remained in place, where possible, and were supplemented with new or transplanted native plants. About 700 trees and over 77,000 plants were put in place, in total, within the project.

### Transplanting – New plantings

The overall objective of The Ellinikon is the implementation of the "Biodiversity Net Gain" practice. In particular, within the Metropolitan Park, the planning includes the addition of more than 31,000 new trees of 59 species, of which more than 14,000 will be planted in Phase A of the project. A wide range of different species of trees and plants is included, so that the design enhances the biodiversity of the project, to complement the ecosystem of the wider area of Elliniko and constitute a potential fauna refuge.

At the same time, an effort is made to maintain or transplant existing healthy trees. In collaboration with specialized green engineering companies and Greek nurseries, temporary spaces have been created within The Ellinikon, hosting 2,100 with the prospect of reaching more than 3,000 existing trees, which will be protected until they are gradually transplanted into the Metropolitan Park and public areas.

### Reuse of materials and soils

Regarding the sustainable use of raw materials and other materials, the Group aims to design projects in accordance with international sustainable development certification systems, such as "LEED" (Leadership in Energy and Environmental Design) for buildings and SITES for outdoor landscape configurations, which include specific requirements for product, supplier and raw material selection methods, aiming at saving resources and the circular economy. In the context of achieving the above certifications, there are prerequisites and



objectives regarding the appropriate selection and use of materials with environmentally friendly properties, while, among other things, significant opportunities are created for the reuse of existing materials. The project prioritizes the use of materials with recycled content, mined and produced within a close range. At the same time, the selection of materials is based on whether there is a record of their environmental footprint.

**Rehabilitation and decontamination**

In 2022, works began, over the entire project, to restore soils and groundwater, burdened with pollutants from previous uses of the site (former airport location, military installations, etc.). As part of the restoration and decontamination works, old infrastructures and fuel installations are removed, while contaminated soils and groundwater are cleaned up using "in-situ" methods. The aim is to reduce the waste generated, to minimize transport inside and outside the pole and, finally, to reuse the soil.

Outcomes of the above policies and non-financial key performance indicators

**[ATHEX ESG Metric A-E5]**

In the context of the Environmental Impact Studies that have been carried out for the construction of the shopping centers (including XPLORE and the Athens Olympic Museum located at the Golden Hall premises) and the Environmental Impact Assessment that has been submitted and approved for the development of The Ellinikon, none of the above areas are characterized as protected areas according to current legislation or as areas of high biodiversity value, in accordance with the United Nations Convention on Biological Diversity (1992).

Specifically, the three malls do not record any impact from their activities of any nature, including the reduction of fauna and flora species in the area, changes in ecological processes, introduction of pathogens and insects.

Subsequently, for Flisvos Marina, no significant direct or indirect impacts have been identified from its respective activities on the biodiversity of the area and the soil quality.

**[GRI 301-1]**

Materials used (tonnes)			
	2022	2021	2020
<b>Total non-renewable materials used</b>	39,340.8	85.2	100.2
<b>Total renewable materials used</b>	0	0	0
<b>Total materials used</b>	<b>39,340.8</b>	<b>85.2</b>	<b>100.2</b>

Notes:

- For The Mall Athens, there is no information available for the total quantities of incoming used materials, information that the Group intends to gather in the coming years. Accordingly, relevant information has been partially provided for the Golden Hall.
- The large increase in materials used observed, compared to 2021, is due to the start of construction works of The Ellinikon.

**[GRI 301-2]**

Incoming recycled materials used (percentage)			
	2022	2021	2020
<b>Recycled materials used</b>	<b>3.2%</b>	<b>0.3%</b>	<b>0.3%</b>

Notes:

- For Golden Hall, The Mall Athens, Mediterranean Cosmos, as well as the Designer Outlet Athens, there is no information available for recycled and non-recycled materials, information that the Group intends to gather in the coming years.
- The large increase in the use of materials observed compared to 2021 is due to the start of construction works of The Ellinikon.

### c) Water, wastewater and solid waste

Corporate policies and due diligence

#### [ATHEX ESG Metric SS-E4]

In the context of the Group's commitment to environmental protection, the sustainable use of water resources, the proper management of solid waste, the promotion of recycling, and the application of the principles of the circular economy, constitute a daily reality for the shopping centers, Flisvos Marina, as well as for new projects, such as The Ellinikon.

#### Shopping centers (Golden Hall, The Mall Athens, Mediterranean Cosmos, Designer Outlet Athens)

At Golden Hall, The Mall Athens, the Mediterranean Cosmos, and the Designer Outlet Athens, a complete EMS has been set in place, with the aim to reduce production and proper treatment of solid waste, thus ensuring the Group's commitment to reduce the negative impacts of waste and protect the environment.

The main objectives of the above system are:

- The minimization of solid waste generated in the shopping centers.
- The separation at the source of recyclable waste, as well as those that need specific management.
- The maximization of the percentage of waste made available for recycling.
- The ongoing compliance with current solid waste provisions in force.

The integrated waste management system includes the following basic procedures for shopping centers:

- Separation of the waste streams at the source (packaging materials, glass, plastic, paper, inorganic waste).
- Special area for the temporary storage of non-recyclable solid waste, including the temporary cold storage of organic waste.
- Availability of predetermined waste storage areas.
- Collaboration with specialized solid waste management and treatment companies, where the collection of recycling materials is carried out by specialized contractors, with the aim of their separation and controlled disposal.
- Emergency preparedness and response procedure in case of hazardous waste leakage.
- Recording of waste data in the Electronic Waste Register of the Ministry of Environment and Energy.

The Group's approach to the management of water and wastewater has, as its main pillar, the optimization of water use in shopping centers by installing mechanisms and devices of water saving by connecting with the municipal sewerage networks for the channeling of the generated urban wastewater. In particular, in the Designer Outlet Athens, an urban wastewater treatment plant is in operation for the use of treated water for watering purposes, and thus reducing the use of drinking water by the municipal water supply network. The purpose of these initiatives is to minimize the impact on biodiversity and the available natural water sources in the areas, where it operates.

#### Flisvos Marina

The marina directs all waste generated from both its own activity and from the activities of its customers (boats and lessees) for management/recycling to licensed operators. For this purpose, it collects the waste generated by its customers and from its operation and delivers it to licensed waste management operators, for their further treatment. Furthermore, since July 2020<sup>13</sup>, an outdoor composting unit has been operating for the treatment of green waste from its gardens (branches, lawns, leaves, etc.) and coffee residues from the shops located in its area. Municipal waste and recyclable materials are collected in specially marked bins and, under the responsibility of the Municipality, are taken to landfills. Also, the marina manages the solid waste resulting from pollutants, through the installation of a floating dam on the piers where the rainwater pipes end.

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<sup>13</sup> In the Sustainable Development Report 2021 it has been inadvertently reported that the outdoor composting plant has been operating since 2010.

Regarding water use, the water supply in Flisvos Marina is provided by the network of EYDAP and concerns the coverage of the irrigation needs of the marina's outdoor areas, the service of the employees, the visitors, and the boats as well as the cleaning of the outdoor areas, piers and common areas in its commercial sections. To save water, best practices of rational use have been adopted, while regular maintenance of the water supply network is carried out for the immediate detection of leaks. Moreover, the watering of greenery, over an area of 25 acres, is carried out through automatic watering programmers. The purpose of this action is to better control the water consumption for the watering needs of outdoor gardens, as well as its remote management, in order for watering to be adjusted according to weather conditions. In this way, more rational use and saving in water consumption is achieved. Urban wastewater is collected and diverted to the central sewer system of EYDAP. Other types of waste (such as mineral oil mixtures, waste lubricating oils, etc.) generated from the use of vessels are managed by external collaborators. Flisvos Marina has entered into a contract with a company specialized in dealing with marine pollution emergencies, thus ensuring immediate response 24 hours a day, 7 days a week, and the availability of an anti-pollution boat with a crew.

### The Ellinikon – Phase A

For the development of The Ellinikon, the certified, according to ISO 14001, EMS, that is followed, includes procedures for the management of solid and liquid waste, as well as water, which aim at the rational management and protection of natural resources.

The Group implements an environmentally friendly waste management planning, in line with the approved Environmental Conditions. At the same time, it sets the objectives and plans for the majority of The Ellinikon's project, within the framework of international certification systems for sustainable development, such as "LEED", which include the development and implementation of a Construction and Demolition Waste Management Plan, aiming at recycling at least 75% of construction and demolition waste.

The fundamental principles of the project waste management system are:

- Separation at the source of waste streams (collection in 6 separate bins) during operation, which will be managed by the Solid Waste Management Facility (SWMF), that will be created in The Ellinikon during the operation phase of the project.
- Minimization of the percentage of waste disposed in landfills both during construction and during the operation phase.
- Reuse, recycling, and recovery of construction waste, reducing the percentage that ends up in landfills and optimal use of demolition materials and methods.
- Management of hazardous waste, in cooperation with licensed operators, in accordance with legislation requirements.
- Recording of waste and their management, during the construction and operation phase.

The reuse of materials constitutes a priority throughout the design of the project. The demolition materials are kept and temporarily stored within the Metropolitan Pole so that they can be used in their entirety in future works. At the same time, the excavation materials are also kept and temporarily stored.

Regarding water use, during the construction and operation phase, the implementation of a Unified Water Management Plan is foreseen, which includes a Water Saving Program and a Water Contamination Protection Program. The potential impacts on the quality of natural resources are analyzed in the Environmental Impact Study.

At the same time, within the framework of the international certification systems for sustainable development that are followed in the project, such as LEED, WELL, SITES, etc., specific objectives are put in place for the reduction of water consumption inside the buildings, through the installation of taps with reduced consumption, as well as outside the buildings, through the installation of smart irrigation systems and the selection of plants with reduced irrigation needs, the reuse of treated water or rainwater, rainwater management and water quality assurance.

In the context of circular economy, a Sewage Treatment Plant (WWTP) is designed inside The Ellinikon, which will produce, with proper treatment, irrigation water for the needs of the Metropolitan Park. In July 2022, a relevant Memorandum of Understanding was signed between the Group (through its subsidiary HELLINIKON S.M.S.A.) and EYDAP concerning the supervision of the construction of water supply projects, sewerage and treatment water production installation.

At the same time, the planning of the upgrade of the Trahones stream has initiated. The new projects in the area of Trahones include:

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- the maintenance of the existing culvert up to Poseidonos Avenue by cleaning and maintaining its basin,
- the new section, more than 1km long, that will cross through the Metropolitan Park, creating wetland conditions of flowing waters, while significantly improving the overall drainage capacity of the stream.

### Outcomes of the above policies and non-financial key performance indicators

The complete reopening of the shopping centers, the increase in the construction activities of The Ellinikon, the increase of visitors traffic at the marina and the addition of the Designer Outlet Athens to the investment portfolio, contributed to the more than doubling of water consumption.

### [GRI 303-3]

Total water withdrawal (ML)						
Water source	2022		2021		2020	
	All areas	Areas with water stress	All areas	Areas with water stress	All areas	Areas with water stress
Total surface water	0		0		0	
Freshwater	0		0		0	
Other water	0		0		0	
Total ground water	101.7		67.9		75.0	
Freshwater	0		0		0	
Other water	101.7		67.9		75.0	
Total seawater	0		0		0	
Freshwater	0		0		0	
Other water	0		0		0	
Total produced water	0		0		0	
Freshwater	0		0		0	
Other water	0		0		0	
Total third-party water (network)	427.0		154.0		145.2	
Freshwater	427.0		154.0		145.2	
Other water	0		0		0	
Total third-party water withdrawal per water source						
Surface water	Not available					
Ground water						
Seawater						
Produced water						
<b>Total water withdrawal</b>	<b>528.7</b>		<b>221.9</b>		<b>220.1</b>	

Notes:

- The areas in which the Group operates, are characterized as areas that are under increased pressure in terms of water resources according to Aqueduct Water Risk Atlas of the World Resources Institute.
- According to the GRI freshwater is defined as:  $\leq 1,000$  mg/L total dissolved solids, other water  $>1,000$  mg/L total dissolved solids.
- The above data were collected from invoices and direct measurements of the Group's water consumption from the local water supply networks and drilling facilities. No standard or methodology has been followed beyond direct recording and no relevant assumption has been made.

### [GRI 303-5]

Total water consumption (ML)			
	2022	2021	2020
<b>Total water consumption</b>	<b>528.7</b>	<b>221.9</b>	<b>220.1</b>
<b>Total water consumption in areas with water stress</b>			

Notes:

- Due to inability to collect water discharge data (GRI 303-4), consumption is considered equal to withdrawal (GRI 303-3) whose data were collected from the Group's invoices and direct water reclamation measurements from the local water supply networks and drilling facilities. No standard or methodology has been followed beyond direct recording and no relevant assumption has been made.
- The requirements of the disclosure GRI 303-5 b have been met, as the areas in which the Group operates, are characterized as areas that are under increased pressure in terms of water resources according to Aqueduct Water Risk Atlas of the World Resources Institute.

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The increase in construction works at The Ellinikon results in an increase in waste generation. However, due to the very high rates of reuse, recycling and recovery of the waste generated on site, the final disposal of waste is prevented. Detailed data will be available in the 2022 Sustainable Development Report.

### [GRI 306-3]

Total waste generated (t)			
Waste categories	2022	2021	2020
<b>Hazardous Waste</b>			
Antifreeze liquids 16 01 14*	0	0	0.7
Other fuels (including mixtures) 13 07 03*	28.9	0	0
Wastes not otherwise specified 13 08 99*	0	3.4	0
Used batteries 16 06 01*	0	0.8	1.1
Waste of lubricating oil mixtures and collector oils 13 02 05*, 13 04 01*, 13 05 06*	43.6	55.4	40.1
Contaminated absorbent materials 15 02 02*	10.4	2.3	2.0
Waste paint and varnish containing organic solvents or other dangerous substances 08 01 11*	0.5	4.7	0.2
Depleted oil and air filters 16 01 07*	18.5	0.7	0.4
Fluorescent lamps 20 01 21*	9.6	1.2	2.0
Waste from electrical and electronic equipment 20 02 21*, 16 02 11*, 20 01 35*, 20 01 23*	1.5	1.3	2.5
Contaminated packaging 15 01 10*	1.7	3.0	2.2
Mixed batteries 20 01 33*	0.6	0.2	0.1
Waste printing toner containing dangerous substances 08 03 17*	0	0.1	0
Waste blasting material containing dangerous substances 12 01 16*	0	7.6	0
Chlorofluorocarbons, HCFC, HFC 14 06 01*	0	0.0	0
Organic wastes containing dangerous substances 16 03 05*	1.6	0.5	0
Gases in pressure containers (including halons) containing dangerous substances 16 05 04*	1.5	1.1	0
Discarded inorganic chemicals consisting of or containing dangerous substances 16 05 07*	0.0	5.5	0
Discarded organic chemicals consisting of or containing dangerous substances 16 05 08*	0.7	3.0	0
Soil and stones containing dangerous substances 17 05 03*	12,212.0	0.7	0
Insulation materials containing asbestos 17 06 01*	0	0.8	0
Construction materials containing asbestos 17 06 05*	0	65.2	0
Petroleum waste 13 04 03*, 13 05 07*, 13 03 10*, 16 07 08*, 13 05 08*	262.5	73.2	69.6
<b>Total hazardous waste</b>	<b>12,593.4</b>	<b>230.7</b>	<b>121.0</b>
<b>Non-hazardous Waste</b>			
Organic wastes 16 03 06	17.8	10.9	2.4
Mixed municipal waste 20 03 01	21,290.9	15,498.4	7,915.9
Metals and metal packaging 15 01 04, 17 04 01, 17 04 02, 17 04 05, 17 04 07, 20 01 40	11,673.5	1,459.5	0.2
Plastic and plastic packaging 15 01 02, 20 01 39	464.8	224.3	179.6
Paper and cardboard packaging 15 01 01	803.3	575.2	578.0
Wood and wooden packaging 15 01 03, 17 02 01, 20 01 38	14.4	79.3	0.8
Glass packaging 15 01 07	32.1	6.7	6.2
Mixed batteries 16 06 04, 16 06 05, 20 01 34	0.2	0	0.1
Construction and demolition waste 17 01 07, 17 09 04	60,948.2	5,454.1	52.6
Disposable electrical and electronic equipment 20 01 36	18.7	0.6	0.8

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Glass 20 01 02	12.1	11.0	9.9
Biodegradable waste 20 02 01	712.8	52.6	3.2
Cables 17 04 11	0	72.9	0
Soil and stones 20 02 02	11,485.1	37.0	0
Edible oils and fats 20 01 25	39.3	19.3	7.8
Sludges from on-site effluent treatment 07 01 12	0.6	0	0
<b>Total non-hazardous waste</b>	<b>107,513.7</b>	<b>23,501.9</b>	<b>8,757.6</b>
<b>Total waste</b>	<b>120,107.0</b>	<b>23,732.5</b>	<b>8,878.6</b>

Notes:

- The above information was collected from shipping notes and invoices of certified external partners who undertake the Group's waste management, monthly reports of partners-contractors as well as annual EMA reports of the Group.
- The above information was adjusted for the years 2021 and 2020, as had been mentioned in the Sustainable Development Report 2021, as the more complete record of waste was completed.

**[GRI 306-4]**

Waste diverted from disposal per recovery process (t)									
Waste categories and recovery process	2022			2021			2020		
	Onsite	Offsite	Total	Onsite	Offsite	Total	Onsite	Offsite	Total
<b>Hazardous waste</b>									
Preparation for reuse	0	0	0	0	0	0	0	0	0
Recycling	0	12,593.4	12,593.4	-	230.7	230.7	0	121.0	121.0
Composting	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>12,593.4</b>	<b>12,593.4</b>	<b>0</b>	<b>230.7</b>	<b>230.7</b>	<b>0</b>	<b>121.0</b>	<b>121.0</b>
<b>Non-hazardous waste</b>									
Preparation for reuse	72,433.3	0	72,433.3	3,021.0	0	3,021.0	0	0	0
Recycling	0	13,058.3	13,058.3	0	4,961.0	4,961.0	0	836.1	836.1
Composting	16.8	696.0	712.8	10.5	0	10.5	3.2	-	3.2
<b>Total</b>	<b>72,450.1</b>	<b>13,754.3</b>	<b>86,204.4</b>	<b>3,031.5</b>	<b>4,961.0</b>	<b>7,992.5</b>	<b>3.2</b>	<b>836.1</b>	<b>839.3</b>

Notes:

- The above information was collected from shipping notes and invoices of certified external partners who undertake the Group's waste management, monthly reports of partners-contractors as well as annual EMA reports of the Group.
- The above information was adjusted for the years 2021 and 2020, as had been mentioned in the Sustainable Development Report 2021, as the more complete record of waste was completed.

**[GRI 306-5]**

Waste directed to disposal per disposal process (t)									
Waste categories and disposal process	2022			2021			2020		
	Onsite	Offsite	Total	Onsite	Offsite	Total	Onsite	Offsite	Total
<b>Hazardous waste</b>									
Landfill / Total	0	0	0	0	0	0	0	0	0
<b>Non-hazardous waste</b>									
Landfill / Total	0	21,309.6	21,309.6	0	15,509.3	15,509.3	0	7,918.3	7,918.3

Notes:

- The above information was collected from shipping notes and invoices of certified external partners who undertake the Group's waste management, monthly reports of partners-contractors as well as annual EMA reports of the Group.
- The above information was adjusted for the years 2021 and 2020, as had been mentioned in the Sustainable Development Report 2021, as the more complete record of waste was completed.
- The requirements of disclosure GRI 306-5 b and c are met, as the Group does not have hazardous or non-hazardous waste for incineration or other methods of final disposal, other than landfilling.

**[ATHEX ESG A-E3]**

Waste management			
	2022	2021	2020
Total amount of hazardous waste generated (t)	12,593.4	230.7	121.0
Total amount of non-hazardous waste generated (t)	107,513.7	23,501.9	8,757.6
Total amount of waste generated (t)	120,107.0	23,732.5	8,878.6
Percentage of waste directed to recycling/reuse	81.7%	34.6%	10.8%
Percentage of waste directed to composting	0.6%	0.0%	0.0%
Percentage of waste directed to landfill	17.7%	65.4%	89.2%

Note: Any variations in the totals are due to rounding.

#### **d) International building certifications (The Ellinikon)**

##### Corporate policies and due diligence

All of The Ellinikon's developments holistically follow the highest standards of sustainable development both in design, construction and operation. All commercial developments during Phase A of the project, as well as most residencies, aim at an international "LEED" sustainable development certification. At the same time, the certification of individual projects with the international "WELL" and "SITES" certifications is promoted, aiming at the users' health and well-being and the development of sustainable outdoor spaces.

During 2022, 13 building registrations were submitted to the U.S. Green Building Council certification body for the application of the international sustainable development certification "LEED", including:

- The Riviera Tower, 200 meters high, with 169 apartments on 50 floors, which, upon its completion, will be the tallest building in Greece. Its study and design have been entrusted to the internationally renowned award-winning architectural firm Foster+Partners. A key feature of the design approach is the creation of a landmark building, in full harmony with the sea and the special features of the mediterranean landscape with a bioclimatic character. Riviera Tower, by fully integrating sustainable development strategies, is the 1st residential building in Greece to be pre-certified according to the LEED sustainable buildings standard at Gold level, in June 2022.
- The Relocation Building of Associations of People with Disabilities will house the services of Day Care Centers (DCC) and Lifelong Learning Centers (LLC), of 4 associations for children and adults with disability and special skills. The construction of the project began in 2022 and within the same year the evaluation of the design of the complex by the certification body of the LEED standard was completed. The final LEED certification of the project is expected in 2023.
- The Riviera Galleria will have shops, dining areas and venues for cultural and recreational events. The internationally renowned architectural firm Kengo Kuma and Associates, in collaboration with BETAPLAN, designs the Riviera Galleria, aiming to become an architectural reference point in the new marina of Agios Kosmas and a pole of attraction for visitors from Greece and around the world. The Riviera Galleria follows high standards of sustainable design and is the 1st commercial complex to be pre-certified according to the LEED sustainable building standard at Gold level, in December 2022.

At the same time, it is worth noting that The Ellinikon Metropolitan Park follows high standards of sustainable development, as a whole. At the same time, it aims at reusing existing materials, prioritizing materials with domestic characteristics, as well as absorbing large amounts of atmospheric carbon through the new plantings that will be carried out.

In August 2022, the Group proceeded to agreements with Lafarge Beton, a member of HERACLES Group, and with TITAN Group for the installation and operation of a ready-mix concrete production unit to serve the needs of the project. The units will adhere to high standards of environmental management and provide low-carbon concrete products for The Ellinikon's construction works.

## 4. Social and labour issues

### a) Labour issues

#### Corporate policies and due diligence

##### Employment

The Group recognizes that its business success is based on its people. Considering that employees are the most important asset, the Group recognizes and rewards their valuable contribution to its development and positive course. Therefore, it is of particular importance to improve management of human resources and the Group, in a sustainable way to provide the best possible work environment and experience for all employees. For this reason, strategies of attracting, developing, and retaining human resources are followed, while providing equal opportunities to all.

Within this framework, the following policies, codes and regulations, have been created:

- Car and Fuel Policy.
- Code of Conduct.
- Employees' Training and Development Policy.
- Expenses Policy.
- Internal Announcement and Coverage of New Jobs Policy.
- Internal Regulation of Operation.
- Mobile Phone Policy.
- Performance Evaluation Policy.
- Procurement Policy.
- Recruitment Policy and Procedure.
- Suppliers' Code of Ethics.
- Sustainable Development Policy.
- Travel Policy.
- Whistleblowing Policy.
- Workplace non-discrimination, anti-harassment and violence prevention Policy.

#### [GRI 401-2]

The Group supports its people in their learning, development, mobility, and achieving their goals. It implements development training programs, in which all employees can participate to meet their training needs, improve their skills, their continuous professional development and their ability to better respond to the fulfillment of Group's objectives. It is interested in informing employees, improving inter-company communication, their satisfaction and strengthening the corporate culture.

Several additional financial and social benefits and programs are offered to the employees and their families, not only as a reward for their good performance, but also to enhance and strengthen the sense of job security. The benefits offered indicatively to employees in Greece are:

- Performance-based bonus.
- Special stock option program for senior and senior executives.
- Medical and pharmaceutical health and insurance program.
- Corporate car and a fuel card to the members of the Management and to those executives who have the right to grant, from the hierarchical level of their position or the description of their role (duties).
- Consulting services program and special retirement plan.
- Provision of meal vouchers.
- Mobile phone/tablet to facilitate employees in carrying out their work.
- Grant of interest-free loans to employees to cover serious emergencies.
- Additional days of maternity leave.
- Additional days of educational leave for those attending postgraduate studies.
- Rewarding gifts for excellent students for the children of employees.
- Gifts to the employees' children at Christmas.
- Gifts to employees at Christmas and Easter.
- Wedding gift.
- Gift of having a child.
- Reward gift for many years of presence.
- Discounts at the Company's shopping centers.
- Occupational prevention for health and safety.



- Employee Assistance Programs, which concern the “It's up to You” program (psychological support line and sessions).

The above benefits are addressed to permanent contract employees, under full-time and part-time employment (except for the provision of stock options), based on specific criteria, such as the nature of the work, the employment area, the expertise of the employee and the level of each job position. Moreover, based on the above criteria, as well as on the individual performance of each employee and the results of the Group, additional variable pay systems are applied. Fixed-term employees benefit from the medical and pharmaceutical program, as well as the meal vouchers.

### Training and skills development of the future

The Group is actively interested in informing and training employees, improving intra-corporate communication, ensuring employee satisfaction and strengthening corporate culture. In this context, policies have been established relating to the Internal Regulation of Operation and the Employee Education/Training program.

The training program is formulated on an annual basis and is part of the annual budget, aligned with the strategy and objectives of the Group, as well as the needs arising from the annual employee evaluation process. Moreover, the Human Resources Department can receive a request/proposal for training from any employee, following the consent of his/her Manager. It is noted that there is no differentiation in the provision of educational programs, for example in terms of employees' gender.

### Health, safety and well-being

The Group recognizes its responsibility to ensure health and safety throughout its value chain, as well as to promote well-being and work-life balance. For this reason, it carries out a set of actions related to health, safety and well-being for all its employees, as well as for all those affected by its activities and operation. The Group is aware and promotes the improvement of the health and wellbeing of its employees, offering them the opportunity to have a complete package of private insurance and additional consulting support services (see above for the benefits list).

Moreover, annual training programs on occupational health and safety, are covered by the Group, as well as regular safety drills for the event of earthquakes, fires and other threats in all shopping malls, while all employees have attended threat seminars. The training programs, the exercises and seminars are regularly monitored by the health and safety officer.

Systematic measurements are carried out on air quality, noise level and appropriateness of lighting in its facilities, while an evacuation plan has been drawn up and dedicated teams have been set up by employees responsible for the implementation of the plan.

Training is carried out in the shopping centers on an annual basis by a certified training organization on first aid as well as in the use of a defibrillator. Respectively, in The Ellinikon the corresponding training is carried out in the emergency teams. Shopping centers are prepared for all possible crisis scenarios, while a dedicated security company is responsible for safety matters. In addition, regular safety drills for earthquakes, fires and other threats are performed in all shopping malls, while all employees have attended threat response seminars. Cases of risk cases and data evaluation are included in the Crisis Manual.

The Group takes corrective action to ensure and, where necessary, reduce health and safety risks. In this context, strict specifications apply on the installation of filter arrays in the ventilation systems, minimizing the burden of air quality within the stores of sanitary interest located within Golden Hall, The Mall Athens and Mediterranean Cosmos shopping centers. In addition, the relevant provision for the newly acquired Designer Outlet Athens shopping center is being examined. The air quality in the underground parking lots of the shopping centers is constantly monitored with a special automatic installation, so that the air is kept at a constant permissible level.

Respectively, in Flisvos Marina, as well as in the Designer Outlet Athens, an Occupational Health and Safety Management System is implemented, certified according to ISO 45001:2018, through which all existing and potential risks to Occupational Health and Safety are tentatively identified, and establishes measures for eliminating, reducing, or controlling them.

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Furthermore, for The Ellinikon, during Phase A of the project's implementation, an Anthropocentric Integrated Health and Safety Management System has been developed, which approaches holistically all Health and Safety issues and was designed taking into consideration international standards and encompasses a variety of internal mechanisms and procedures for managing and controlling effectiveness. Compliance with all the Health and Safety Management System requirements constitutes a contractual obligation for all parties involved in the development of The Ellinikon, even if those requirements are stricter than those foreseen by national and European legislation. The Health and Safety Management System was certified in 2022 according to ISO 45001:2018.

During 2022, the implementation of protection measures against the COVID-19 pandemic continued, in accordance with the instructions provided by the National Public Health Organization (NPHO). A strong recommendation was given to all employees to use a mask in public areas, elevators and workplaces where there was overcrowding, while at the same time employees who were in contact with the general public were given a self/rapid antigen test for weekly use. In case of contact with a case, the instructions of NPHO were followed. In addition, concerning office employees, measures were implemented to avoid overcrowding both in business meetings attended physically, as well as in the restaurant of the office headquarters.

### Outcomes of the above policies and non-financial key performance indicators

#### [GRI 2-7, GRI 2-30, ATHEX ESG Metrics C-S2, C-S7]

The increase in the employees' number in 2022 compared to 2021 is due to the design and construction works at The Ellinikon, the opening of The Experience Park, as well as to the increase in central services that provide support to all LAMDA Development's subsidiaries. Female employees constituted 52.2% of the workforce.

To calculate the number of employees, the "headcount" methodology was applied on 31.12 of the respective year, while all employees with an employment contract were included in the count. 100% of the employees are covered by the National Collective Labor Agreement.

Employees								
2022			2021			2020		
Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Number of employees (Total)</b>								
343	314	657	284	260	544	210	199	409
<b>Number of permanent employees</b>								
336	308	644	268	253	521	201	188	389
<b>Number of temporary employees</b>								
7	6	13	16	7	23	9	11	20
<b>Number of non-guaranteed hours employees</b>								
0	0	0	0	0	0	0	0	0
<b>Number of full-time employees</b>								
322	307	629	265	259	524	202	198	400
<b>Number of part-time employees</b>								
21	7	28	19	1	20	8	1	9

Note: Employees from Designer Outlet Athens are not included, as their absorption took place on 01.01.2023 and have therefore been included in the workers who are not employees.

Employees by region								
2022			2021			2020		
Women	Men	Total	Women	Men	Total	Women	Men	Total
<b>Attica</b>								
332	303	635	271	249	520	198	188	386
<b>Rest of Greece</b>								
8	10	18	9	10	19	10	10	20
<b>Activities abroad</b>								
3	1	4	4	1	5	2	1	3

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Employees by function		
2022		
Women	Men	Total
<b>Shopping centers (Golden Hall, The Mall Athens, Mediterranean Cosmos)</b>		
102	72	174
<b>The Ellinikon (including Agios Kosmas Marina)</b>		
161	140	301
<b>Flisvos Marina</b>		
11	28	39
<b>Head offices</b>		
66	73	139
<b>Activities abroad</b>		
3	1	4

Note: The number of employees per function for the years 2020 and 2021 is not available.

### [GRI 2-8]

For 2022, 1,073 workers in the investment properties were not employees. In particular:

- the majority of those are employed by The Ellinikon and concern employees of the contractors who have undertaken the construction works,
- there are employees of consulting companies with which the Group has business relationships and are employed in its premises,
- the Group's headquarters and shopping centers employ cleaning crews and security employees.

For the calculation of workers who are not employees, the methodology "headcount as an average across the reporting period" was applied.

Workers who are not employees		
2022		
Women	Men	Total
<b>Shopping centers (Golden Hall, The Mall Athens, Mediterranean Cosmos)</b>		
153	218	371
<b>Designer Outlet Athens</b>		
13	26	39
<b>Flisvos Marina</b>		
6	50	56
<b>Head offices &amp; The Ellinikon (including Agios Kosmas Marina)</b>		
164	443	607
<b>Activities abroad</b>		
Not available	Not available	Not available

Note: The number of workers who are not employees for the years 2020 and 2021 is not available.

**[GRI 401-1]**

New employee hires and employee turnover									
2022									
Total	<30 years old			30-50 years old			>50 years old		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Number of employees	105	43	148	205	202	407	33	69	102
Number of new employee hires (#)	73	26	99	35	50	85	5	8	13
Rate of new employee hires (%)	70	60	67	17	25	21	15	12	13
Number of employee turnover (#)	27	5	32	11	15	26	6	2	8
Rate of employee turnover (%)	26	12	22	5	7	6	18	3	8

**[ATHEX ESG Metric C-S4]**

The change in voluntary turnover is mainly due to activities that show frequent staff turnover at young ages. The indicator of non-voluntary turnover decreased in 2022, mainly due to the improvement in the provision of appropriate training and the integration of processes leading to an increase in skills and adaptation and productivity of employees.

Employee Turnover			
	2022	2021	2020
Voluntary turnover rate	6.5%	4.9%	3.1%
Involuntary turnover rate	1.5%	3.7%	1.8%

**[GRI 2-21, ATHEX ESG Metric A-S4]**

The CEO-employees compensation ratio is defined as the difference between the annual total remuneration of the CEO and the average value (median) of the total remuneration of the employees in Greece (except for the remuneration of the CEO). For the 2022 reporting period, the above ratio was 38.7:1.

**[ATHEX ESG Metric A-G4]**

Variable pay for 2022 stood at 46% of the total, showing a small decrease compared to 2021 (51%). For the calculation of variable pay<sup>14</sup>, the corporate bonus scheme plus long-term incentive scheme was used, which includes the remuneration of all workforce, including the CEO remuneration.

Variable pay		
2022	2021	2020
46%	51%	25%

**[GRI 404-1]**

The training hours of employees increased due to the increase in the number of employees. Also, training expenditure showed a slight increase compared to the previous year, despite the relatively larger increase in training hours, due to the use of in-house trainers and e-learning.

Average training hours per employee						
	2022			2021		
	Men	Women	Total	Men	Women	Total
Total training hours	3,830	4,198	8,028	2,735	3,508	6,243
Average training hours	12.2	12.2	12.2	10.5	12.4	11.5

<sup>14</sup> The percentage of variable pay is calculated as the ratio of the amount of variable remuneration to the total of all types of remuneration received by the Group's employees during the reporting period.

**[ATHEX ESG Metric C-S5]**

Average training hours based on hierarchy and total compensation		
	2022	2021
Total number of training hours provided to each employee in the top 10% of employees by total compensation	640	550
Total number of employees included in the top 10% of employees by total compensation	66	54
<b>Average training hours (top 10% of employees by total compensation)</b>	<b>9.7</b>	<b>10.2</b>
Total number of training hours provided to each employee in the bottom 90% of employees by total compensation	7,388	5,693
Total number of employees included in the bottom 90% of employees by total compensation	591	490
<b>Average training hours (bottom 90% of employees by total compensation)</b>	<b>12.5</b>	<b>11.6</b>

**[ATHEX ESG Metric A-S2]**

Total training expenditures (€)		
2022	2021	2020
117,309	115,885	73,464

**[GRI 404-3]**

100% of employees irrespective of level and gender, in Greece, received regular performance and career development review.

**[GRI 403-9, GRI 403-10, ATHEX ESG Metric SS-S6]**

Through the effective management and continuous improvement of the level of health and safety in its activities and facilities, the Group monitors, minimizes or eliminates the potential risks of accidents and diseases.

Health and safety performance			
	2022	2021	2020
<b>Employees<sup>1</sup></b>			
Total working hours	1,024,484	978,288	741,044
Number of fatalities as a result of work-related injury	0	0	0
Rate of fatalities as a result of work-related injury	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	0	0	0
Number of recordable work-related injuries <sup>2</sup>	2	2	1
Rate of recordable work-related injuries	2	0.4	0.3
Accident frequency rate <sup>5</sup>	0.4	0.4	0.3
Accident severity rate <sup>5</sup>	5.9	6.1	0.5
Number of fatalities as a result of work-related ill health	0	Not available	Not available
The number of cases of recordable work-related ill health	0	Not available	Not available
<b>Workers who are not employees</b>			
Total working hours <sup>4</sup>	815,132	179,273	Not available
Number of fatalities as a result of work-related injury	0	0	Not available
Rate of fatalities as a result of work-related injury	0	0	Not available
Number of high-consequence work-related injuries (excluding fatalities)	0	0	Not available
Rate of high-consequence work-related injuries (excluding fatalities)	0	0	Not available
Number of recordable work-related injuries <sup>2</sup>	4	0	Not available
Rate of recordable work-related injuries	4.9	0	Not available
Accident frequency rate <sup>5</sup>	1	0	Not available
Accident severity rate <sup>5</sup>	7.6	0	Not available
Number of fatalities as a result of work-related ill health	0	Not available	Not available

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The number of cases of recordable work-related ill health	0	Not available	Not available
<b>Main types and number of work-related injuries (employees and workers who are not employees)</b>			
Minor accidents (slipping, injury at work at height)	5	2	0
Road accident	0	0	1
Fall	1	0	0

### Notes:

(1) The employees' data for the years 2020, 2021 and 2022 refer to shopping centers (Golden Hall, The Mall Athens and Mediterranean Cosmos), Flisvos Marina, The Ellinikon and the headquarters.

(2) In 2022, employee incidents concern 1 employee injury due to a fall at Ag. Kosmas Marina at The Ellinikon and 1 minor injury due to a minor accident at the Group's headquarters. For the recovery of the employees, it was deemed necessary to grant 30 working days leave. The incidents of workers who are not employees, concern 4 minor injuries from minor accidents. For the recovery of the employees, it was deemed necessary to grant leave of 39 working days. For all incidents, regardless of their severity, an investigation is carried out to establish their causes. Moreover, from now on, the conclusions arising from these incidents will be recorded, so that they become valuable lessons that will be communicated to all employees involved in similar works.

(3) In 2021, a minor injury occurred to a Flisvos Marina employee. For the recovery of the employee and given the nature of his work, it was deemed necessary to grant a leave of 30 working days (6/9/2021 – 15/10/2021). The investigation of the circumstances of the accident proved that the cause of this is not related to incomplete training or non-use of personal protective equipment. As part of the strategy for complete accident avoidance, the marina consistently ensures that appropriate measures are taken, including regular training to protect health and safety.

(4) The information for workers who are not employees for 2020 and 2021 concerns only The Ellinikon. For cases of subcontractors or outsourcing of personnel (workers who are not employees), the relevant information is not available for the other investment properties. For 2022, the data refer to the Designer Outlet Athens shopping center, Flisvos Marina, The Ellinikon and the head offices, while for Golden Hall, The Mall Athens and Mediterranean Cosmos shopping centers no data are available.

(5) For 2020 and 2021, the indicators have been calculated by the coefficient of 200,000 ([total number of recorded workplace-related injuries or number of working days lost due to accidents at work / total number of working hours of all workers in the year] x 200,000). The coefficient of 200,000 indicates the number of hours worked by 100 full-time employees in a year. For the year 2022, the indicators have been calculated by the coefficient of 1,000,000 ([total number of recorded workplace-related injuries or number of working days lost due to accidents at work / total number of working hours of all workers in the year] x 1,000,000). The coefficient of 1,000,000 indicates the number of hours worked by 500 full-time employees in a year. The change in the coefficient was made due to the number of employees.

(6) All employees are included in the counting of the statistics, the data collected is true and real, collected through the cooperating contractors and incorporated in the respective company reports.

(7) In order to avoid road accidents, preventive measures are taken at The Ellinikon, by delimiting the movement of vehicles within the area where construction works are carried out, setting low speed limits and training vehicle drivers on pedestrian protection and the safe entry and exit of vehicles from construction and parking areas.

Regarding the management of health and safety issues specifically in The Ellinikon, for 2022, the identification of the main risks has been performed, with the fall from heights being the one with the greatest risk. Within the reporting period, a similar incident occurred, and for this reason a cooperation with an external partner was put in place for conducting relevant training. Working at heights cannot be avoided, however the aim is to effectively control the process by which this work is carried out. Moreover, the inspection of all projects under construction has been proceeded, for defining the basic safety levels that must be complied with, which allow focusing on each area of work and identifying areas requiring improvement.

It should be noted that the Compliance Unit receives information on developments regarding health and safety issues for The Ellinikon from the competent Department, which it incorporates into the Compliance Report it prepares every quarter and submits to the Audit Committee.

## b) Social issues

### Corporate policies and due diligence

#### Prosperity for the society and the local communities

The Group, through the established communication channels with the interested parties, receives requests to support various actions and programs, which it evaluates, in order to design and implement or support those that are in line with its strategy in the field of social contribution, as well as with its business model, while at the same time covering actual needs and creating positive effects on a large number of beneficiaries. The Marketing and Communications Department is in constant and close communication with all the Divisions, to jointly plan, coordinate and implement, these actions.

The evaluation of each initiative is carried out internally without the participation of the stakeholders involved in each action. However, all stakeholders, through the available channels of communication and consultation, can contact the Group and get inform about any issue of concern in relation to this matter.

### Collaborations with Non-Governmental Organizations (NGOs)

The Group maintains long-term partnerships with more than 45 NGOs and organizations that stand out for their work and actively supports them both by providing free space areas for informative events, and financially, through the collection of basic necessities, as well as by any other way that can aid and support their work.

In collaboration with Golden Hall, The Mall Athens, and Mediterranean Cosmos Shopping Centers, Flisvos Marina and The Ellinikon/Experience Park, activities are carried out where collaborating organizations are given the opportunity to be hosted in the public spaces of the shopping centers and Flisvos Marina and communicate their work to their visitors. The purpose of these actions is to raise awareness among citizens and to financially support the activities of NGOs.

An important role is also played by its human resources, which is encouraged to participate in social programs. Volunteering programs of employees continued throughout 2022 with the aim to increase their level of contribution. Indicatively, reference is made to the following actions:

- Promotion of recycling in the workplace.
- Voluntary blood donation
- Responding to vulnerable social groups and/or population affected by natural disasters (e.g. earthquake, fires, war, etc.) by collecting food and basic necessities.

### Economic and social development of communities

The Ellinikon is being developed as a single property and as an area of multiple functions of metropolitan dimension and international reference. The aim is to enhance Athens as a tourist destination, as a business center and recreation area. At the same time, The Ellinikon aims at the creation of jobs, a Metropolitan Park and other destination points, and that provides the wider metropolitan complex of the capital with green and recreation areas and that regenerates and promotes its seafront. A city is being developed based on modern international practices, where everyone will be able to find what he/she requires on daily basis, and at a very close distance: schools and sports facilities, health and welfare services, as well as entertainment and recreation areas.

#### Smart City

The Ellinikon is designed to be equipped with all the physical infrastructure and information systems that will make it a model Smart City. Telecommunication networks (fiber optics, WiFi, 5G and IoT) will allow a variety of sensors and devices to communicate and collaborate in order to minimize resource consumption and environmental footprint, on the one hand, and to offer unique digital services to residents, visitors and businesses within Elliniko, on the other.

Indicative applications include uniquely fast Fiber to the Premise (FTTP), public network & public WiFi available over the whole of its area, smart power management, smart home, smart lighting, smart parking, smart waste management, smart environmental monitoring, an Ellinikon resident app, an Ellinikon visitor app, smart bike parking pods, smart irrigation and many more.

#### Citizens' perceptions of The Ellinikon

In March 2022, a follow-up survey was conducted in collaboration with an external consultant (the initial survey was conducted in May 2021) regarding the citizens' perceptions of The Ellinikon's project.

The purpose of the survey was to align the main points of the communication strategy that have a positive effect on the image of the Group and The Ellinikon and making full use of the corporate actions that relate communication and its relationship with the younger generations and local communities.

The results showed that respondents perceive The Ellinikon as a large redevelopment project that is recognizable by the majority of the population, and thus understand its size and impact. Moreover, there is a clear connection between LAMDA Development and the project, which evolves at a slower pace compared to the recognition of the project itself, but is higher than the recognition of companies of other important large-scale projects that are presently developed in Greece.

With regards to the recognizable benefits, at an economic level there is an increase in employment and a reduction of unemployment and an improvement of the tourism services and the rise of tourism. Moreover, at a socio-cultural level, it emerges that respondents perceive as benefit the contribution of The Ellinikon to the development of smart technologies and the reputation of the country abroad.

Additionally, an evaluation of the "mechanisms" that are activated in citizens when they hear positive news was carried out. Indicatively:

- Hope - News create a high degree of hope for a project that will positively upgrade the Elliniko region and the country's economy.
- Admiration - News create a high degree of admiration due to the project's size and the possibilities it will offer to the public.
- Personal Benefit - Young people, especially those living in the surrounding areas, identify the benefit of the park in their daily lives.

In the near future, The Ellinikon is expected to further enhance its communication towards the age group of 18-24 and respond to recognized ambiguities and grey areas that indicate a possible lack of knowledge, such as the free access to the new 1.5 km long beach and the metropolitan park, that will be open to all. Therefore, the public should keep receiving information on the above matters, so that the percentage of reflection and concern that hinder the positive evaluation of the project, is further reduced.

### Customers' health and safety

In addition to the measures implemented to ensure the health and safety of employees, the Group has set as a priority the protection and safety of both its employees and visitors of its shopping centers. Thus, it collaborates with distinguished security companies, that have signed the Code of Conduct<sup>15</sup>, so as to meet the standards of service quality set by the Group, that constitute a prerequisite for the smooth operation of its activities.

Systems (Enterprise Risk Management) and related control procedures (Center Management) are implemented, aiming at the continuous improvement and development of key sectors, such as health, safety, environment, and service quality.

More information is available in the chapter "Health, safety and well-being".

### Personal data protection

#### [ATHEX ESG Metric C-G6]

The Group fully complies with its obligations arising from the legislation on data protection, such as the General Regulation on Personal Data, Law 4624/2019, and the guidelines and relevant decisions of the Personal Data Protection Authority. In addition, all appropriate technical and organizational measures for the lawful processing of personal data, as well as ensuring the confidentiality, integrity, and availability of such data, have been taken.

The Group, being fully compliant with the General Regulation 2016/679 of the European Union on Data Protection Regulation (GDPR) and the relevant national legislation, has a Personal Data Protection Policy, which reflects the principles of data processing, protection and security and the responsibilities of those involved.

Moreover, it provides on its website <https://www.lamdadev.com>, the Privacy Statement and the basic commitments regarding the Protection and Security of Personal Data. The actions taken - towards full compliance - include the appointment of a Data Protection Officer (DPO), the creation and continuous updating of a File of Processing Activities, the preparation of all necessary informative texts (Privacy Notices) and consent, as well as the development of Impact Assessment Studies, for those processing activities that are deemed appropriate.

It takes the appropriate technical and organizational measures to ensure the security of the data and, in particular, the integrity, confidentiality and availability, while ensuring that its partners, to whom it assigns the processing of personal data, also comply with these measures. It proceeds to periodic staff trainings to ensure the information, training and awareness of employees on Personal Data Protection issues.

In 2022, issues of personal data processing were raised at Board meetings, such as the approval of the Revised Version of the Rights Management Process for Reporting Subjects and the Information Systems Security Policy.

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<sup>15</sup> For the Designer Outlet Athens mall, the Code of Conduct has not been signed by a security company, but it will be signed by the security company with which the relevant contract will be concluded, within 2023.



Outcomes of the above policies and non-financial key performance indicators

**[GRI 416-2, GRI 418-1]**

In 2022:

- There has been no incident of non-compliance with legislation and/or voluntary codes, regarding the effects on the health and safety from the Group's services.
- There has been no incident of violation of customer privacy and/or loss of customer data.

## **5. Respect for human rights**

Corporate policies and due diligence

Dignity and equality

The Group aims to create an excellent working environment that ensures dignity and equality and provides equal opportunities for all. The creation of such an environment is based on the impartial attraction of new employees regardless of gender, age, etc., and extends to an impartial performance evaluation of employees.

The Group is committed to addressing and eliminating discrimination, violence and harassment in the workplace, to ensure a working environment, where respect for human dignity prevails and discrimination is tolerated, based on personal characteristics and choices. It takes into consideration international standards (e.g., International Charter of Human Rights, ILO Declaration on Fundamental Principles and Rights at Work) in promoting diversity and providing equal opportunities to its employees and candidates at all levels of the hierarchy.

The Group commitment is not limited towards current legislation but reflects its practical effort to protect dignity and equality in the working environment, which it has set as a goal, to have no incident of discrimination of any nature. This goal concerns all Group employees, its subsidiaries, but also external partners. An environment that promotes these values has the potential to be a fertile ground for creating an environment of trust to employees and shareholders, which will, at the same time, enhance the efficiency of its employees and will strengthen the reputation of the Group. On the contrary, any case of non-compliance with policies and labor laws may result in legal sanctions and fines, and negatively affect the reputation of the Group.

Moving towards this direction, a series of policies, such as, but not limited to, the Code of Conduct and the Workplace non-discrimination, anti-harassment and violence prevention Policy, as well as mechanisms which are used as tools for reflecting the Group's values in the workplace and contributing to ensuring the protection of employees' rights.

Business Conduct & Human Rights

**[ATHEX ESG Metrics C-S6, C-G5]**

Since the beginning of its operation, the Group has adopted a corporate culture with values and rules of conduct, characterized by integrity, ethics, transparency and personal responsibility. As far as employees are concerned, the Code of Conduct is the guiding instrument in their daily behavior in the context of the provision of their services. In addition, business ethics issues relating to the Group's suppliers are covered by the Supplier Code of Ethics referred to in chapter 7.

The Code of Conduct, which was revised in November 2022, acts as a means of guiding the LAMDA Development employees and its subsidiaries, in which it holds the majority, so that the Group conducts its activities in an ethical and honest manner. The Code acts in addition to, and complementary to, the current legislation and is used as a lever in the process of establishing minimum rules and integration of business ethics principles and ethical behavior, which must be observed by the liable persons. Based on the precautionary principle, the Code of Conduct is made available at the beginning of the employment relationship to the liable persons.

The Code of Conduct rules are applied by the liable persons, that are defined as follows:

1. the Members of the LAMDA Development Board of Directors and any third party to whom responsibilities of the Board of Directors have been assigned,
2. the Managers
3. Persons contracted with a Group company with a fixed-term or indefinite employment contract or persons linked to the Group by another employment relationship, such as consultants, persons who are seasonal staff and/or persons employed as trainees of the Group company

Human rights issues are covered in the Code of Conduct, since the Group does not have a separate related Policy, . The Management, recognizing the particular importance of its human resources, which is the main factor for achieving its goals, ensures the formation of a working environment, where all Obligated Persons at each level of hierarchy have equal rights and opportunities, while at the same time rewarding effort and protecting diversity. The Group expresses its zero tolerance to discrimination, violence and harassment that occurs during work, whether related to it or resulting from it, while at the same time it is committed to addressing and eliminating these incidents, in order to ensure a working environment where respect for human dignity prevails. The Group selects, assigns, evaluates, rewards and compensates Obligated Persons on the basis of their formal and substantive qualifications for the needs of their work, without discrimination on the basis of race, color, national origin, nationality, religious or other beliefs, disability or chronic disease, age, marital or social status, identity or gender, citizenship, sexual orientation or any other personal characteristics.

To ensure respect for human rights, the Group has individual policies approved by the Board of Directors, which are posted on the Group's Intranet and/or on the Company's website.

### Anti-Discrimination, Violence and Harassment Policy

The purpose of the policy is to prevent and combat all forms of discrimination based on personal characteristics and choices, as well as any violence and harassment that occurs during work, whether it is related to it or arises from it.

### Whistleblowing Policy

A Whistleblowing Policy (<https://www.lamdadev.com/en/the-company/whistleblowing/whistleblowing-policy.html>) has been developed, based on which an innovative and integrated mechanism for the submission, management and investigation of reports (Whistleblowing) has been adopted, with the aim of enhancing the transparency and integrity of the Group.

Thanks to this mechanism, all employees of LAMDA Development and its subsidiaries, as well as its external partners, can, anonymously or not, report incidents in the workplace, such as violations of transparency and integrity, as well as any form of discrimination, violence and harassment at work, as reflected in the Whistleblowing Policy.

The Group has developed a series of individual policies and procedures for the internal allocation of responsibilities regarding the way of submitting, managing and investigating reports (Whistleblowing):

- the Reporting Process, which institutionalizes reporting channels and describes in detail how employees and external partners submit reports,
- the Reports Management Procedure, which defines the competent bodies and the individual steps for the proper and effective handling of complaints, and
- the Internal Investigation Policy and Procedure, which sets out how reports should be investigated.

In the context of the aforementioned mechanism, a new customized platform (<https://lamdadev.sec.fraudline.gr/>) was created for the submission of reports exclusively for the Group, which in combination with the relevant email ([whistleblowing@lamdadev.com](mailto:whistleblowing@lamdadev.com)) constitute the innovative and integrated mechanism for submitting, managing and investigating reports. It is worth noting that the Group treats with due seriousness, confidentiality and attention all reports submitted (anonymous or not) through the aforementioned statutory reporting channels, while it has developed interactive and comprehensible audiovisual material to educate and raise awareness among stakeholders.

### Diversity Policy

A Diversity Policy has been adopted that is included in the Suitability Policy, which is posted on the website <https://www.lamdadev.com>, with the aim to promote, on the one hand, the necessary differentiation in the BoD, and, on the other hand, attaining the inclusiveness of the group's members. When selecting members

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of the BoD, the necessary provision is made to ensure the diversity of opinions and experiences, in order to reach good decisions.

To all members of the BoD, emphasis is placed on the diversity of the group of BoD members, with the main characteristic being the representation by gender (at least 25% of the total members rounded when calculated, to the previous integer) and the absence of discrimination in the selection of members.

Outcomes of the above policies and non-financial key performance indicators

### [ATHEX ESG Metric C-S3]

During the reporting period, female employees in managerial positions (the percentage of women in the top 10% of highest-paid employees) accounted for 28.9%.

Female employees in managerial positions (%)		
2022	2021	2020
28.9%	23.9%	28.0%

### [GRI 405-1]

Composition of governance bodies and employee breakdown by gender (%)		
	2022	
	Men	Women
Board of Directors	75.0%	25.0%
Senior Executives	74.6%	25.4%
Middle executives	50.2%	49.8%
Support staff	42.2%	57.8%

Composition of governance bodies and employee breakdown by function (%)		
	2022	
	Men	Women
Shopping centers (Golden Hall, The Mall Athens, Mediterranean Cosmos)	11.0%	15.5%
The Ellinikon (including Agios Kosmas Marina)	21.3%	24.5%
Flisvos Marina	4.3%	1.7%
Head offices	11.1%	10.0%
Abroad activities	0.1%	0.5%
<b>Total</b>	<b>47.8%</b>	<b>52.2%</b>

Composition of governance bodies and employee breakdown by age group (%)			
	2022		
	<30	30-50	>50
Board of Directors	0%	17.0%	83.0%
Senior Executives	0%	55.6%	44.4%
Middle executives	2.4%	80.0%	17.6%
Support staff	36.7%	53.5%	9.8%

Composition of governance bodies and employee breakdown by age group (%)			
	2022		
	<30	30-50	>50
Shopping centers (Golden Hall, The Mall Athens, Mediterranean Cosmos)	9.3%	14.9%	2.3%
The Ellinikon (including Agios Kosmas Marina)	9.9%	27.9%	8.1%
Flisvos Marina	0.3%	3.6%	2.0%
Head offices	3.0%	14.9%	3.2%
Abroad activities	0.0%	0.6%	0.0%
<b>Total</b>	<b>22.5%</b>	<b>61.9%</b>	<b>15.6%</b>

**[ATHEX ESG Metric A-S3]**

Gender pay gap (%)		
2022	2021	2020
32.9%	31.5%	34.6%

Note: The calculation of the metric took into account the payroll of all full-time employees who worked throughout the year and not as a headcount at 31.12 of each year. A forecast of the bonus of the year 2022 has also been included in the calculation, which will be paid to employees in 2023.

**[GRI 406-1]**

For 2022, there were no recorded incidents of discrimination either among internal stakeholders (employees) or external stakeholders (e.g., suppliers).

**6. Anti-corruption and issues related to bribery**

**Corporate policies and due diligence**

Since the beginning of its operation, the Group has adopted a corporate culture with values and rules of conduct, characterized by integrity, ethics, transparency, and personal responsibility for each employee.

Apart from complying with the current legislation and the regulatory framework, all employees must also comply with the Internal Regulation of Operation, the Code of Conduct, as well as the Policies, Codes and Procedures, established by Management, in order to add value and ultimately enhance the Group's competitiveness. The Principles, Codes, Procedures and Policies that are applied and are available - as appropriate - on its website and intranet (either in Greek and/or English), cover issues such as anti-corruption, conflicts of interest, personal data, confidentiality, customer relationships, market abuse, inside information management, discrimination in the workplace, etc. Their content is examined at regular intervals and updated according to the new data, so that they always remain up to date and meet the needs of each time.

As a measure of best practice and promotion of corporate compliance, it has adopted the Anti-Corruption Policy, as approved by the BoD, with which it places restrictions on its interactions with various employees of the public and private sector, in order to maintain a high level of professional behavior, while reflecting the zero-tolerance approach to any form of corruption. To achieve the above objectives, this Policy includes both quantitative and qualitative restrictions on the provision and acceptance of gifts, trips, meals and other benefits by staff to third parties and vice versa.

The ultimate goal is to conduct business activity and transactions with professionalism, integrity and fairness. More specifically, issues such as the integrity and respect for labor relations, the commitment of employees to corporate goals, the commitment to the continuous professional training of its human resources, as well as the continuous effort of employees to achieve maximum performance and the continuous improvement of the result of their work, are covered.

In addition, procedures are implemented relating to ensuring confidentiality of operations and confidentiality in general, the fight against corruption, conflicts of interest, the out-of-company activities of employees, the use of the Group's assets, and its relations with customers and suppliers, which must be based on trust, mutual respect, impartiality and honesty, thus ensuring long-term partnerships. The above act as tools of best practice and compliance with the current legislation, with the aim of adding value and ultimately enhancing the competitiveness of the Group. In addition, they promote transparency, health and safety of employees, sustainable development principles regarding the environment and the relations with society and especially with vulnerable social groups and local communities in the areas where it operates. Their content is reviewed at regular intervals and updated according to new data, so that they remain always up to date and meet the needs of each case.

**Outcomes of the above policies and non-financial key performance indicators**

**[GRI 205-3, ATHEX ESG Metrics C-G5, A-G2]**

The application of the Code of Conduct provisions is mandatory and is subject to control by the competent supervisory bodies of the Group. For this purpose, those responsible for its implementation must familiarize

themselves with its content and sign the relevant acceptance form, which is delivered to the Human Resources Department.

In 2022, there was no confirmed incident of corruption or bribery, and no relevant intent to commit corruption or bribery came to the attention of the relevant officials. In addition, there was no monetary loss as a result of violations of the Code of Conduct.

Moreover, within the framework of the Whistleblowing Policy, an innovative and integrated mechanism for the submission, management and investigation of reports is implemented, with the aim of enhancing the transparency and integrity of the Group. This mechanism is available for the submitting various types of reports, in accordance with the relevant policy available on the website <https://www.lamdadev.com>.

## 7. Supply chain issues

### Corporate policies and due diligence

The Group’s supply chain is divided into 3 main categories, which relate to real estate investment, projects in the development phase, and procurements to meet operational needs. More specifically:



### Procurement Policy and Supplier Code of Ethics

#### [ATHEX ESG Metric C-S8]

The Procurement Policy determines, through the recording of the basic guidelines and rules, the operating framework with regards to the procurement of materials, equipment, and services during the exercise of the Group’s activities. It aims at covering, in time and in adequate quality, the needs in materials, equipment, services and projects, , under the best possible terms (quality, price, payment method, guarantees, etc.) in order to:

- Strike a balance between technical adequacy, quality and price of tenders, as well as the quality and acceptance of the supplier, in order to maximize the overall benefit.
- Ensure transparency, objectivity, impartiality and equal opportunities.
- Minimize operational and credit risks, arising from partnerships with suppliers.
- Increase credibility vis-à-vis third parties.

In the context of enhancing the understanding and acceptance of the Group’s corporate values by its entire supply chain, the Supplier Code of Ethics was approved in December 2022, also available on the website ([https://www.lamdadev.com/images/corporate\\_governance/Suppliers\\_Code\\_of\\_Ethics.pdf](https://www.lamdadev.com/images/corporate_governance/Suppliers_Code_of_Ethics.pdf)) containing the ethical principles that should govern the conduct of potential suppliers, contractors, service providers and consultants entering into a contractual relationship with the Group.

The purpose of the Supplier Code of Ethics is, among others, to promote safe and fair working conditions as well as the responsible management of social, ethical, and environmental issues in the Group supply chain. Suppliers are required to ensure that their own suppliers and subcontractors are subject to principles of conduct equivalent to those set out in the Group’s Supplier Code of Ethics. The Supplier Code of Ethics is

incorporated in the tenders launched by the Group prior to the commencement of any contractual relationship (except in cases where the candidate supplier has its own stricter framework). Specifically, it is requested to be accepted in writing by the candidate suppliers, through a relevant questionnaire, in the context of their preliminary evaluation and through their terms of participation for the tenders of the Group.

#### Procurement Evaluation

#### **[ATHEX ESG Metric C-S8]**

The responsible Procurement Management Departments, which have the knowledge about the products and services on offer, conduct market research, in order to identify potential new suppliers. Before launching any request for proposals, they assess potential suppliers to verify that the supplied products and services meet the respective requirements, as well as to minimize any operational and credit risks that may arise from possible wrong partnerships. In the context of the preliminary evaluation, general information about the business activity of potential suppliers is collected, through a relevant questionnaire that is sent to them, and are then categorized appropriately. Where deemed necessary, targeted preliminary assessments (PPQs) are carried out, to select candidate suppliers who meet the participation requirements of specific tenders.

According to the Code of Conduct, all suppliers are provided equal opportunities and as stated in the Procurement Policy, the evaluation of bids and, consequently, the cooperation decisions, are based on the following technical evaluation criteria, which consider environmental and responsible entrepreneurship parameters of the supplier candidates:

- compliance with technical specifications,
- quality,
- methodology and execution schedule,
- criteria related to responsible entrepreneurship (e.g., certification of quality systems, environmental management, health and safety, etc.).

In cases of procurement and projects requiring on-site audits at the suppliers' premises, or of existing projects already being performed by suppliers, those suppliers are further being evaluated based on the following criteria:

- quality policy and quality control procedures,
- implementation quality of existing projects,
- development laboratories and techniques,
- equipment capabilities,
- employee capabilities and training.

Respectively, Flisvos Marina lends wight to the safeguarding of a continuous, transparent, and efficient procurement process, for hazardous and non-hazardous materials, equipment, and services (of contractors and external partners). The marina sets as a priority the safety and protection of the environment for the supplied materials, equipment, and services, as well as for the activities for the management of its facilities. In this way, it seeks to minimize the risks arising from their use and ensure compliance with quality, safety and environmental policies. Flisvos Marina follows specific procedures aiming at the effective management of its partnerships with its suppliers, subcontractors and partners.

In the context of the award of works and services (relating to a specific amount of money or above), a technical evaluation report is prepared by the technical evaluation committee, which provides a summary of all the tenders received, as well as a clear and objective analysis and evaluation of the technical, environmental (if they fall under the criteria of the technical assessment) and qualitative aspects of the tenders, in order to determine impartially the technically valid candidates. The composition of these committees shall be determined based on the type of the proposed award. Additionally, apart from the commercial and technical documentation, it is required through the relevant Request for Proposal (RFP), that suppliers also include documentation on "Health safety and environment".

#### Outcomes of the above policies and non-financial key performance indicators

In 2022, the Group (including all its subsidiaries, with the exception of LAMDA Flisvos Marina A.E.) collaborated with more than 1,250 suppliers of services and products. Respectively, Flisvos Marina collaborated with 248 suppliers of services and products.

During the reporting year, there were no audits of suppliers characterized as high risk, nor any cases of termination of cooperation with suppliers, due to non-compliance with the Supplier Code of Ethics.

## 8. EU Taxonomy Report

### [ATHEX ESG Metric A-S1]

The EU Taxonomy Regulation (2020/852/EU) is one of the tools established due to the European Green Deal, which aims at the transformation of the European Union, into a modern, efficient, competitive and climate-neutral economy by 2050, in a fair manner.

The Regulation establishes the technical screening criteria for determining whether an eligible economic activity qualifies as environmentally sustainable (taxonomy aligned). Consequently, the Regulation sets a common classification system with regards to the economic activities that have a significant positive impact on the climate, the environment and the society.

An economic activity is eligible according to EU Taxonomy if it is described in one of the Delegated Acts 2021/2139 and 2022/1214, irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts.

For an economic activity to qualify as environmentally sustainable i.e., Taxonomy-aligned, the activity is required to meet all the following requirements:

- Contributes substantially to one, or more, of the six (6) environmental objectives set by the Regulation
- Does not significantly harm any of the other five (5) environmental objectives
- Complies with the minimum social safeguards
- Complies with the technical screening criteria as set by the Commission

The six environmental objectives set by EU Taxonomy Regulation are the following:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Currently, according to the Delegated Acts 2021/2139 and 2022/1214, there are available technical screening criteria only for the two (2) of the six (6) environmental objectives, and specifically for:

- climate change mitigation and
- climate change adaptation.

### EU Taxonomy Reporting Methodology

The methodology for the determination of the key performance indicators (KPI) of the Group for 2022, which according to Article 8, paragraph 1, of EU Taxonomy Regulation (2020/852/EU), the non-financial undertakings are subjected to an obligation to publish, was as follows:

1. Identification of the Taxonomy-eligible economic activities
2. Assessment to determine alignment of the Taxonomy-eligible economic activities based on the technical screening criteria of the below:
  - a. Substantial contribution to the climate change mitigation and climate change adaptation environmental objectives
  - b. Do no significant harm (DNSH)
3. Assessment on the compliance of the Group with the minimum social safeguards
4. Calculation of the key performance indicators:
  - The proportion of their turnover («Turnover») derived from products or services associated with economic activities that qualify as environmentally sustainable.
  - The proportion of their capital expenditure («CapEx») related to assets or processes associated with economic activities that qualify as environmentally sustainable.
  - The proportion of their operating expenditure («OpEx») related to assets or processes associated with economic activities that qualify as environmentally sustainable.

## Annual financial report for the year ended 31 December 2022

The methodology was based on the EU Taxonomy Regulation (2020/852), its Delegated Acts as well as any additional guidance released:

- The Climate Delegated Acts 2021/2139 and 2022/1214.
- The Disclosure Delegated Act 2021/2178.
- Final Report on Minimum Safeguards.

### Identification of the Taxonomy-eligible economic activities

LAMDA Development Group plays an extremely important role in the field of large shopping and entertainment centers in Greece, while has investments in residential and office developments, mainly in Greece, as well as in countries of SE Europe.

Currently, the Group's real estate portfolio includes the following:

- the complete urban regeneration of the Metropolitan Pole of Elliniko – Agios Kosmas area (the redevelopment of the former Elliniko airport, as well as the promotion of the coastal front),
- the Mall Athens, the first and largest shopping and entertainment center in Greece,
- the Golden Hall, an internationally renowned shopping center, in which the new Olympic Museum of Athens and the XPLORE family entertainment center are located,
- the Mediterranean Cosmos, the largest shopping and entertainment center in Northern Greece,
- the Marinas in Flisvos and Elliniko, Agios Kosmas,
- office buildings, and
- innovative residential complexes.

The determination of the eligible economic activities of Group's economic activities was conducted based on the description and the NACE codes associated with its activities. During the financial year 2022, 79% of its turnover, 61% of its capital expenditure («CapEx») and 70% of its operating expenditure («OpEx»), were identified as Taxonomy-eligible.

The economic activities of the Group which were identified as Taxonomy-eligible for the financial year 2022 are the following:

Economic activity	Description	NACE-Code
4.3 Electricity generation from wind power	Construction or operation of electricity generation facilities that produce electricity from wind power.	D35.11
7.1 Construction of new buildings	Development of building projects for residential and non-residential buildings by bringing together financial, technical and physical means to realise the building projects for later sale as well as the construction of complete residential or non-residential buildings, on own account for sale or on a fee or contract basis.	F41.2
7.7 Acquisition and ownership of buildings	Buying real estate and exercising ownership of that real estate.	L68
13.2 Libraries, archives, museums and cultural activities	Libraries, archives and museums of all kinds.	P91



### Eligibility Assessment based on technical screening criteria

The Group proceeded with the assessment of its eligible economic activities and assets, against:

- The technical screening criteria (TSC) concerning substantial contribution for at least one (1) environmental objective, the climate change mitigation or the climate change adaptation, in order to identify in which of these two (2) objectives, they substantially contribute. In addition, it was determined whether each economic activity is considered an enabling or a transitional one.
- For economic activities which are not characterized as enabling (i.e., 4.3, 7.1 and 7.7), the assessment was conducted according to the technical screening criteria for the substantial contribution to climate change mitigation, as the turnover derived from products and services associated with an adapted activity (which is not considered as enabling), cannot be recognized as Taxonomy-eligible. For the Activity 13.2, the assessment was conducted according to the technical screening criteria for the substantial contribution to climate change adaptation, as this activity is considered an enabling activity, but also is not included in the list of activities that could potentially contribute significantly to climate change mitigation.
- The technical screening criteria (TSC) concerning “do no significant harm” in relation to the remaining five (5) environmental objectives. More specifically, the assessment was carried out according to the criteria concerning either the climate change mitigation or the climate change adaptation environmental objective, depending on the objective assessed during the substantial contribution assessment, as well as the remaining four (4) objectives (Sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems).

The purpose of this assessment was the determination of the level for alignment of the Group’s eligible economic activities with the TSC and the requirements of Taxonomy Regulation, as well as the identification of potential gaps, in order the Group to develop a specific action plan to align its eligible economic activities, with the Taxonomy Regulation, in the coming years.

### **Activity 4.3 Electricity generation from wind power**

The Group is active in the construction of wind turbines in wind farms, as well as in the production of electricity from wind farms, through its subsidiary GREENVOLT IKE. For 2022, the total capacity of the projects which are under development is 250 MW. During 2022, this economic activity has showed Turnover €0 m. (0% of the total Turnover), CapEx €1 m. (2% of the total CapEx) as well as OpEx €0 m. (0% of the total OpEx).

#### Substantial contribution

The activity substantially contributes to climate change mitigation, as it is related to electricity generation from wind power.

#### Do No Significant Harm (DNSH)

- The assessment was based on the criteria described in Activity 4.3 and are related to:
- The assessment of the physical climate risks
- The utilization of equipment and components of high durability and recyclability

The completion of an Environmental Impact Assessment (EIA) and the implementation of the required mitigation and compensation measures for protecting the environment

The assessment concluded the activity do not comply with the technical screening criteria of the climate change adaptation, as the Group has not identified and assessed the physical climate risks related to this activity.

With regards to equipment utilization, the wind turbines consist of approximately 97% of durable and recyclable components. Subsequently, the activity complies with the technical screening criteria related to the transition to a circular economy.

With regards to the implementation of the required mitigation and compensation measures for the protection of the environment, considering that all the wind farms of the Group are currently under development, and that all approved Environmental Impact Assessments (EIA) are available, the implementation of the mitigation measures, as described in each EIA will follow as soon as wind farm’s construction will be completed and their connection to the grid is secured.

## Activity 7.1 Construction of new buildings

This activity includes 68 assets related to the following subsidiaries: ELLINIKO S.M.S.A. (64 buildings), LAMDA VOULIAGMENIS S.M.S.A. (1 building complex) as well as LAMDA RIVIERA S.M.S.A. (1 building complex – 3 buildings). All assets are related to the projects that the Group develops in the Metropolitan Pole of Elliniko – Agios Kosmas. During 2022, this economic activity has showed Turnover €21,9 m. (16% of the total Turnover), CapEx €25,8 m. (44% of the total CapEx) as well as OpEx €0 m. (0% of the total OpEx).

### Substantial contribution

The assessment related to the substantial contribution to climate change mitigation was based on the criteria related to:

- The Primary Energy Demand (PED)
- The testing for airtightness and thermal integrity, for buildings larger than 5,000 m<sup>2</sup>
- The life-cycle Global Warming Potential (GWP) calculation, for buildings larger than 5,000 m<sup>2</sup>

For buildings smaller than 5,000 m<sup>2</sup> (47 buildings), the assessment concluded that:

- 20 buildings (29% of the total number of buildings) comply with the technical screening criteria of substantial contribution to climate change mitigation, as, based on the design phase studies, it is anticipated their energy consumption to be at least 10% lower than the lower threshold set for the nearly zero-energy building (NZEB).
- 4 buildings (6% of the total number of buildings) do not fulfill the criterion related to the Primary Energy Demand.
- 23 buildings (34% of the total number of buildings) are still at an early design stage and as a result they could not be assessed for their alignment. These buildings are not assessed against the rest of the technical screening criteria of substantial contribution.

For buildings larger than 5,000 m<sup>2</sup> (17 buildings), the assessment concluded that:

- 14 buildings (21% of the total number of buildings), either already comply, or it is already planned to comply, based on their studies, with the criterion concerning energy consumption. With regards to the requirement of testing for airtightness and thermal integrity, it is planned to be carried out for all new buildings, by the completion of their construction. As far as the life-cycle Global Warming Potential (GWP) calculation, taking into consideration that many new buildings are on track to be certified with LEED (12 buildings), the relevant study is already initiated regarding building's shell and structure.
- 3 buildings (4% of the total number of buildings) do not fulfill any of the 3 criteria of the substantial contribution.
- 4 buildings (6% of the total number of buildings) are still at an early stage concerning their studies and as a result they could not be assessed for their alignment. However, during the design phase of these buildings, the related technical screening criteria will be considered.

### Do No Significant Harm (DNSH)

The assessment was based on the technical screening criteria described in the Activity 7.1 which are related to:

- The assessment of the physical climate risks.
- The installation of low consumption water appliances to ensure sustainable use and protect water and marine resources.
- The reuse, recycle or other recovery of non-hazardous construction and demolition waste.
- The building's design and construction techniques to support circularity and demonstrate how they are designed to be more resource efficient, adaptable, flexible and dismantlable to enable reuse and recycling.
- The use of building components and materials with low emissions of carcinogenic volatile organic compounds and the limitation of the use of construction materials containing specific chemical substances.
- The completion of an Environmental Impact Assessment (EIA) and the implementation of the required mitigation and compensation measures for protecting the environment.

The assessment concluded in non-alignment of the activity with the technical screening criteria of the climate change adaptation, as the Group has not identified and assessed the physical climate risks related to this

activity. However, this assessment is already on track currently for 3 projects (Riviera Tower, Riviera Galleria and Vouliagmenis Mall Complex) to be conducted during the next reporting period.

The assessment of the activity with the technical screening criteria of the sustainable use and protection of water and marine resources concluded that 20% of buildings (8 buildings), which are in the design phase, the installation of appliances with low water consumption is already planned. For the rest, it will be considered during the maturity of their studies. At the same time, 100% of the buildings either already have approved Environmental Impact Assessment, or, for cases that a new Environmental Impact Assessment is required, its issuance is in progress and is planned to be submitted. During construction phase, the related Environmental Management Plan is already applied, according to the approved environmental terms.

For the buildings for which the LEED certification is planned (63% of the total buildings), there is already a requirement for significant percentage of reuse and recycle of non-hazardous construction and demolition waste, above the limit set in the technical screening criteria of the transition to a circular economy environmental objective. In parallel, according to the Environmental Management Plans of both construction and operation all the required measures for the reduction of noise, dust and pollutant emissions are applied.

With regards to the construction materials, for all new, under development, buildings, the selection of all indoor materials and components will be conducted, to the extent possible, based on the technical screening criteria of the pollution prevention and control, which set the emissions and limitation of the usage of specific chemical substances.

### **Activity 7.7 - Acquisition and ownership of buildings**

This activity includes the assets related to the following subsidiaries: PYLAIA S.M.S.A., LAMDA DOMI S.M.S.A., L.O.V. S.M.S.A., DESIGNER OUTLET ATHENS S.M.L.L.C., LAMDA FLISVOS MARINA S.A., LAMDA PRIME PROPERTIES S.M.S.A., LAMDA ESTATE DEVELOPMENT S.M.S.A. and KRONOS PARKING S.M.S.A. (8 assets of the Group in total: Mediterranean Cosmos, Golden Hall, The Mall Athens, Designer Outlet Athens, Cecil, the buildings of Flisvos Marina, Othonos Parking and Kronos Parking). During 2022, this economic activity has showed Turnover €89,6 m. (63% of the total Turnover), CapEx €8,7 m. (15% of the total CapEx) as well as OpEx €3,6 m. (68% of the total OpEx).

#### Substantial contribution

The assessment related to the substantial contribution to climate change mitigation was based on the criteria related to:

- The Energy Performance Certificate, for buildings built before 31 December 2020.
- For buildings built after 31 December 2020, the criteria specified for Activity 7.1, concerning the Primary Energy Demand (PED) and based on the footage of the building, the conduction of testing for airtightness and thermal integrity and the life-cycle Global Warming Potential (GWP) calculation.
- Where the building is a large non-residential building (with an effective rated output for heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air-conditioning and ventilation of over 290 kW) it's efficient operation through energy performance monitoring and assessment.

All buildings of this economic activity have been constructed before December 31st, 2020. The assessment concluded that no building is aligned with the Energy Performance Certificate related criterion. As an alternative to the Energy Performance Certificate, the Regulation states that for buildings constructed before December 31st, 2020, it may comply with the Energy Performance Certificate related criterion if it is within the top 15% of the national or regional building stock, in relation to Primary Energy Demand. The assessment against this criterion was not currently possible due to insufficient national statistics data. There is already a provision for the energy upgrade of some buildings of the portfolio, with the aim of improving their energy efficiency, which will contribute to their alignment with the technical screening criterion related to Energy Performance Certificate.

Regarding the criterion related to monitoring and assessment of heating, ventilation and air-conditioning systems, the assessment concluded that all 3 buildings with a useful nominal power of more than 290 kW are aligned with the criterion.

The assets concerning the subsidiaries LAMDA ESTATE DEVELOPMENT S.M.S.A. and KRONOS PARKING S.M.S.A., as they constitute parking lots, cannot be aligned with the technical screening criteria of substantial contribution, due to the fact that, based on legislation, they do not have Energy Performance Certificates.

### Do No Significant Harm (DNSH)

The assessment of the Activity 7.7 was based on the technical screening criteria for the climate change adaptation which is related to the assessment of the physical climate risks.

The physical climate risks assessment is already conducted for one building (The Mall Athens), while for the rest of the buildings the physical risks have not been identified and assessed.

The parking lots are not included in the Do No Significant Harm assessment.

### **Activity 13.2 Libraries, archives, museums and cultural activities**

This activity includes the subsidiary ATHENS OLYMPIC MUSEUM A.M.K.E.. During 2022, this economic activity has showed Turnover €0,2 m. (0,1% of the total Turnover), CapEx €0 m. (0% of the total CapEx) as well as OpEx €0,1 m. (2% of the total OpEx). The activity is considered an enabling activity according to EU Taxonomy Regulation.

#### Substantial contribution

The assessment of this activity was based on the technical screening criteria for the climate change adaptation which is related to the assessment of the physical climate risks.

The assessment concluded in non-alignment of the activity with the technical screening criteria of the climate change adaptation, as the Group has not identified and assessed the physical climate risks related to this activity.

### Do No Significant Harm (DNSH)

For this activity there are no DNSH criteria available for any of the remaining environmental objectives

### **Minimum Social Safeguards**

The Group was assessed against the requirements of the minimum social safeguards as set out in Article 18 of the EU Taxonomy Regulation (2020/852/EU). The minimum social safeguards are a set of defined UN, EU and other international human rights guidelines, as follows:

- The OECD Guidelines for Multinational Enterprises
- The United Nations Guiding Principles (UNGPs) on Business and Human Rights
- The principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labor Organization on Fundamental Principles and Rights at Work
- The International Bill of Human Rights

According to the Final Report on Minimum Safeguards of the Platform on Sustainable Finance, the minimum social safeguards cover the following areas:

- Human rights (including labor rights)
- Corruption/Bribery
- Taxation
- Fair Competition

All human rights, listed in the [ILO fundamental conventions](#) and the International Bill of Human Rights are taken into account in the UNGPs. Therefore, the assessment of the minimum social safeguards had as main reference points the OECD Guidelines for Multinational Enterprises and the UNGPs.

### **Human Rights**

The Group has adopted, an approved by the BoD, Code of Conduct, which includes specific commitments regarding the observance of human rights, including the rights of employees. These commitments apply to all employees as well as business partners.

The Group also applies, an approved by the BoD, Suppliers' Code of Ethics, which is available on Group's website and includes the ethical principles that must govern the conduct of any suppliers, contacts, service providers and consultants who contract the Group and which must be expressly accepted by them prior to the

commencement of the contract. Among these ethical principles, the Suppliers' Code of Ethics covers human rights and labor practices.

Furthermore, to properly prevent and combat any form of discrimination based on personal characteristics and choices as well as any violence and harassment that occurs during work, whether connected to it or resulting from it, the Group implements its [Workplace Non-discrimination, anti-harassment, and violence prevention Policy](#). The Group Human Resources Department is responsible for the Policy. The Policy includes all measures to prevent, control and limit risks, information actions and awareness actions as well as the option to submit, investigate and deal with complaints.

In particular, the Group implements a Whistleblowing Policy, within which an anonymous and confidential reporting platform operates in conjunction with a relevant email ([whistleblowing@lamdadev.com](mailto:whistleblowing@lamdadev.com)), where all employees and external partners can submit reports for workplace violations, after which a relevant investigation is carried out. Priority is to ensure transparency against fight corruption and fraud, safeguard integrity and fight any form of discrimination, violence and harassment at work.

The Group also has a mechanism for submitting suggestions or complaints (Grievance Mechanism) from its interested parties. In this direction, a form for submitting suggestions or complaints has been created (<https://www.lamdadev.com/en/contact/public-grievance-form.html>). In addition, specific requests for information can be submitted through the Group's social media, as well as directly to LAMDA Development at the following address: LAMDA DEVELOPMENT S.A./ 37A Kifissias Ave. (Golden Hall) /151 23 Maroussi, Greece /Phone: +30 210 7450600/Fax: +30 210 7450645/ [lamda@lamdadev.com](mailto:lamda@lamdadev.com) / <https://www.lamdadev.com/en/>, as well as through the dedicated website for the Hellinikon project ([www.theellinikon.com.gr](http://www.theellinikon.com.gr)).

The Group's main objective for the next reporting year is to conduct a Human Rights Due Diligence throughout the value chain.

### **Corruption/Bribery**

The Group shows zero tolerance for corruption. Based on the Regulatory Compliance Policy and the regulatory compliance procedures manual, the Regulatory Compliance Unit is responsible for taking preventive, suppression/detection and response actions in relation to matters of business ethics, transparency, integrity, safeguarding the interests of shareholders and protecting the traders with the Group.

In addition, the Group has drawn up an Anti-Corruption Policy, which has been approved and adopted by the BoD. This Policy reflects the framework accepted by the Group for offering and accepting gifts and other benefits, from employees to third parties and vice versa. The Policy also regulates matters of work employment, including internships, as well as matters of charitable donations. Employees and in general persons who fall within the definition of the Code of Ethics must comply with the Policy and bring to the attention of the Group incidents that may violate its provisions.

For the best possible implementation of the above Policy, the Anti-Corruption Procedure has additionally been drawn up, which includes specific steps and safeguards required to deal with bribery and corruption issues. In addition, external and potential business partners must comply with the principles contained in the Supplier Code of Conduct, including the principles in relation to bribery and corruption.

In addition, the Group has adopted and implements, a Conflict of Interest Policy, approved by the Board of Directors, in order to identify, prevent and manage situations that affect Group's interests and its affiliated companies. All actual and potential conflicts of interest at the Board level are investigated, notified and documented to the Audit Committee, as defined in the relevant procedures.

The Human Resources Department, in collaboration with the Regulatory Compliance Unit, organizes relevant trainings for employees, in order for the latter to be informed and aware of corruption issues.

### **Taxation**

With respect to taxation matters, the Group ensures compliance with accounting and tax laws, statutory and other regulatory considerations for itself and all its subsidiaries. Compliance with tax legislation is also ensured through the issuance of an "Annual Tax Certificate".

In addition, the Group recognizes and assesses risks related to tax issues as part of the risk management process.

## Fair competition

The Group attaches particular importance to compliance with Competition Law. To this end, the Regulatory Compliance Unit has included Fair Competition issues in the Regulatory Compliance pillars that it supervises on a quarterly basis and reports to the Audit Committee. Within the year 2022, no incidents of violation of the relevant legislation have been reported to the Regulatory Compliance Unit and therefore the need to take and coordinate corrective measures has not arisen.

## Accounting policy for the determination of key performance indicators (KPIs)

The key performance indicators of eligible (aligned and non-aligned) and non-eligible economic activities of the Group have been calculated based on the following Accounting Policy, as stated in the Disclosure Delegated Act 2021/2178.

### Turnover (turnover KPI)

The proportion of turnover referred to in Article 8(2), point (a), of the Regulation (EU) 2020/852 is calculated as the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities (numerator), divided by the net turnover (denominator) as defined in Article 2, point (5), of Directive 2013/34/EU. The turnover covers the revenue recognized pursuant to International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) No 1126/2008. The denominator includes the total sales of note 25 "Revenue" of the Annual Financial Report for the year ended December 31, 2022.

The KPI referred to in the first subparagraph excludes from its numerator the part of the net turnover derived from products and services associated with economic activities that have been adapted to climate change in line with Article 11(1), point (a) of Regulation (EU) 2020/852 and in accordance with Annex II to Delegated Regulation (EU) 2021/2139, unless those activities qualify as enabling activities in accordance with Article 11(1), point (b) of Regulation (EU) 2020/852.

To avoid double counting in the allocation in the numerator of turnover across economic activities, the figures used have eliminated intergroup transactions.

### Capital expenditure (CapEx)

The proportion of CapEx referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 is calculated as the numerator divided by the denominator as specified in points 1.1.2.1 and 1.1.2.2 of Annex I of the delegated Regulation (EU) 2021/2178.

## Denominator

The denominator covers additions to tangible and intangible assets during the financial year considered before depreciation, amortization and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The denominator also covers additions to tangible and intangible assets resulting from business combinations.

For non-financial undertakings applying international financial reporting standards (IFRS) as adopted by Regulation (EC) No 1126/2008, CapEx shall cover costs that are accounted based on:

- (a) IAS 16 Property, Plant and Equipment, paragraphs 73, (e), point (i) and point (iii);
- (b) IAS 38 Intangible Assets, paragraph 118, (e), point (i);
- (c) IAS 40 Investment Property, paragraphs 76, points (a) and (b) (for the fair value model);
- (d) IFRS 16 Leases, paragraph 53, point (h).

Leases that do not lead to the recognition of a right-of-use over the asset are not counted as CapEx.

The denominator includes the "Capital expenditures on investment property" of under development and in operation investment properties of note 6 "Investment property", the "Additions", the "Additions due to acquisition of subsidiary" and the "Accumulated depreciation due to acquisition of a subsidiary" of note 7

"Tangible fixed assets", the "Additions" and "Additions due to acquisition of subsidiary" excluding column "Goodwill" of note 8 "Intangible Assets", , as well as the "Additions due to remeasurement of lease assets" and the "Additions" of note 19 "Leases" of the Annual Financial Report for the year ended 31 December 2022.

## **Numerator**

The numerator equals to the part of the capital expenditure included in the denominator that is any of the following:

- (a) related to assets or processes that are associated with Taxonomy-aligned economic activities;
- (b) part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned ('CapEx plan') under the conditions specified in the second subparagraph of point 1.1.2.2 of Annex I of the delegated Regulation 2021/2178 EU;

The CapEx plan, referred to in the first paragraph of this point, meet the following conditions based on point 1.1.2.2 of Annex I of the delegated Regulation 2021/2178 EU:

- (a) the plan aims either to expand the undertaking's Taxonomy-eligible and Taxonomy-aligned economic activities or to upgrade Taxonomy-eligible economic activities to render them Taxonomy-aligned within a period of five years;
- (b) the plan is disclosed at economic activity aggregated level and be approved by the management body of non- financial undertakings either directly or by delegation.

The CapEx plan, referred to in the first paragraph of point 1.1.2.2 of Annex I of the delegated Regulation 2021/2178 EU, meet the following conditions:

- (a) the plan aims either to expand the undertaking's Taxonomy-eligible and Taxonomy-aligned economic activities or to upgrade Taxonomy-eligible economic activities to render them Taxonomy-aligned within a period of five years;
- (b) the plan is disclosed at economic activity aggregated level and be approved by the management body of non- financial undertakings either directly or by delegation.

Where the relevant technical screening criteria are amended before the completion of the CapEx plan, non-financial undertakings shall either update the plan within two years to ensure the economic activities referred to in point (a) are aligned with the amended technical screening criteria upon the completion of the plan or restate the numerator of the CapEx KPI. The updating of plan shall restart the period referred to in point (a). The period referred to point (a) of the second paragraph of this point 1.1.2.2 can exceed five years only where a longer period is objectively justified by specific features of the economic activity and the upgrade concerned, with a maximum of 10 years. That justification shall feature in the CapEx plan itself and in the contextual information detailed under point 1.2.3 of the Annex I of the delegated Regulation 2021/2178 EU.

Where the CapEx plan fails to meet the conditions referred to in the second paragraph of this point 1.1.2.2, previously published KPI related to capital expenditure shall be restated.

The numerator also contains the part of the CapEx for adaptation of economic activities to climate change in accordance with Annex II to this Climate Delegated Act. The numerator provides for a breakdown for the part of CapEx allocated to substantial contribution to climate change adaptation.

To avoid double counting in the allocation in the numerator of CapEx across economic activities, the figures have eliminated intergroup transactions.

## **Operating expenditure (OpEx)**

The proportion of OpEx referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 is calculated as the numerator divided by the denominator as specified in points 1.1.3.1 and 1.1.3.2 of the Annex I of the delegated Regulation 2021/2178 EU.

### Denominator

The denominator covers direct non-capitalized costs that relate to building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

The denominator includes all the lines "Repairs and maintenance costs" and "Cleaning services" of notes 26 "Expenses related to investment property", 27 "Expenses related to the development of the Ellinikon site" and 29 "Other operating income / (expenses) - net" of the Annual Financial Report for the year ended 31 December 2022.

### Numerator

The numerator equals to the part of the capital expenditure included in the denominator that is any of the following:

a) related to assets or processes associated with Taxonomy-aligned economic activities, including training and other human resources adaptation needs, and direct non-capitalized costs that represent research and development;

b) part of the CapEx plan to expand Taxonomy-aligned economic activities or allow Taxonomy-eligible economic activities to become Taxonomy-aligned within a predefined timeframe as set out in the second paragraph of point 1.1.3.2 of the Annex I of the delegated Regulation 2021/2178 EU.

The CapEx plan, referred to in the first paragraph of point 1.1.3.2 of Annex I of the delegated Regulation 2021/2178 EU, shall meet the conditions specified in point 1.1.2.2 of the Annex I of the delegated Regulation 2021/2178 EU.

Research and development costs already accounted for in the CapEx KPI is not counted as OpEx.

To avoid double counting in the allocation in the numerator of OpEx across economic activities, the figures have eliminated intergroup transactions.

### Key Performance Indicators 2022

In the following tables the percentages of turnover, CapEx and OpEx of Taxonomy aligned, Taxonomy-non-aligned and Taxonomy-non eligible economic activities for the financial year 2022, are presented, according to the results of the alignment assessment of the economic activities of the Group.

In the financial year 2022, 79% of turnover, 61% of capital expenditure (CapEx) and 70% of operating expenditure (OpEx) of the Group were determined to be related to eligible non-aligned, with the EU Taxonomy Regulation, economic activities.



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Turnover				Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')										
Economic activities	Codes	Turnover	Proportion of total Turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of Turnover FY22	Taxonomy-aligned proportion of Turnover FY21	Category (Enabling activity)	Category (Transitional activity)
		€m	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
<b>A. Taxonomy-Eligible Activities</b>																				
<b>A.1 Environmentally sustainable (taxonomy-aligned) activities</b>																				
<b>Total Turnover from taxonomy-eligible and aligned activities (A.1)</b>		-	0%	0%	0%	-	-	-	-								0%	*	0%	0%
<b>A.2 Non environmentally sustainable (non-taxonomy-aligned) activities</b>																				
Electricity generation from wind power	4.3	-	0%																	
Construction of new buildings	7.1	21,9	16%																	
Acquisition and ownership of buildings	7.7	89,6	63%																	
Libraries, archives, museums and cultural activities	13.2	0,1	0%																	
<b>Total Turnover from taxonomy-non-aligned activities (A.2)</b>		<b>111,7</b>	<b>79%</b>																	
<b>Total Taxonomy-eligible Turnover (A.1 + A.2)</b>		<b>111,7</b>	<b>79%</b>														0%	*	0%	0%
<b>B. Taxonomy-Non-Eligible Activities</b>																				
Sales and rental of plots of land		30,0	21%																	
<b>Total Turnover from Taxonomy-non-eligible activities (B)</b>		<b>30,0</b>	<b>21%</b>																	
<b>Total Turnover (A+B)</b>		<b>141,7</b>	<b>100%</b>																	

\* There was no obligation to be calculated for 2021

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CapEx			Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')						Minimum safeguards	Taxonomy-aligned proportion of CapEx FY22	Taxonomy-aligned proportion of CapEx FY21	Category (Enabling activity)	Category (Transitional activity)		
Economic activities	Codes	CapEx	Proportion of total CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution						Biodiversity and ecosystems	
		€m	%	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
<b>A. Taxonomy-Eligible Activities</b>																					
<b>A.1 Environmentally sustainable (taxonomy-aligned) activities</b>																					
<b>Total CapEx from taxonomy-eligible and aligned activities (A.1)</b>		-	0%	0%	0%	-	-	-	-									0%	*	0%	0%
<b>A.2 Non environmentally sustainable (non-taxonomy-aligned) activities</b>																					
Electricity generation from wind power	4.3	1,0	2%																		
Construction of new buildings	7.1	25,8	44%																		
Acquisition and ownership of buildings	7.7	8,7	15%																		
Libraries, archives, museums and cultural activities	13.2	0,0	0%																		
<b>Total CapEx from taxonomy-non-aligned activities (A.2)</b>		<b>35,5</b>	<b>61%</b>																		
<b>Total Taxonomy-eligible CapEx (A.1 + A.2)</b>		<b>35,5</b>	<b>61%</b>															<b>0%</b>	<b>*</b>	<b>0%</b>	<b>0%</b>
<b>B. Taxonomy-Non-Eligible Activities</b>																					
Construction of parks, exploitation of Marina, other		23,4	39%																		
<b>Total CapEx from Taxonomy-non-eligible activities (B)</b>		<b>23,4</b>	<b>39%</b>																		
<b>Total CapEx (A+B)</b>		<b>58,9</b>	<b>100</b>																		

\* There was no obligation to be calculated for 2021

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OpEx			Substantial contribution criteria							DNSH criteria ('Does No Significant Harm')							Minimum safeguards	Taxonomy-aligned proportion of OpEx FY22	Taxonomy-aligned proportion of OpEx FY21	Category (Enabling activity)	Category (Transitional activity)
Economic activities	Codes	OpEx	Proportion of total OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems						
		€m	%	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
<b>A. Taxonomy-Eligible Activities</b>																					
<b>A.1 Environmentally sustainable (taxonomy-aligned) activities</b>																					
<b>Total OpEx from taxonomy-eligible and aligned activities (A.1)</b>		<b>0</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>								<b>0%</b>	<b>*</b>	<b>0%</b>	<b>0%</b>	
<b>A.2 Non environmentally sustainable (non-taxonomy-aligned) activities</b>																					
Electricity generation from wind power	4.3	0	0%																		
Construction of new buildings	7.1	0	0%																		
Acquisition and ownership of buildings	7.7	3,6	68%																		
Libraries, archives, museums and cultural activities	13.2	0,1	2%																		
<b>Total OpEx from taxonomy-non-aligned activities (A.2)</b>		<b>3,7</b>	<b>70%</b>																		
<b>Total Taxonomy-eligible OpEx (A.1 + A.2)</b>		<b>3,7</b>	<b>70%</b>														<b>0%</b>	<b>*</b>	<b>0%</b>	<b>0%</b>	
<b>B. Taxonomy-Non-Eligible Activities</b>																					
Exploitation of Marinas, other		1,6	30%																		
<b>Total OpEx from Taxonomy-non-eligible activities (B)</b>		<b>1,6</b>	<b>30%</b>																		
<b>Total OpEx (A+B)</b>		<b>5,3</b>	<b>100%</b>																		

\* There was no obligation to be calculated for 2021

## I. CORPORATE GOVERNANCE DECLARATION

This Corporate Governance Statement is a special section of the Annual Report of the Board of Directors of "LAMDA Development S.A." (the "Company") and has been prepared in accordance with Article 152 of Law 4548/2018, Article 18 of Law 4706/2020, as well as the Greek Corporate Governance Code 2021 (the "HCGC") of the Hellenic Corporate Governance Council, and in particular in accordance with both the Special Practices contained in the Hellenic Corporate Governance Code and Part E referring to the guidelines for preparing the Corporate Governance Statement.

### A. Notes on the Corporate Governance Code

The Company has adopted the HCGC of the Hellenic Corporate Governance Council, as revised in 2021. The HCGC was adopted at the Company's Board of Directors meeting dated 16.7.2021. The HCGC has been uploaded on the Company's website ([www.lamdadev.com](http://www.lamdadev.com)).

#### A.1 Deviations from the HCGC and explanation of the reasons for non-compliance

The following table lists the Special Practices (SPs), which are governed by the "comply or explain" principle, and from which the Company deviates, as well as the explanation of the reasons for non-compliance:

SP	Description of SP	Non-compliance explanation
2.4.13	The maturity of the preemptive rights is defined for a period not less than three (3) years from the date of their granting to the executive members of the Board of Directors.	<p>The Stock Option Plan to the management and staff of the Company and its affiliated companies within the meaning of article 32 of Law 4308/2014 (the "Stock Option Plan"), which is currently in progress, was approved by resolution of the Extraordinary General Meeting of the Company's Shareholders dated 22.12.2020</p> <p>Regarding the maturity of the options, the Stock Option Plan provides that the <u>initial</u> options will mature after two (2) years and the beneficiary may exercise options up to a maximum of 50%.</p> <p>It also provides that after the lapse of three (3) years, the beneficiary will be able to exercise in maximum the remaining percentage of options (i.e. the remaining 50% or other remaining percentage).</p> <p>This HCGC Practice applies to the CEO of the Company. It is noted, however, that when the initial options matured upon the lapse of two years, on 22.12.2022, neither he nor the other executives exercised such options.</p>

### B. Notes on the Internal Regulation

The Company has adopted an Internal Regulation (hereinafter the "Regulation"), which has been prepared in accordance with the regulatory decisions of the Hellenic Capital Market Commission and Law 4706/2020 on corporate governance of societies anonymes listed on the Athens Exchange. Its latest revision was approved at the Board of Directors' meeting dated 25/5/2022, a summary of which is posted on the Company's website ([www.lamdadev.com](http://www.lamdadev.com)).

The Regulation operates complementary to the provisions of the Company's Articles of Association. It is noted that the Company's Articles of Association, as in force according to the resolution of the General Meeting of Shareholders of 10.10.2019, are posted on the Company's website and their amendment are subject to a simple majority vote.

The content of the Regulation complies with the minimum content required to be included, according to article 14, paragraph 3 of Law 4706/2020. In addition, the Regulation is based on the Company's current organizational chart, it corresponds to its size and object and contains binding provisions regarding the powers and responsibilities of the Company's administrative bodies and senior management.

The Regulation governs, inter alia:

- The organisational structure, the respective objects of the operational units and various committees, and the tasks and responsibilities of their respective heads, as well as the reporting lines of the organization.
- The reporting lines of the main features of the Internal Control System, namely the Internal Audit Service, the Risk Management Unit and Compliance Unit.
- The Procedure for the Recruitment and Performance Evaluation of Senior Management Officers.
- The procedure for ensuring the compliance of persons discharging financial responsibilities, as defined in article 3, par. 1(25) of Regulation (EU) No. 596/2014, as well as persons closely associated with them, as defined in Article 2, par. 14 of Law 4706/2020, including the obligations arising from the provisions of Article 19 of Regulation (EU) 596/2014.
- The procedure for the disclosure of relationships of dependency between the independent non-executive BoD members and the persons closely associated with them.
- The procedure for the compliance with the obligations arising from articles 99 to 101 of Law 4548/2018, on related-party transactions.
- The policies and procedures for the prevention of and response to conflict of interest.
- The policies and procedures for the compliance of the Company with the legislative and regulatory provisions governing its organisation and operation, as well as its activities.
- The procedure for the management of inside information and for ensuring that the public is correctly informed, according to the provisions of Regulation (EU) 596/2014.
- The policy and procedure for the periodic evaluation of the Internal Control System, as well as for the implementation of the provisions on corporate governance under Law 4706/2020.
- The Training Policy for Directors, Management Officers & Other Officers of the Company involved in Internal Audit, Risk Management, Compliance and Information Systems.
- The Sustainable Development Policy of the Company.

The Purpose of the Regulation is to regulate the organization and operation of the Company in order to ensure:

- Business Integrity;
- Transparency of business
- Supervision of the Management and in particular the decision-making process.
- Compliance with the legislation and in particular with the obligations laid down for listed companies.

The Regulation is communicated to the Company's employees, who must comply with it.

### **C. Notes regarding the General Meeting of Shareholders**

The General Meeting of Shareholders is the supreme organ of the Company, it is convened by the Board of Directors and has the power to decide upon all matters relating to the Company.

Under the Articles of Association and according to paragraph 3, article 130 of Law 4548/2018, the following matters fall within the exclusive competence of the General Meeting:

- any material change in the Company's business,
- any amendment to Article 2 of the Articles of Association,
- the cessation of operations of material subsidiaries of the Company, any agreement of the Company by which it undertakes to proceed to a material change of business or to the amendment of Article 2 of its Articles of Association or to the aforementioned cessation of operations.

The General Meeting validly resolves on all the aforementioned matters to the extent that no objections are raised by shareholders holding 10% of the Relevant Equity Shares (as defined under article 19 of the Articles of Association).

The duly-taken decisions of a lawfully convened General Meeting are binding on all, including the absent or disagreeing, Shareholders.

### **C1. Attendance of Shareholders at the General Meeting**

The General Meeting may be attended by the shareholders, in person or by duly authorised proxy, pursuant to the legal procedure as in force from time to time. Entitled to participate and vote in the General Meeting shall be any person that on the beginning of the fifth (5th) day before the date of the General Meeting (the "Record Date") is recorded as shareholder in the records of the securities system where the Company's securities are held. The Record Date shall also apply in the case of an adjourned meeting, provided that such adjourned meeting is not held later than thirty (30) days from the Record Date. Exercising the aforesaid rights is not subject to the blocking of the shareholder's shares nor to any other similar procedure. The shareholders may appoint proxies to represent them, should they so wish. For any other matter, the Company conforms with the provisions of Codified Law 4548/2018, as in force from time to time.

The Company supports and ensures both the participation of the shareholders in the general meetings and the effective exercise of their rights to the maximum extent possible. In order to ensure the greatest possible participation of shareholders in the General Meeting on the basis of full information, the Company sets up mechanisms for the timely publication of the Notice of the General Meeting, which must at least specify the date, venue, proposed agenda and exact description of the procedures for the participation and voting of shareholders.

The Board of Directors ensures that the preparation and holding of the Shareholders' General Meeting facilitates the efficient exercise of the shareholders' rights, within the limits of the relevant statutory provisions, and the participation of said shareholders in the meeting, especially that of the minority shareholders, foreign and remotely residing shareholders.

### **C.2. Voting Procedure at the General Meeting**

The Shareholders may attend the General Meeting and vote therein either in person or by proxy. Every Shareholder may appoint up to three (3) proxies and if the shareholder is a legal entity they may appoint up to three (3) natural persons as proxies. In case any shareholder has Company's shares recorded in more than one securities accounts, such shareholder may appoint different proxies to represent the shares recorded in each securities account. A proxy acting for and on behalf of more than one shareholders may vote differently for each shareholder.

It is noted that, provided that the Board of Directors confirms that the Company's logistical infrastructure has been adapted in advance to ensure the identification of shareholders and the security of the electronic or other connection, and to enable the transmission of the Meeting or two-way communication, the shareholders may participate at the General Meeting by electronic means, i.e. without physical presence at the venue of the General Meeting. This participation may take place via real time transmission of the meeting or real time two-way communication, enabling shareholders to address the General Meeting from a remote location. The company's Board of Directors shall be responsible to establish whether the above requirements, such as are necessary to ensure the technical feasibility and security of the participation in the General Meeting by electronic means, are met.

Provided that the Board of Directors confirms that the Company's logistical infrastructure has been adapted in

advance to ensure the identification of shareholders and the security of the electronic or other connection, the Company's shareholders shall be able to participate remotely in the voting of the General Meetings either by exercising their voting rights by electronic means or by postal voting. In such an event, the Company shall distribute ballot forms beforehand either in electronic format via its website or in paper form at its registered office. The exercise of voting rights by electronic means may take place before or during the General Meeting.

In any case, the Board of Directors shall include in the Notice of the General Meeting all the necessary information on the possibility of distant voting and the participation in the General Meeting by electronic means. If the Board of Directors determines that the technical requirements for the secure holding of the General Meeting by electronic means or the shareholders' distant voting at the General Meeting, are not met, then it shall mention this fact in the notice of the General Meeting.

Voting at the General Meeting takes place by open ballot system.

The Company shall publish, under the responsibility of the Board of Directors, the results of the voting within five (5) days at the latest from the date of the General Meeting, specifying, for each resolution, at least the number of shares for which valid votes were cast, the shareholding represented by such shares, the total number of valid votes, and the number of votes in favour and against any resolution and the number of abstentions.

### **C.3. Minority Rights**

As regards minority rights, article 23 of the Company's Articles of Association shall apply. More specifically:

1. *All issues pertaining to minority issues and minority rights shall be governed by the provisions of Law 4548/2018, as in force.*
2. *At the request of shareholders representing at least 10% of the Relevant Equity Shares, or at the request of the Minority Shareholder, to the extent that the latter represents at that time at least 10% of the Relevant Equity Shares, such request to be submitted to the Company within the timeframe of Article 141, par. 6 of Law 4548/2018, the Board of Directors is obliged to provide the General Meeting with the following information: **(a)** non-confidential information regarding any event or development that occurs within the Company or which comes to the attention of the Company and which could reasonably be expected to cause a material change to the Group's business or the cessation of operations of any material subsidiaries of the Company, lead to the de-listing of the shares of the Company and/or to the conversion of the Company into a private company and/or affect its ability to perform its material obligations relating to the acquisition by the Minority Shareholder of the 12.83% of the share capital of the Company on 2.7.2014; and **(b)** material details of any formal third-party written offer or approach (officially coming to the attention of the Board of Directors) which might reasonably be expected to lead to any sale or disposal or a series of sales or disposals by Consolidated Lamda Holdings S.A. (and/or by persons affiliated to such shareholder) of securities (including shares, preferred shares, any convertible securities as well as stock options or convertible bond options into shares and/or shareholder loans) that exceed in aggregate 5% of the securities issued from time to time by the Company or by any holding company thereof, with a substantially similar share capital structure to that of the Company, to any third party that is not an affiliate entity with such shareholder (or does not constitute a shareholder, partner, representative or agent of such affiliated entity established in any jurisdiction directly or indirectly with the purpose to hold such shares on its behalf or on behalf of another affiliate) such sale or series of sales being completed through transfer of legal ownership against consideration during the twelve (12) month period starting on 3 July 2014 or any successive twelve month period, unless in the case of a bona fide sale on an arm's length basis by a holder of Company securities that holds those securities solely as (an in rem) security for any loan, credit, liability or obligation duly created on an arm's length basis.*

It is noted that, according to Articles 10, paragraph 11 and 12 of the Company's Articles of Association:

*"Minority Shareholder"* shall mean the legal entity "VOXVOCE HOLDINGS LIMITED" and any other person that may succeed it lawfully and without contractual breach, by acquiring at least 10% of the Relevant Equity Shares of the Company.

*"Relevant Equity Shares"* shall mean the share capital of the Company, as formed from time to time, excluding any shares issued under any stock option plan in force approved by resolution of the General Meeting and under any other stock option plan approved pursuant to Article 113 of Law 4548/2018.

#### **C.4. Investor Relations and Corporate Communications Department**

The Company has established and maintains an Investor Relations and Corporate Announcements Department responsible, inter alia, for:

General Meeting of Shareholders:

- providing information on annual or extraordinary general meetings and the resolutions adopted by them
- communicating and sharing information and data with Central Securities Depositories and mediators for shareholders identification purposes
- maintaining channels of communication with shareholders
- informing shareholders, in conformity with the provisions of article 17 of Law 3556/2007 (A` 91), on the facilities and data provided by the Company
- monitoring the exercise of rights attached to shares, especially as regards shareholders' ownership interests and the exercise of voting rights in general meetings.

Corporate announcements:

- the necessary announcements concerning regulated information, in accordance with the provisions of Law 3556/2007 (A' 91), as well as corporate events in accordance with the provisions of Law 4548/2018 (A' 104), in order to inform shareholders or holders of other securities of the Company
- the Company's compliance with the obligations provided for in Article 17 of Regulation (EU) 596/2014 regarding the disclosure of privileged information and other applicable provisions.

Other matters:

- the distribution of dividends and bonus shares, cash-settled share issues, share exchanges, the time period for the exercise of the related options or changes in the initial timeframes, such as the extension of the exercise period;
- the acquisition of treasury shares and their disposal and cancellation, as well as any stock option plans or free share allocation plans to members of the Board of Directors or the Company's personnel.

#### **D. Notes on the Board of Directors**

The operation of the Board of Directors of the Company is governed by the Internal Regulation, which is posted on the Company's website ([www.lamdadev.com](http://www.lamdadev.com)).

##### **D.1. The role of the Board of Directors**

The Board of Directors shall be competent to decide upon all issues pertaining to the representation, administration, and management of the Company and the fulfillment of its corporate object in general.

In the exercise of its duties, the Board of Directors shall have extensive powers, limited only by the actions or decisions that fall within the competence of the General Meeting. Indicatively and not restrictively, the Board of Directors convenes the General Meetings of shareholders, ordinary or extraordinary, and sets the agenda items. It also prepares the annual financial statements and annual reports in accordance with the each time applicable provisions of Law 4548/2018 and submits them to the Ordinary General Meeting for approval, proposing at the same time the depreciation to be made on the establishment costs and the necessary



deductions for the statutory reserve. The Board of Directors must ensure that the annual financial statements, the annual management report and the corporate governance statement, the consolidated financial statements, the consolidated management reports and the consolidated corporate governance statement, if any, as well as the remuneration report under article 112 of Law 4548/2018 are prepared and published in accordance with the provisions of the applicable laws. It is competent to propose the dividends to be distributed, to determine the Company's establishments and operations, the general expenses, to hire and terminate personnel, to keep meeting Minutes, to conclude contracts, etc. The Board of Directors shall arrange for the completion of the publication formalities provided in articles 12 and 13 of Law 4548/2018, as in force. However, the powers of the Board of Directors shall be subject to articles 19 and 99-101 of Law 4548/2018, as in force.

By decision of the Board of Directors, the powers of management and representation of the Company may be delegated to one or more persons, than may but need not be, Directors. The same decision shall also determine the extent of this delegation and the authority to further sub-delegate, in whole or in part, the powers vested in them to other Directors or any third parties. This authorization may be granted for an indefinite or specific period, or for specific actions.

The Board of Directors also has the power to decide upon bond issues, with the exception of those that fall within the competence of the General Meeting pursuant to articles 71 and 72 of Law 4548/2018. As regards convertible bonds, the Board may decide on their issue following authorization of the General Meeting, in accordance with article 24, of Law 4548/2018.

## **D.2. Responsibilities of the Board of Directors**

The main, non-delegable, responsibilities of the Board of Directors include:

- Determining the Company's values and strategic orientation, as well as continuously monitoring their compliance. At the same time, the Board of Directors remains responsible for the approval of the Company's strategy and business plan. The Board of Directors also regularly reviews the opportunities and risks in relation to the defined strategy, as well as the relevant measures taken to address them. It may seek to obtain information from the CEO and the managing officers, as well as updates about the market and any other developments affecting the Company.
- Ensuring that the Company's values and strategic planning are in line with the corporate culture. The Company's values and purpose are translated and applied in practice and influence practices, policies and behaviours within the Company at all levels. The Board of Directors and the senior management set the standard for the characteristics and behaviours that shape the corporate culture and are an example of its application. At the same time, they use tools and techniques aimed at integrating the desired culture into the Company's systems and procedures.
- Determining the nature and extent of the Company's exposure to the risks that the Company intends to assume in the context of its long-term strategic objectives.
- Establishing a policy for the prevention, identification and management of conflicts of interest among its members or persons to whom the Board has delegated some of its powers. This policy is based on clear procedures, which define the manner of timely and complete disclosure to the Board of Directors of their interests in transactions between related parties or any other possible conflict of interest with the company or its subsidiaries. Measures and procedures shall be evaluated and reviewed to ensure their effectiveness.
- Providing the appropriate approval, monitoring the progress of the implementation of the strategic guidelines and objectives and ensuring the availability of the necessary financial and human resources, as well as the existence of an internal control system.
- Determining the responsibilities of the Chief Executive Officer.
- Approving the annual budget and the business plan, as well as taking decisions on major capital expenditures, acquisitions and divestments.
- Selecting and, if required, replacing the executive members of the Board, as well as overseeing the planning of their succession.
- The performance review of senior management and the alignment of the remuneration of senior officers with the long-term interests of the Company and its shareholders, taking into account the relevant recommendations of the Compensation and Nomination Committee.
- Ensuring the reliability of the Company's financial statements and data, the financial reporting systems and the data and information that are made public, as well as ensuring the effectiveness of the internal control and risk management systems.

- Ensuring the adoption of an effective procedure for the Company's compliance with applicable laws and regulations.
- Responsibility for making relevant decisions and monitoring the effectiveness of the Company's management system, including decision-making procedures and the delegation of powers and duties to other officers.

In addition the Board:

- Approves the annual report of the Company and anything else required by the capital market legislation.
- The Board of Directors binds and monitors the executive administration on matters relating to new technologies and environmental issues in accordance with HCGC Special Practice 5.9.
- Approves partnerships of subsidiaries, aimed at establishing new companies or strategic joint ventures with third parties, mergers and acquisitions of companies.
- Resolves on the Company's entry into other sectors of activity.
- Decides on the acquisition/establishment/sale of subsidiaries.
- Approves participation for developments/investments or even disinvestments, including real estate sales, above EUR 10 million.
- It sets the maximum total amount of developments/investments for each year.
- Decides to take legal action in favour of the Company.
- Defines and oversees the implementation of the corporate governance system under the provisions 1 to 24 of Law 4706/2020.
- It ensures that the functions constituting the Internal Control System, and in particular the set of internal control mechanisms and procedures, including risk management, internal audit and compliance, are independent of the business areas they control, and that they have the appropriate financial and human resources, as well as the authority to operate effectively, as required by their role.

### **D.3. Composition, establishment and term of office of the Board of Directors.**

The Board is made up of executive, non-executive and independent non-executive directors. The directors' capacity as executive or non-executive members is determined by the Board of Directors. Independent non-executive directors are appointed by the Company's General Meeting of Shareholders and may not be less than one-third (1/3) of the total number of directors and, in any case, may not be less than two (2). If the resulting percent is a fraction, their number is rounded up to the nearest integer. They meet all the independence requirements set out under Law 4706/2020.

The size and composition of the Board enable the efficient fulfilment of its responsibilities, and reflect the size, activity and ownership status of the Company. Article 10 of the Company's articles of association includes provisions on the size, term of office and appointment of the members of the Board. More specifically:

- The Company is administered by a Board of Directors consisting of minimum five (5) to maximum fifteen (15) Members that are elected by the Shareholders' General Meeting and that may, but need not be, Shareholders. The Members may be either natural or legal persons. In the case that a legal person is Member of the Board of Directors, it is required to designate a natural person to exercise its powers as member of the Board of Directors. The elected Members of the Board of Directors may be reelected. The General Meeting may, as and when it considers appropriate, elect Substitute Members, up to a number that shall not surpass that of the ordinary Members.
- Three (3) full days prior to any General Meeting convened for the purpose of electing a new Board of Directors, the Minority Shareholder (as defined below) shall be entitled, in so far as said Minority Shareholder holds at least 10% of the Relevant Equity Shares, to appoint directly at least one (1) Director by giving notice of the appointment to the Company according to the formalities requirements of Article 79 of Law 4548/2018. The foregoing Director may be revoked at any time by decision of the Minority Shareholder and be replaced by another member until expiration of the former Director's term of office. In the event that, and for as long as, the Minority Shareholder does not hold at least 10% of the Relevant Equity Shares, the foregoing appointed Director shall automatically cease to be a member of the Board of Directors.

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- The term of office of Board Directors members shall be five (5) years and may be extended until the first Ordinary General Meeting convened after the expiration of the said term, but cannot exceed six (6) years in total.

It is noted that:

- "Minority Shareholder" shall mean the legal entity "VOXVOCE HOLDINGS LIMITED" and any other person that may succeed it lawfully and without contractual breach, by acquiring at least 10% of the Relevant Equity Shares of the Company (as defined in paragraph 12 of this article).
- "Relevant Equity Shares" shall mean the share capital of the Company, as it exists from time to time, excluding any shares issued under any stock option plan in force approved by resolution of the General Meeting and under any other stock option plan approved pursuant to Article 113 of Law 4548/2018.
- The verb "hold", in relation to shares, refers to shares being held directly and/or held through a nominee.

The same article also sets forth provisions on the substitution of Directors, detailed in another section of the Management Report.

The Board of Directors is constituted as a body at its first meeting following each election of its members by the General Meeting or upon any vacancy in the positions of the Chair or Vice-Chair of the Board or the CEO.

The Board elects among its members for its term of office, the Chair, the Vice-Chair, the Senior Independent Director and the CEO of the Company. The Board of Directors may elect one or more Vice Chairs and/or one or more CEOs of the Company exclusively out of its Members, determining at the same time their responsibilities.

The Chair shall preside over the meetings of the Board. In case of the Chair's absence or inability to act, a substitute will act as provisional Chair. If a Vice-Chair has been elected, the Vice-Chair shall act as alternate Chair. In case of more than one Vice-Chairs, they shall act as alternate Chair by order of election. In case of the Vice-Chair's absence or inability to act, and if no substitute for the Chair has been appointed, the most senior Director shall act as alternate Chair. When the Chair or Vice-Chair leaves the BoD for whatever reason, the BoD elects his/her replacement at its first meeting following the Director's departure. The term of office of the newly-elected Chair or Vice-Chair shall be the remaining term of office of the replaced Director.

**D.4. Composition and term of office of the current Board of Directors.**

The current Board of Directors of the Company was elected by the Extraordinary General Meeting of the Company's Shareholders on 22 December 2020 for a five-year term of office, i.e. until 22.12.2025 and may be extended until the first Ordinary General Meeting convened after the expiration of the said five-year term, but cannot exceed six (6) years in total. The Board of Directors consists of twelve (12) members. Out of the total members of the Board, one is an executive director and the remaining members are non-executive directors, four (4) of which are independent non-executive directors. Its composition is as follows:

<b>Full name</b>	<b>Position on the Board</b>	<b>Term of office of each member including expiry date</b>
Giannitsis Anastasios	Chairman, Non-executive Director	22.12.2020 - 21.12.2025
Chronis Evangelos	Vice-Chairman, Non-executive Director	22.12.2020 - 21.12.2025
Athanasίου Odyssefs	CEO, Executive Member	22.12.2020 - 21.12.2025
Vasilakis Eftychios	Non-executive Director	22.12.2020 - 21.12.2025
Bussetil Emmanuel <sup>1</sup>	Non-executive Director	25.05.2022 - 21.12.2025
Zafiriou Ioannis	Senior Independent Non-executive Director	22.12.2020 - 21.12.2025
Katsos Vassilios	Non-executive Director	22.12.2020 - 21.12.2025
Kotsolis Stefanos <sup>2</sup>	Non-executive Director	24.11.2022 -21.12.2025
Kyriazis Chariton	Independent Non-executive Director	22.12.2020 - 21.12.2025
Nomikos Calypso Maria	Independent Non-executive Director	22.12.2020 - 21.12.2025
Paizi Evgenia	Non executive-Director	22.12.2020 - 21.12.2025
Papadopoulou Ioanna	Independent Non-executive Director	22.12.2020 - 21.12.2025

Notes:

1. The Board of Directors of the Company, at its meeting on 25.5.2022 accepted the resignation of Mr Fotios Antonatos dated 25.5.2022 from the position of non-executive Director of the Company and elected Mr Emmanuel Bussetil as a non-executive Director for the remainder of the term of the resigned member. This replacement was announced to the Company's Ordinary General Meeting on 23.06.2022
2. The Board of Directors of the Company, at its meeting on 24.11.2022 accepted the resignation of Mr Aris Sermpetis dated 23.11.2022 from the position of non-executive Director of the Company and elected Mr Stefanos Kotsolis as a non-executive Director for the remainder of the term of the resigned member. It is noted, however, that according to the recommendation of the Compensation and Nomination Committee of 22.11.2022, Mr Stefanos Kotsolis meets the conditions of independence, since he meets the criteria of article 9 of Law 4706/ 2020, and for this reason the Board of Directors intends to table a motion at the next General Assembly for his appointment as an independent non-executive Director.

## D.5 Directors CVs

Below are the CVs of the members of the Board of Directors:

### **Anastasios Giannitsis, Chairman, Non-Executive Director.**

Professor at the National Kapodistrian University of Athens until 2011. Since then he holds the title of emeritus professor. He studied Law and Economic & Political Sciences at the University of Athens and obtained his PhD in economics at the Free University of Berlin. He served as Minister of Labor and Social Affairs, Alternate Minister of Foreign Affairs, Minister of Foreign Affairs and Minister of Interior, Economic Advisor to the Prime Minister, President of Economic Advisors, President of Hellenic Petroleum Co. Member of the Board of Directors of the National Bank of Greece Cultural Foundation and Honorary Member of Special Olympics Hellas. He has published many books and articles on economic, social and political issues. His research focuses on issues of development theory and policy, the problems of the Greek economy, international economics, issues of European integration and the economics of technology.

**Evangelos Chronis, Vice-Chairman, Non-Executive Director** Mr Evangelos Chronis studied shipping in London and worked closely with John S. Latsis for 28 years. Today, he serves as Chairman and Member of the BoD for a number of the Latsis Group companies, as well as for non-profit and charitable organizations.

### **Odyssefs Athanasiou, CEO, Executive Director**

Mr Odyssefs Athanasiou holds the position of Chief Executive Officer at LAMDA Development S.A. for more than 13 years. He has a long experience in senior executive positions in Greece and abroad. In his 9-year career in the U.S., he worked at Ernst & Young and Emerson Electric. He has served as CFO for Western Europe at Barilla, based in Paris, CFO at Diageo Hub Greece-Turkey and CFO for Greece at Titan cement company. He holds a BSc in Economics and Political Science from the University of Athens and an MBA from the University of Texas in Austin. Mr Athanasiou is a member of the Board of Directors of Endeavor Greece, a founding member of the non-profit initiative Coalition for Greece, and member of the TEDX Academy Greece committee.

### **Eftychios Vasilakis, Non-executive Director**

Mr. Eftichios Vassilakis is the Chairman of AEGEAN and Olympic Air and also the CEO of Autohellas S.A. /Hertz. He holds non-executive directorships with Greek listed retailer Fourlis, with listed real estate holding company Lamda Deveopment and also with the luxury resorts developer company TEMES, as well as on the boards of other larger and smaller companies. He previously served as a non-executive member of the Board of Directors of Piraeus Bank and TITAN Cement. He has been a member of the Board of Directors of the Greek Tourism Confederation (SETE) since 2011, and in 2014 he has been appointed Vice President. He is both a member of the Board of Directors and the Executive Board of the Hellenic Federation of Enterprises (SEV). He is a member of the Board of Directors and one of the founders of "Marketing Greece" as well as of the consortium to enhance the tourism and cultural promotion of Athens "This is Athens". Mr. Vassilakis holds a B.A. in Economics from Yale University (1988) and an MBA from the Columbia Business School of New York (1991). He is married with three children.

### **Emmanuel L. Bussetil, Non-Executive Director.**

Mr Emmanuel Bussetil joined the Latsis group of companies in 1982 as Chief Internal Auditor and, since then, he has held a number of executive and non-executive positions for other principal commercial holding and operating companies controlled by Latsis Family Interests. Prior to that, he was an Audit Manager at Pricewaterhouse in the United Kingdom, where he was employed from 1976 to 1982. Mr Bussetil received his GCSE A-Levels in mathematics and physics in 1970. He attended the Thames Polytechnic London, UK, and obtained his Higher National diploma in mathematics, statistics & computing in 1972. His professional training was undertaken as an Articled Clerk at Dolby Summerskill, Liverpool (1972/1973), and at Morland and Partners, Liverpool (1974/1976). He is a Fellow of the Institute of Chartered Accountants of England and Wales.

### **Ioannis Zafiriou, Senior Independent Non-Executive Director**

Throughout the course of his international banking career, Mr Ioannis Zafiriou has occupied a number of roles covering all areas of finance. He began working in New York City at Bankers Trust and subsequently moved to Milan focusing on Italian government agencies, financial institutions and corporates in the area of derivatives. In 1990, he joined Credit Suisse's Investment Bank (Credit Suisse First Boston, CSFB) with a team of colleagues and established a subsidiary of the Credit Suisse. In 1998, became the head of the European Fixed Income and Equities Group at CSFB with focus on European institutional clients. Furthermore, he was a member of the Global management and Operating Committee of CSFB. In 2004, he moved to the Wealth Management Division of Credit Suisse and established a global investment banking unit, Credit Suisse Solution Partners, while he was a member of the Management Board of the Private Bank. Mr Zafiriou was also extensively involved in real estate sector. He has a BA in Economics from Amherst College and an MBA in Finance from the NYU Stern School of Business. He was a member of the General Council of the HSFS (Hellenic Financial Stability Fund) from 2012 to 2015.

**Vassilios Katsos, Non-executive Director**

Mr Vassilios Katsos was born in Athens in 1973. He graduated from Pierce College and continued his studies at the University of Athens, Faculty of Pharmacy. Since 1993 he became President of the Board of Directors at Pharmathen Pharmaceuticals as one of the major shareholders. Under his leadership, the strategic restructuring of the family company, placing emphasis first on strengthening the company's presence and thereafter on the expansion of international activities. In 2015 BC Partners has acquired significant majority in Pharmathen, which today is an international pharmaceutical company headquartered in The Netherlands with operations in more than 85 countries across the world. As Chairman – Co founder of VNK Capital, has actively pursued and invested in a growing portfolio companies such as Pharmathen, Innovis, Lamda Development, Palirria, Cafetex, among others. In April 2009, Mr. Katsos was announced as the "Entrepreneur Of The Year 2008" by Ernst & Young and participated as country winner in Monte Carlo for the 9th Annual Ernst & Young World Entrepreneur Of The Year Award. Through his intense entrepreneurial activities he sits on the board of various companies where he has invested and has been recipient of various awards and distinctions internationally and in Greece for his business activities.

**Stefanos Kotsolis, Non-executive Director**

Mr Stefanos Kotsolis was born in 1962 in Athens. He went to high school in the Hellenic American Educational Foundation (Athens College) and subsequently studied Civil Engineering in the National Technical University of Athens on a state scholarship. After his graduation, he continued his education in Yale University (1986-1988), where he obtained a Master's in Business Administration. During 1988-1990, he worked for Citicorp in New York and Athens (Global Finance), participating in the planning and financing of energy projects in the Middle East. During 1991-2007, he was active in the public works sector as a shareholder and CEO of a construction company, specialized in state buildings, as well as in infrastructure and energy projects. Since 2000, he has also acted as a shareholder and CEO of a real estate development company, constructing several housing and office buildings, having implemented a large number of relevant projects. During 2019-2022, he served as the General Director of the Hellenic Cadastre.

**Chariton Kyriazis, Independent Non-executive Director**

Mr Chariton Kyriazis is a Civil Engineer (NTUA), has an MBA from INSEAD and a Ph.D. from the University of London. He initially worked in manufacturing, and served as General Secretary of the National Economy (1992-1993). From 1994 to 2011 he was Head of the Tax and then Consulting department of Arthur Andersen and of the Advisory department of PwC, with experience in private and public sector projects. He was an elected member of the Board of SEV for 21 years, where he served as Executive Vice-President (2011-2015) and as Advisor to the Board in matters of social dialogue and corporate governance (until Sep. 2019). Today he is a business consultant, and participates in the Board of Directors or as Chairman of the Audit Committee of listed and non-listed companies (currently Lamda Development, PQH, Skama). He participates, among other, in the Governing Body of the International Labour Organization (ILO) and is the Chairman of the Social Affairs Committee of BusinessEurope.

**Calypso Maria Nomikos, Independent Non-executive Director**

Ms Calypso Maria Nomikos is chairwoman of the Board of Directors of A.M. Nomikos Transworld Maritime Agencies S.A., a family-owned international ship owning and ship management company. She sits on the boards of various other international companies in the shipping industry. She is currently a member of the advisory board of a Family Office in Greece and that of several NGOs such as Solidarity Now, the Museum of Cycladic Art, and MDA Hellas. Ms Calypso Nomikos previously held the position of Vice Chairwoman of the Board of Directors of S&B Industrial Minerals S.A., until the company was taken private in June 2013 and was a board member of the Greek branch of Transparency International. She holds a BSc in Economics and Business Administration and has completed the President's Program in Leadership (PPL) at Harvard Business School.

**Evgenia Paizi, Non-executive Director**

Ms Evgenia Paizi is Group Investment Officer at the SETE Family Office in Geneva. She joined the Latsis Group in 2001 and is involved in business development for the Group's activities in healthcare, asset management and other investments in Europe and the Middle East. She serves on the board of directors of companies in Switzerland, Luxembourg and Saudi Arabia. Prior to joining the Group, Mrs Paizi held positions in banking in Greece, including at the National Bank of Greece. She holds an MBA from INSEAD (2000) and a Bachelor of Science in Operations Research and Marketing from the Athens University of Economics and Business.

**Ioanna Papadopoulou, Independent Non-executive Director**

Ms Ioanna Papadopoulou was born in Athens. After graduating from The Hill School, she furthered her studies in Food Chemistry, in the UK. In 1977, she assumed the position of Vice President & Deputy Managing Director of E.J. PAPADOPOULOS S.A., Biscuit & Food Products Manufacturing Company and in 1996 she took over the position of President & Managing Director of the company. She is the President and Managing Director of the following companies: E.J. PAPADOPOULOS S.A., GREEK FOOD PRODUCTS S.A., IKE AKINITA S.A. She is also a Board member of Endeavor Greece and has also served as a member of the Board of Directors of ALPHA BANK and TITAN CEMENT GREECE. She speaks English and French fluently.

In addition, the curriculum vitae of Mr. Konstantinos Sfakakis, who is a member of the Audit Committee, a third person outside the Company, independent within the meaning of article 9 par. 1 & 2 of Law 4706/2020, meeting in any case the criteria of article 4 of Law 3016/2002, as currently in force, is also presented.

**Konstantinos Sfakakis, member of the Audit Committee**

Mr Konstantinos Sfakakis graduated from the Athens University of Economics and Business (AUEB) with a degree in Business Administration. He commenced his professional career abroad at the international auditors' firm PEAT, MARWICK, MITCHELL & CO and held senior positions in Finance at BRISTOL MAYERS INT'L CORPORATION and JOHNSON & JOHNSON HELLAS S.A. During his 25 year tenure at COCA-COLA TRIA EPSILON, he worked as Country CFO, Corporate Finance and External Relations Director, while being a member of the working team responsible for the Mergers and Acquisitions of the same company's Group. From 2012 has been offering his services as Advisor to the Board of SEV on Tax Policy Issues. Mr Sfakakis, among the administrative bodies of various associations and companies in which he has served, he has been a Chairman of the Board of the Federation of Greek Soft Drinks Industries (SEVA), while today, he serves in the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board, he is an ordinary member of the Taxation Committee of the American-Hellenic Chamber of Commerce as well as a member of the Greek Branch of the International Fiscal Association (IFA).

**D.6. Board of Directors Meetings**

The BoD convenes at the Company's registered address whenever this is required by the law, the Articles of Association or the Company's needs.

The Board of Directors may also convene by teleconference in which some or all of its Members may participate. In this case, the notice of meeting to the Members of the Board of Directors must include the

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necessary information and technical instructions for their participation in the meeting.

The BoD convenes validly away from the Company's registered address, at another location in Greece or abroad, provided that all the Directors are present or represented at the meeting and none of them are opposed to the meeting being held and to decisions being made.

In the year 2022, thirteen (13) meetings of the Board of Directors were convened. The table below shows the attendance of Board Members at these meetings:

Full name	Position on the Board	Attendance in Board meetings	Attendance by Proxy	Attendance percentage	Comments
Giannitsis Anastasios	Chairman, Non-executive Director	13	-	100%	
Chronis Evangelos	Vice-Chairman, Non-executive Director	13	2	100%	
Athanasiou Odyssefs	CEO, Executive Director	13	-	100%	
Antonatos Fotios	Director, Non-executive	5	-	100%	Director until 25.5.2022.
Vasilakis Eftychios	Director, Non-executive	10	3	77%	
Bussetil Emmanuel	Director, Non-executive	7	-	88%	Director since 25.05.2022.
Zafiriou Ioannis	Senior Independent Non-executive Director	13	-	100%	
Katsos Vassilios	Director, Non-executive	13	2	100%	
Kotsolis Stefanos	Director, Non-executive	1	-	100%	Director since 24.11.2022.
Kyriazis Chariton	Independent Director, Non-executive	13	-	100%	
Nomikos Calypso Maria	Independent Director, Non-executive	13	-	100%	
Paizi Evgenia	Director, Non-executive	13	-	100%	
Papadopoulou Ioanna	Independent Director, Non-executive	13	3	100%	
Sermpetis Aris	Director, Non-executive	11	-	92%	Director until 24.11.2022.

Note: The late Odysseas Kyriakopoulos was a member of the Board of Directors of the Company until 20.03.2022, on which date he passed away. Up to the said date, the Board of Directors of the Company held one (1) meeting on 10.03.2022, in which he did not participate due to health reasons.



#### **D.7. The Chair of the Board of Directors**

The Chair of the Board has the following responsibilities:

- The Chair of the Board presides over its meetings and is responsible for setting the items on the agenda, ensuring the proper organisation of its operations and the efficient conduct of its meetings.
- The Chair shall ensure the smooth and effective functioning of the Board as a collective body, promoting a culture of open-mindedness and constructive dialogue in the conduct of its work.
- The Chair ensures that the work of the Board is carried out smoothly and that each member of the Board is able to perform the work assigned to him/her, while ensuring that there is a constructive working relationship between executive and non-executive or independent members, as well as sufficient time to resolve all operational issues.
- The Chair shall ensure that the Board as a whole has a satisfactory understanding of the views of shareholders and shall ensure effective communication with all shareholders as well as the fair and equitable treatment of their interests and the development of constructive dialogue with them in order to understand their positions.
- The Chair certifies copies and extracts from the books of minutes (Board of Directors and General Meeting) of the Company, and from any other book, the keeping of which is required by law.
- The Chair shall preside over the Board's evaluation process.

#### **D.8. Vice-Chair of the Board of Directors**

The Vice-Chair shall stand in for the Chair of the Board in case of the latter's absence or inability to act.

#### **D.9. Senior Independent Director**

During the meeting of 07.12.2021, the Board elected as Senior Independent Director Mr I. Zafiriou.

The Senior Independent Member has the following responsibilities:

- to support the Chair
- to act as a liaison between the Chair and the members of the Board of Directors
- to coordinate the independent non-executive members; and
- to lead the evaluation of the Chair.

#### **D.10. Chief Executive Officer**

The CEO exercises his/her management duties and any other responsibilities determined and/or delimited by the Board of Directors and ensures the fulfilment of the object for which the Company was established, in accordance with the applicable Greek and Community legislation in force. The CEO heads all the Company's Division/Departments, directs their work, takes the necessary decisions within the framework of the approved business plan and budget and ensures, together with the members of the top management, that all members of the Board of Directors receive accurate, timely and necessary information for the execution of their duties.

Among the main responsibilities assigned by the Board of Directors to the CEO are the following:

- Proposes the Company's strategy and oversees its implementation.
- Specifies the Company's objectives and policy, examines alternative actions, selects proposals, supervises their implementation, evaluates the results and provides the Board of Directors with information about the Company's activities.
- Supervises the conduct of the operations of each service and functional unit and monitors the implementation of internal regulations and procedures, having command of the Company's personnel.
- Works closely with the Chair and the Secretary of the Board for the preparation of the Board and the full briefing of its members.

- With regard to his/her succession plan, he/she takes part in the process of evaluating candidates for his/her position and discusses with the Compensation and Nomination Committee when it is necessary to evaluate candidates for other senior management positions.

The CEO, subject to the prior notification to, and approval of, the Board of Directors, may delegate actions that fall within his/her responsibilities to the Directors and other officers of the Company.

In its meeting of 29.09.2022, the Board of Directors unanimously decided to assign the legal representation of the Company and all relevant powers and responsibilities to the CEO, Mr Odyssefs Athanasiou, who shall bind the Company with his sole signature under the corporate name.

The powers and responsibilities delegated to the CEO at the above Board meeting include, but are not limited to, the powers:

- To appoint and terminate generally the Company's personnel, determining the authority, obligations and remuneration of each of them, as well as the remuneration of those who are entrusted with a special service or mandates, provided that they are not members of the Board of Directors
- To oversee the management and expenses of the Company
- To represent and bind the Company before any Public Authority, Agency, Organisation and Service Provider (including but not limited to: HRADF SA, Hellinikon Office, Tax and Police Authorities, Social Security Bodies, First and Second Degree Local Government Authorities, Planning Offices, Ministries and the Secretariat General of the Government, Citizens' Service Centres, power, water and sewerage and natural gas providers, telecommunications and internet providers, courier and express consignment services, etc.)
- To represent and bind the Company before Judicial Authorities, in person or by judicial or general proxy and process agent (plirexousios & antiklitos); to bring (or to waive or withdraw from) legal actions, petitions, administrative appeals, oppositions, ordinary and extraordinary legal remedies, applications, suspension of enforcement and rehearings; to appear before any and all courts and judicial, criminal, civil, administrative, customs, and other authorities, including the Supreme Court (Areios Pagos), the Supreme Council of State/Supreme Administrative Court (Symvoulío tis Epikrateias), the Court of Audit (Elegktiko Synedrio), etc., and the Hellenic Cadastre; to register and discharge mortgages or prenotations of mortgages in favour of the Company; to collect paid stamp duties and to collect any court costs that the State or any third parties are ordered to pay to the Company; and in general to conduct and manage any case and to take any and all actions related to Courts and Judicial Authorities;
- To further authorise, by written mandate and power of attorney, one or more members of the Board, Managers and/or employees of the Company or third parties, in order for them, acting jointly or severally, to perform specific actions, subject to the provisions of the decision of the aforementioned Board meeting.

#### **D.11. Company Secretary**

The Board is supported by a Secretary, Mr Ioannis Giannakopoulos, who is the Chief Legal Counsel and Chief Legal and Compliance Counsel and attends its meetings. The task of the Board Secretary is to provide practical support to the Chair and other Board members, collectively and individually, with a view to ensuring that the Board complies with the relevant laws and regulations, as well as the Company's internal rules. All Board members have access to the services of the Secretary of the Board of Directors. The detailed responsibilities of the Secretary of the Board of Directors are set out in the Board of Directors' Rules of Procedures, which are posted on the Company's website.

The CV of Mr I. Giannakopoulos is included below, in section E: Senior Officers' CVs.

#### **D.12. Independent non-executive Directors**

The independent non-executive Directors are the non-executive members of the Board of Directors of the Company who, upon their appointment or election and throughout their term of office, meet the independence criteria provided for in article 9 of Law 4706/2020, as in force.

The independent non-executive Directors are the following:

Full name	Justification of Independence
John Zafiriou	Mr Ioannis Zafiriou is independent of the Company because apart from his participation in the Audit Committee and the Compensation and Nomination Committee of the Company, as well as his service on the Board of Directors of the Company, he has no significant shareholding or other relationship with the Company.
Chariton Kyriazis	Mr Chariton Kyriazis is independent of the Company because apart from his participation in the Audit Committee and the Compensation and Nomination Committee of the Company, as well as his service on the Board of Directors of the Company, he has no significant shareholding or other relationship with the Company.
Calypso Maria Nomikos	Ms Calypso Maria Nomikos is independent of the Company, because apart from her participation in the Company's Compensation and Nomination Committee and her service on the Board of Directors, she has no significant shareholding or other relationship with the Company.
Ioanna Papadopoulou	Ms Ioanna Papadopoulou is independent of the Company, because apart from her service on the Board of Directors of the Company, she has no significant shareholding or other relationship with the Company.

All the above independent non-executive members Directors meet the requirements of article 9, paragraphs 1 and 2 of Law 4706/2020, as determined in accordance with the Dependency Disclosure Procedure applied by the Company.

**D.13. Evaluation of the Board and its Committees**

In compliance with the provisions of Law 4706/2020 and the Hellenic Corporate Governance Code, the Board of Directors' evaluation process provides for the following evaluations:

Each member of the Board of Directors is assessed for his/her individual suitability every six months based on the relevant criteria set out in the Company's Suitability Policy, which are the following:

- Knowledge and special qualifications;
- Integrity and good reputation;
- Conflict of interest;
- Independent thinking;
- Adequate availability;

These criteria are general and apply to all Board members, regardless of their status as executive, non-executive or independent non-executive Directors. The assessment shall include, but not be limited to, collection of evidence and statements, research for publications, personal interviews and completion of questionnaires. The latest evaluation carried out did not reveal any material findings.

In addition, each member of the Board of Directors is evaluated annually by the other Directors for his/her efficiency and the fulfilment of his/her duties. Key criteria for this evaluation include, but are not limited to, the participation in the development of strategy, business plans and general decision making, recognition of the Company's long-term interests, cooperation with other Directors, preparation for meetings, as well as personality traits, such as integrity, impartiality and professionalism, which are considered essential in the performance of each Board member's duties. The evaluation shall be carried out by means of a questionnaire. This process shall be chaired by the Chair of the Board in cooperation with the Compensation and Nomination Committee.

As regards, in particular, the evaluation of the Chair of the Board of Directors and the Chief Executive Officer, additional criteria are taken into account regarding the knowledge, special skills and abilities required for the effective performance of their duties.

Indicatively, the evaluation of the Chair of the Board of Directors covers areas such as leadership skills, authority and relations with the other members of the Board of Directors, the effective conduct of Board meetings and other issues related to the Chair's responsibilities.

Accordingly, the evaluation of the CEO focuses on: a) individual skills, abilities and knowledge, such as leadership and management skills, strategic thinking, internal and external communication, relations with other Board members, b) areas of responsibility, such as the identification of opportunities for the Company, proposals for the strategy and the effective supervision of its implementation, the effective organizational structure of the Company and the effective supervision and management of the operation and affairs of the Company. These assessments are carried out through the completion of relevant questionnaires by the other members of the Board.

The evaluation process for the Chair of the Board of Directors is chaired by the Senior Independent Director, while the evaluation process for the Chief Executive Officer is chaired by the Chair of the Board of Directors, always in cooperation with the Compensation and Nomination Committee.

Finally, the Board is evaluated annually as a body based on criteria of collective suitability and the effective performance of its duties. The main criteria for this evaluation are the knowledge, skills and experience of the members collectively required to fulfil their duties, adequate gender representation and diversity criteria, the composition of the Board, the effective cooperation of the Board members, the effective organization and functioning of the Board and its Committees, its decisions and its performance based on its responsibilities. These evaluations take into account the results of the individual evaluation as well as information collected through the completion of relevant questionnaires. The collective suitability process is chaired by the Compensation and Nomination Committee and the Board effectiveness process is chaired by the Chair of the Board in cooperation with the Compensation and Nomination Committee.

Re-assessment of suitability based on the Suitability Policy is mandatory also in the following cases:

- where doubts arise as to the individual suitability of the members of the Board or the suitability of the composition of the body,
- in the event of a significant impact on the reputation of a Board member,
- in any event that may significantly affect the suitability of a Board member, including in cases where members do not comply with the Company's Conflict of Interest Policy.

In addition, at least every three years these evaluations will be assisted (in accordance with the applicable provisions of the law) by an external consultant.

The procedures for the above evaluations for the year 2022 have already began and the results are expected to be extracted during the first half of 2023 and will be discussed in detail at the next Board meeting. It is noted that the above evaluations for the year 2021 were completed during the first half of 2022, without any material weaknesses. Inter alia, during the discussions for the Board evaluation, the future developments for the Company, its governance and the functioning of the Board were analysed and the organisational measures to be taken for the better functioning of the Board were discussed, such as the regular monitoring by the Board of the Group's strategic directions and objectives, the timely information of the Board by the Audit Committee of its activities, the review of the Remuneration Policy for Board members and senior officers to ensure that performance criteria and financial incentives are aligned with their responsibilities and the complex situation of the Group, and the timely distribution of information material to Board members on matters to be approved by the Board as the number of Board members is expected to increase.

Also, acknowledging that sustainable development ((Environmental, Social, Governance "ESG") issues are at the center of business interest at an international level and that a huge market is emerging around them, the members ensured that they were thoroughly briefed by specialized consultants in order to understand in depth the Company's efforts to meet the growing demands of both financial institutions and investors. Further, during the current financial year, the Company has decided to implement a training program for Board members on issues related to information systems and new technologies, while the detailed plan for Board training programs will be reviewed regularly in order to meet needs that may arise.

## **D.14. Suitability Policy - Diversity Policy**

### **D.14.1. Suitability policy**

The Company implements a Suitability Policy, which was established by the Compensation & Compensation Committee. Nomination of Candidates in accordance with the provisions of Article 3 of Law 4706/2020 and the Guidelines of Circular No. 60 of the Hellenic Capital Market Commission.

The current Suitability Policy was approved by the decision of the Annual General Meeting of the Company's Shareholders on 23.06.2021, when it came into force. It is posted on the Company's website ([www.lamdadev.com](http://www.lamdadev.com)).

The scope of the Suitability Policy covers the executive and non-executive members of the Board of Directors of the Company (and its subsidiaries), including the independent non-executive members and alternate members of article 81 of Law 4548/2018.

The purpose of the Suitability Policy is to ensure the quality of staffing, effective operation and fulfilment of the role of the Board of Directors based on the overall strategy and the medium and long-term business objectives of the Company, with the aim of promoting the corporate interest.

The current Suitability Policy is in line with the provisions of the Company's Internal Regulation, the Corporate Governance Code adopted and applied by the Company and in accordance with the Guidelines of the Hellenic Capital Market Commission, and the corporate culture. It is clear and adequately documented and is governed by the principles of transparency and proportionality, while promoting diversity, meritocracy and efficiency, both in the selection and during the term of office of the members of the Board of Directors. Furthermore, in the preparation of the Suitability Policy, consideration was given to, inter alia, the size, internal organization, risk appetite, the nature, scale and complexity of the Company's activities, as well as any other elements specific to the Company.

The Suitability Policy takes into account the specific description of the responsibilities of each Director, his/her participation in committees, the nature of his/her duties (as an executive or non-executive Director), his/her classification as an independent or non-executive Director, as well as specific characteristics related to the nature of the Company's activity or the Corporate Governance Code that the Company applies.

The Compensation and Nomination Committee recommends to the BoD its staffing with persons of integrity and reputation, who have the experience required for the duties and role they undertake, on the one hand, and sufficient time to carry out their duties, on the other hand. When appointing the members of the Management Board, the Compensation and Nomination Committee with the assistance of the Board Secretary, obtains written confirmation from the members that they accept in their entirety the policies, procedures and other internal documents of the Company and are bound by them.

The selection of appropriate methodological tools ensures that the candidates for the Board of Directors are aware of Company's corporate culture, values and general strategy, inter alia, both before assuming their position and during their term of office.

The Company has developed and implements a program of a) induction following the selection and at the beginning of the term of office of new Board members and b) continuous briefing and training of Board members on issues related to the Company.

Furthermore, the members of the Board of Directors are regularly informed regarding business developments and the major risks to which the Company is exposed, as well as any changes in legislation and the market environment in which the Company operates. To this end, they maintain regular contact with the Company's senior management through regular presentations by the heads of the Company's Divisions and Departments.

The suitability of the members of the Board of Directors is reviewed, either periodically or on a case-by-case basis, in the context of the operation of the Internal Control System and in accordance with the specific applicable rules. In any case, the Compensation and Nomination Committee shall monitor the suitability of the members of the Board on a continuous basis, in particular to identify, in the light of any relevant new event, instances in which a re-evaluation of their suitability is deemed necessary.

The Compensation & Compensation Committee maintains a list of nominees who possess the specific characteristics required for the implementation of the Company's long-term plan. In this context it ensures

the existence of an appropriate succession plan to ensure the smooth continuity of the management of the Company's affairs and decision-making after any vacancies of Board members, in particular executive Directors and members of its committees. The succession plan shall in particular take into account the findings of the evaluation of the Board in order to achieve the required changes in its composition or specific characteristics and to maximize the efficiency and collective suitability of the Board.

**D.14.2. Diversity policy as regards the composition of the Board of Directors and senior management**

The Company adopts a Diversity Policy, aiming on the one hand to promote the necessary diversity in the Board of Directors and on the other hand to foster the inclusiveness of its membership. When selecting Board members, the necessary care is taken to ensure a diversity of views and experience in order to make sound decisions.

**D.14.3. Diversity Criteria - Diversity Practices**

The Company is committed to respecting and ensuring diversity and equality of opportunity for all Board members and prospective Board members, for senior executives and for all employees and candidates at all levels of the hierarchy regardless of race, color, religion, ancestry, gender, sexual orientation, age, disability, marital status, or any other characteristic protected by law, and expressly prohibits any discrimination or harassment based on these factors.

All decisions concerning recruitment, promotion, training, performance appraisal, pay and benefits, disciplinary misconduct and dismissal are free from any unlawful discrimination. It should be noted that there have been no incidents of discrimination in the Company's workplace and that there is gender balance in the Company's workforce.

The table below shows the gender representation ratios in the personnel and the senior and top management of the Company:

<b>Gender representation ratios</b>	<b>Women</b> %	<b>Men</b> %
<b>LAMDA Development S.A.: (consolidated)</b>		
Personnel	52	48
Top and senior managers	44	56

The constructive use of diversity, the respect and value of individuality, and the fostering of a fair and meritocratic workplace for all employees without exception, are integral parts of the Company's strategic goals and development.

Driven by the principles of diversity, the Company's Board of Directors possesses the collective knowledge, skills and expertise necessary to discharge its responsibilities. At the same time, there is diversity in terms of age and adequate representation by gender, in accordance with the provisions of Law 4706/2020 (25% of the total number of Board members, rounded to the previous integer during the calculation). The current composition of the Board of Directors gives the advantage of a diversity of opinions, concerns, questions and experiences that contribute to making sound decisions.

The Company's Diversity Practices are posted on the Company's website ([www.lamdadev.com](http://www.lamdadev.com)).

The table below shows the diversity and the necessary knowledge and skills of the Company's Board of Directors.

## Annual financial report for the year ended 31 December 2022

Members of the Board and its Committees	Independence		Expertise												
	Gender		Real Estate Sector	Business / Management / Administration	Architecture / Engineering	Legal	Economics / Finance / Accounting	Corporate Transformation / Restructuring	Corporate Governance	Sustainable Development	Risk Management	Information Security	International Experience		
<a href="#">K. Giannitsis</a>	M	√	√		√		√	√	√	√	√	√	√		
<a href="#">E. Chronis</a>	M	√	√				√	√	√	√			√		
<a href="#">O. Athanasiou</a>	M	√	√		√		√	√	√	√	√	√	√		
<a href="#">E. Vasilakis</a>	M	√	√				√	√	√	√	√		√		
<a href="#">E. L. Bussetil</a>	M	√	√		√		√	√	√	√	√	√	√		
<a href="#">I. Zafiriou</a>	√	M	√	√		√	√	√	√	√	√		√		
<a href="#">V. Kotsos</a>	M	√	√				√	√	√	√	√		√		
<a href="#">S. Kotsolis</a>	M	√	√	√					√						
<a href="#">H. Kviriazis</a>	√	M	√	√	√	√	√	√	√	√	√	√			
<a href="#">C.M. Nomikos</a>	√	F	√	√		√	√	√	√	√	√		√		
<a href="#">E. Paizi</a>		F	√	√			√	√	√	√	√		√		
<a href="#">I. Papadopoulou</a>	√	F		√			√	√	√	√	√				
<a href="#">K. Sfikakis*</a>	√	M	√	√		√	√	√	√	√	√	√	√		

\*Member of the Audit Committee

### Ages

Average age: 64.53

Age variation: 10.08

### D.15. External professional commitments of the Board members

In accordance with the Company's Suitability Policy in force, all members of the Board of Directors must devote the necessary time and resources to achieve a satisfactory response and effective fulfilment of their duties. In determining the adequacy of time, consideration shall be given to the status and responsibilities assigned to the Board member, the number of positions held as a member of other Boards and other positions held by such member at the same time, as well as other professional or personal commitments and circumstances. Each prospective Board member shall be informed of the expected time required to devote to his or her duties and to meetings of the Board and any other committees on which he or she serves as a member.

Further, the aforementioned Suitability Policy provides that each Board member must regularly attend Board and Committee meetings and must show flexibility regarding attendance at extraordinary meetings. To this end, the Policy provides the possibility of participation in up to 5 Boards of listed companies (for non-executive members) and up to 3 (for the Chair).

The external professional commitments of Board members are shown below:

FULL NAME	CORPORATE NAME	POSITION (MEMBER OF ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BODY)	PARTNER/ SHAREHOLDER
EVANGELOS CHRONIS	PRIVATSEA MARINE PROJECTS SA	BoD Member	
	PRIVATSEA YACHTING SA	BoD Member	

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	JOHN S. LATSIS PUBLIC BENEFIT FOUNDATION	Member of Executive Board	
	NERAIDA FLOATING MUSEUM	Chair of the Board	
<b>ODYSSEFS ATHANASIOU</b>	ENDEAVOR	BoD Member	
	ALLIANCE FOR GREECE	Vice-Chair of the Board	
	BRAINY I.K.E		Partner
<b>EFTYCHIOS VASILAKIS</b>	AUTOHELLAS ATEE	CEO, Executive Member	
	AEGEAN AIRLINES SA	Chair of the Board; Executive Member	
	TRADE ESTATES REIC	BoD Member, Consultant, Non- Executive Member	
	KIA HELLAS SA	BoD Member, Executive BoD Member	
	HYUNDAI HELLAS SA	BoD Member, Executive BoD Member	
	FASTTRAK SINGLE MEMBER SA	Chair of the Board	
	SPORTSLAND SA	Chair of the Board & CEO	
	KRITIKA GOLF S.A.	Chairman & BoD Member	
	TEMES SA	Non-executive BoD Member	
	GOLF REGENCIES SA	BoD Member, Non- Executive Member	
	GROUND DYNAMIC SA	BoD Chairman Executive Member	
	SETE	Vice-Chair of the Board	
	SEV	BoD Member	
	ENDEAVOR Greece INC.	BoD Member	
	FELIX HOLDINGS Sarl		Shareholder 100%



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<b>EMMANUEL BUSSETIL</b>	European Financial Group EFG (Luxembourg) SA	Member of Administrative Body (Director)	
	EFG Bank (Monaco)	Member of Administrative Body (Director)	
	EFG International AG	Member of Administrative Body (Director)	
	EFG European Financial Group Ltd	Member of Administrative Body (Director)	
	A) Consolidated Lamda Holdings S.A. B) Hellinikon Global I SA. C) Lamda Developments SA	Member of Administrative Body (Director)	
	PanEuropean Oil and Industrial Holdings SA	Member of Administrative Body (Director)	
	SETE Holdings Sarl	Member of Administrative Body (Director)	
	Ophelia International Investments SA	Member of Administrative Body (Director)	
	Gestron Asset Managemen SA	Member of Administrative Body (Director)	
	Pronia Health SICA R (former Pronia Holding)	Member of Administrative Body (Director)	
	John S. Latsis Public Benefit Foundaton	Member of Administrative Body (Director)	
<b>IOANNIS ZAFIRIOU</b>	ELIZA, NON-PROFIT ORGANIZATION	Treasurer & BoD Member	
<b>VASILEIOS KATSOS</b>	DIALBEN INVESTMENTS LIMITED	Member of Administrative Body (Director)until 12.12.2022	As of 23/12/2022 the company went into liquidation
	VNK CAPITAL LTD		Partner
	NADEAU INVESTMENTS LIMITED		Administrator - Partner
	ER.NI.K STABLES SINGLE-MEMBER PC		Partner
	INVEST IN MEMORIES NEPA		Shareholder
	MONACO RIB BOATS SARL	Co-administrator	Partner
	SCI AMALIA		Shareholder
	PALAZI REALI A.E	Chairman and CEO:	

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<b>STEFANOS KOTSOLIS</b>	TECHNIKI KOTSOLIS AE KAI SIA EE		Limited Partner
	A.KOTSOLIS TECHNIKI A.E UNDER LIQUIDATION		Shareholder and Liquidator
	TECHNIKI ETAIREIA G. DIMOPOULOU A.KOTSOLI & SIA OE		General partner and Co- administrator
	PALAZI REALI LTD		Shareholder
<b>CHARITON (HARRY) KYRIAZIS</b>	"SKAMA E. Skazikis - L. Maragos SA"	BoD Member without executive powers	
	"C. Kyriazis Consulting PC"	Administrator	Partner
	"PQH Single Special Liquidator"	BoD Member and member of the Audit Committee	
	"Institute of Industrial and Business Education & Training (IVEPE) SEV" Non-profit educational organization	Chair of the Board	
	"Organization for Mediation & Arbitration (OMED)" Non-profit legal person under private law	Alternate BoD Member without executive powers	
	International Labour Organization (UN Agency) International Organization	Alternate BoD Member without executive powers	
<b>CALYPSO-MARIA NOMIKOS</b>	(N.E.A.R.) NEW ERA ASSET RECOVERY LIMITED (CY)		Shareholder
	KEFY HOLDING COMPANY LIMITED (CY)		Shareholder
	F.H.C. Fizzlec Corporation Ltd. (CY)		Shareholder
	A.M. NOMIKOS TRANSWORLD MARITIME AGENCIES SA (PA)	Manager / Chair of the Board.	Shareholder
	A.M. NOMIKOS & SON (UK) LIMITED (UK)	Manager	Shareholder
	AMN BULK CARRIERS INC. (MH)		Shareholder
	AMN COMMERCIAL SERVICES INC. (MH)	Manager / Chair and Treasurer of the Board.	Shareholder

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AMN AQUARIUS INC. (MH)		Shareholder
AMN MARITIME SERVICES INC (MH)	Manager/ Treasurer of the Board	Shareholder
AMN UNIMAR INC (KY) <sup>1</sup>	Manager/ Chair of the Board	Shareholder
AMINAV SHIPPING CORPORATION (KY)	Manager/ Chair of the Board	Shareholder
AMN INC (KY)	Manager/ Chair of the Board	Shareholder
AMN HOLDINGS CORP (KY)	Manager/ Chair of the Board	Shareholder
KEY SHIPPING INC. (MH) <sup>1</sup>	Manager/ Chair of the Board	Shareholder
ATLANTICA INC. (NO)	Manager / BoD Member	
NORTH EAST CHEMICAL CARRIER INVEST INC. (NO)	Manager / BoD Member	Shareholder
SOLIDARITY NOW (GR)	BoD Member	
MDA HELLAS, Association for People with Neuromuscular Diseases (GR)	BoD Member	
GEORGE VERGOTTIS MEMORIAL FUND STIFTUNG (Lichtenstein)	BoD Member	
KOURKOUDELATA WELFARE FOUNDATION (Lichtenstein)	Chair of the Board	
Gestron Holding (Luxembourg) Sarl Gestron Asset Management SA (Luxembourg)	Member of Administrative Body (Director)	
SGI Consulting SA (Luxembourg)	Member of Administrative Body (Director)	
Pronia Health SCA SICAR Pronia Holding (Luxembourg) SA (Luxembourg)	Member of Administrative Body (Director)	
Gestron Holding (Luxembourg) Sarl Gestron Services (Suisse) SA (Switzerland)	Member of Administrative Body (Director)	
Gestron Holding (Luxembourg) Sarl Gestron Services (Luxembourg) SA (Luxembourg)	Member of Administrative Body (Director)	
Pronia Health SCA SICAR La Tour Holding SA (Switzerland)	Member of Administrative Body (Director)	

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<b>EVGENIA PAIZI</b>	Pronia Health SCA SICAR Hopital de la Tour SA (Switzerland)	Member of Administrative Body (Director)	
	Hellinikon Global SA (Luxembourg)	Member of Administrative Body (Director)	
	Lamda Development SA (Greece)	Member of Administrative Body (Director)	
	Fondation OTIUM (Switzerland)	Member of Administrative Body (Director)	
	SGI Holding SA (Switzerland)	Member of Administrative Body (Director)	
	SGI Consulting SA Luxembourg	Member of Administrative Body (Director)	
	SKA Holding SA Switzerland	Member of Administrative Body (Director)	
	SK Ambulances SA (Switzerland)	Member of Administrative Body (Director)	
	Pronia Health SCA SICAR Permanence de la Clinique de Carouge SA (Switzerland)	Member of Administrative Body (Director)	
	SETE Holdings Sarl Société d'Etudes Techniques et Economiques SA (Switzerland)	Member of Administrative Body (Director)	
	Fondation EPFL Innovation Park (Switzerland)	Member of Administrative Body (Director)	
	Pronia Health SCA SICAR La Tour Immobiliere Sarl (Switzerland)	Member of Administrative Body (Director)	
	La Tour Coinvestment SA (Switzerland)	Member of Administrative Body (Director)	
	Pronia Health SCA SICAR HDLT Partners SA (Switzerland)	Member of Administrative Body (Director)	
	Sete Energy Saudi for Industrial Projects Ltd KSA	Member of Administrative Body (Director)	
	Pronia Health SCA SICAR Quaviate Rive Gauche SA (Switzerland)	Member of Administrative Body (Director)	
	Pronia Health SCA SICAR Quavitae Rive Droite SA (Switzerland)	Member of Administrative Body (Director)	
	Pronia Health SCA SICAR Quavitae Holding SA	Member of Administrative Body (Director)	

	(Switzerland)		
	Pole de Sante SA (Switzerland)	Member of Administrative Body (Director)	
<b>IOANNA PAPADOPOULOU</b>	BISCUIT & FOOD PRODUCTS MANUFACTURING COMPANY E.J. PAPADOPOULOS SA	Chair and CEO	
	I.K.E AKINHITA S.A.	Chair and CEO	
	ELLINIKA TROFIMA SA	Chair and CEO	
	ENDEAVOR GREECE	BoD Member	

#### D.16. Remuneration of the Board

The remuneration of the Board of Directors members is set out in the Remuneration Policy approved by the General Meeting of 23.06.2021, which is posted on the Company's website ([www.lamdadev.com](http://www.lamdadev.com)) and is valid for four (4) years, unless revised earlier and/or amended by resolution of another General Meeting. The Company is obliged to submit the Remuneration Policy to the General Meeting for approval whenever there is a material change in the circumstances under which it was established and in any case every four (4) years after its approval.

With regard to the drafting of the Remuneration Policy, the Company cooperated with the firms "KPMG CONSULTANTS S.A." and "KORN FERRY INTERNATIONAL S.A.", which acted as independent consultants on remuneration issues. No relationship exists between the aforementioned independent consultants and the Company or the members of the Board of Directors individually.

The Remuneration Policy has been prepared in accordance with the European Union (EU) Shareholder Rights Directive, as incorporated into Greek law by virtue of Law 4548/2018. In addition, the Policy takes into account the provisions of Law 4706/2020, the Company's Articles of Association, the Corporate Governance Code that the Company has adopted and the Company's Internal Regulations.

The purpose of the Policy is to align the interests of the Board Members with the interests of the Company's shareholders, while taking into account the salary and working conditions of the Company's employees. It also contributes to the creation and maintenance of long-term commercial and business value, to the development of business strategy, to serving the long-term interests and sustainability of the Company through benefit packages and incentives provided for and targeted in the Policy:

- attracting and retaining top executives from Greece and abroad
- preventing or minimizing situations of conflict of interest
- ensuring the correct and effective diagnosis and management of risks related to the achievement of the Company's business activities
- ensuring fair pay

It is noted that during the financial year 2022, the Compensation and Nomination Committee again cooperated with an independent external consultant, "KPMG CONSULTANTS S.M.S.A.", for matters relating to its responsibilities.

#### **D.16.1. Remuneration Policy for Non-Executive Directors**

The Non-Executive Directors are appointed for a fixed term of five (5) years (with the possibility of extension at the next General Meeting with a maximum term of office of six (6) years) and may be reappointed.

The purpose of the Policy is to facilitate the Company to attract as Non-Executive Directors individuals who (collectively) combine sufficiently the following characteristics:

- International experience and professional background
- Skills and experience relevant to the needs of the Company
- Independence from major shareholders
- Balance in age profile and gender.

In setting the level of remuneration of the Non-Executive Directors, the Board of Directors takes the European market as a reference point.

All Non-Executive Directors receive remuneration for their participation in the meetings of the Board and its committees. This fee is not linked to the performance of the Company, but to the time the Members devote to the Company and the scope of their duties and responsibilities.

The remuneration of Non-Executive Directors is reviewed on a regular basis and at least every four years.

#### **D.16.2. Remuneration policy for Executive Directors**

The remuneration of the Executive Members is directly aligned with the strategy and objectives of the Company, with the ultimate goal of creating and maintaining its long-term value. They also aim to link total remuneration to individual performance.

The total remuneration consists of:

- the basic salary,
- the short-term incentive plan ('bonus plan'),
- the long-term incentive plan ('stock options plan'),
- benefits.

The basic wage is set at the median in the respective labour markets.

The total annual remuneration (basic salary + short-term incentive plan / Bonus plan) is set at a higher level than the corresponding labour markets ("above market").

The total annual remuneration in combination with the long-term incentive plan (stock options plan) is set at the highest levels in relation to the respective labour markets ("top payer").

The Board's objective in relation to the Remuneration Policy is to strike a balance between the fixed and variable parts of remuneration, as well as between the "components" of the remuneration package that are linked to short-term financial performance and those that are linked to the creation of long-term sustainable value for the Company.

When reviewing the Remuneration Policy, the Board of Directors bases its review on the analysis of salary and cost scenarios, taking into account factors such as the payment of maximum remuneration in case of overachievement of the Company's targets.

#### **D.16.3. Remuneration report**

In 2022, the Company prepared a Remuneration Report (the "Report"), the content of which is in compliance with the requirements of article 112 of Law 4548/2018. The Report contains a comprehensive overview of all remuneration regulated by the Remuneration Policy for the financial year 2021.

## Annual financial report for the year ended 31 December 2022

The report was submitted to the Board for approval. It was also submitted to the 2022 Annual General Meeting for discussion and advisory vote of the shareholders and received 99.45% affirmative votes.

The full text of the Report is posted on the Company's website (<https://www.lamdadev.com>) and will remain available to the public on the aforementioned website for a period of ten (10) years in accordance with paragraphs 4 and 5 of article 112 of Law 4548/2018.

The Remuneration Report for the financial year 2022 will be posted at a later period on the Company's website for discussion and advisory vote by the 2023 Annual General Meeting of Shareholders. It should be noted that for the 2022 financial year, the 2022 Annual General Meeting of Shareholders pre-approved fees to be paid to the members of the Board of Directors for attending meetings of the Board of Directors and its Committees, totalling approximately €580,000. However, it was reported that the exact amount to be paid will be determined by the Board upon recommendation of the Compensation and Nomination Committee in accordance with the Company's Remuneration Policy.

### D.17. Number of shares held by members of the Board of Directors and senior management officers

The members of the Board of Directors and the senior executives hold a significant percentage of the Company's shares, which reinforces their commitment to the fulfilment of the Company's objectives and the alignment of their personal objectives with those of the Company's shareholders. The table below shows the number of shares held by the members of the Board of Directors and senior executives as at 31 December 2022:

Board Members	Position on the Board	Shares	Percentage
Giannitsis Anastasios	Chairman, Non-executive Director	0	0,00%
Chronis Evangelos	Vice-Chairman, Non-executive Director	94.119	0,05%
Athanasίου Odyssefs	CEO, Executive Member	1.575.868	0,89%
Vasilakis Eftychios	Non-executive-Director	0	0,00%
Bussetil Emmanuel	Non-executive-Director	0	0,00%
Zafiriou Ioannis	Senior Independent Director, Non-executive Director	0	0,00%
Katsos Vassilios	Non-executive-Director	0	0,00%
Kotsolis Stefanos	Non executive-Director	0	0,00%
Kyriazis Chariton	Independent Non-executive Director	11.110	0,01%
Nomikos Calypso Maria	Independent Non-executive Director	32.268	0,02%
Paizi Evgenia	Non-executive-Director	0	0,00%
Papadopoulou Ioanna	Independent Non-executive Director	0	0,00%
<b>Total number of directors</b>		<b>1.713.365</b>	<b>0,97%</b>

**Annual financial report for the year ended 31 December 2022**

<b>Member of the Audit Committee</b>	<b>Position in the Company</b>	<b>No. Shares</b>	<b>Percentage</b>
Sfakakis Konstantinos	Member of the Audit Committee	0	0,00%

<b>Senior management</b>	<b>Position in the Company</b>	<b>Shares</b>	<b>Percentage</b>
Gavriilides Theodoros	Chief Investment Officer	53.777	0,03%
Giannakopoulos Ioannis	Chief Legal & Compliance Counsel	60.000	0,03%
Goritsas Charalampos	Chief Financial Officer	25.000	0,01%
Karastogiannis Dimitrios	Chief Corporate Affairs & Business Development Officer	32.449	0,02%
Karapouzi Konstantina	Chief Operating Officer	43.229	0,02%
Katsikadis Stavros	Managing Director Lamda Marina Investments	3.409	0,00%
Kitsios Dimitrios	Chief Infrastructure and Controls Officer	0	0,00%
Maglara Lydia	Chief Human Resources Officer	0	0,00%
Paizi Melina-Sotiria*	Chief Development and Investment Portfolio Officer	9.524	0,01%
Papaconstantinou Maria	Chief Internal Auditor	20.000	0,01%
Touziou Angeliki	Chief Development Officer Residential, Sports & Mixed Use Tower	13.353	0,01%
Charalampopoulos Dimitrios	Investor Relations & Financial Strategy Director	0	0,00%
<b>Total Senior Management Shares</b>		<b>260.741</b>	<b>0,15%</b>

\*It is noted that as of 31.12.2022:

(i) the company named "AEGEAN AIRLINES SA", a legal person closely associated, within the meaning of Article 3, par. 1 (26) of Regulation (EU) 596/2014, with Mr. Eftychios Vassilakis, non-executive Director of the Company, over which company Mr. Eftychios Vassilakis exercises significant influence within the meaning of Annex 1 of Law No. 4308/2014, as at 31.12.2022 held 2,925,978 shares of the Company, corresponding to 1.66% of its share capital

(ii) the company called "Consolidated Lamda Holdings S.A.", a legal person closely associated, within the meaning of Article 3, para. 1 (26) of Regulation (EU) 596/2014 with Mr. Emmanuel Busetil, non-executive Director of the Company, as at 31.12.2022 held 77,341,062 shares of the Company corresponding to 43.76%



of its share capital,

(iii) the company named "Voxcove Holdings Limited", a legal person closely associated, within the meaning of Article 3, para. 1 (26) of Regulation (EU) 596/2014, with Mr. Vassilios Katsos, non-executive Director of the Company, as at 31.12.2022 held 17,682,144 shares of the Company, corresponding to 10.00% of its share capital; and

iv) the company FASMA ENERGY Ltd, a legal person closely associated, within the meaning of article 3, par. 1 (26) of Regulation (EU) 596/2014, with Ms. Melina-Sotiria Paizi, Chief Development and Investment Portfolio Officer, on 31 December 2023 held 14,769 shares of the Company, corresponding to 0.01% of its share capital.

## **E. Senior Officers' CVs**

### **Theodoros Gavriilidis**, Chief Investment Officer

Theodoros Gavriilidis, MRICS, has been employed at LAMDA Development since 2003 (except for the period 2009-2014), and currently holds the position of Chief Investment Officer. During the period of 2009-2014, he held the positions of Business Development Director of REDS SA (Ellaktor Group), of Senior Project Manager of TAIPED, and he has been member of the board of ETAD. Prior to working for LAMDA Development, he had also worked for J&P Overseas Ltd and for Bovis Lend Lease. Mr. Gavriilidis holds an MBA from the MIT Sloan School of Management and a Civil Engineering Degree from the Aristoteleion University of Thessaloniki. He has also won scholarships from the Latsis, Onassis, and Fulbright Foundations.

### **John Giannakopoulos**, Legal Counsel, Chief Legal and Compliance Counsel and BoD Secretary

John Giannakopoulos is a Member of the Athens Bar Association since 1995, qualified to appear before the Supreme Court. He is the Chief Legal Counsel, Company Secretary and Chief Compliance Officer of LAMDA Development. He joined the Company in 2006. He possesses extended and deep business and legal experience at the local and international levels. In his capacity as Partner in well-reputed law firms, he served as senior external counsel to such companies and groups of companies, being in charge of teams of lawyers running and completing successfully complex projects (M&As and JVs, Construction & Real Estate, Concessions, and Public Contracts, Project Financing, Negotiations, High-profile Litigation, etc.). Mr. Giannakopoulos holds an MBA from the University of Piraeus, an MSc in Economics from ALBA Business School, an LL.M. in International Commercial Law and E-commerce from the UK, and an LLB from the Law School of the University of Athens.

### **Harris Goritsas**, Chief Financial Officer

Harris Goritsas is the Chief Financial Officer in LAMDA Development. He has more than 25 years of professional experience in Financial Management, auditing companies, consumer goods, and industrial production companies. Prior to joining LAMDA Development, Haris Goritsas was the Chief Financial Officer of Frigoglass group, the Europe Pricing Director and Area Financial Director of Southeastern Europe in Diageo, Financial Controller and Financial Director of Central and Eastern Europe in the Coca Cola Company, while he started his professional career in an auditing firm. Harris Goritsas is a graduate of the Athens University of Economics and Business, Business Administration department, and holds an MBA degree from the ALBA Business School.

### **Dimitris Karastogiannis**, Chief Corporate Affairs & Business Development Officer

Dimitris Karastogiannis is the Chief Corporate Affairs & Business Development Officer of LAMDA Development, since February 2019. Prior to LAMDA Development, he worked at the European Commission (DG ECFIN, DG GROW) on the design, monitoring, and implementation of the Economic Adjustment Programs for Greece. Before that, he worked as an associate lawyer for leading law firms in Brussels and Athens. Dimitris Karastogiannis holds an LL.B. (Bachelor of Law) from Aristotle University of Thessaloniki (Greece) and an LL.M. (Master of Law) from the University of Cambridge (UK). He also holds a Diploma in Antitrust Economics from King's College London (UK) and he is a member of the Athens Bar Association.

### **Konstantina Karatopouzi**, Chief Operating Officer

Konstantina Karatopouzi is the Chief Operating Officer of LAMDA Development. She has been working in the Latsis Group of Companies since 2000, initially in the Financial Department of the EFG Group in London, UK, and since 2003, in LAMDA Development, in various managerial positions, among which, the Assets Management Director position. Prior to working with the Latsis Group, Ms. Karatopouzi had served as an

external auditor in PriceWaterhouseCoopers in London, as well as in the auditing firm Kostouris Michailidis in Athens. She is a fellow member of the Chartered Association of Certified Accountants since 1997 and has a Bachelor degree in Economics from the Economics and Political Sciences Department from the Aristotle University of Thessaloniki.

**Stavros Katsikadis**, Managing Director - Lamda Marinas Investments

Stavros Katsikadis is the Managing Director of Lamda Marinas Investments, responsible for the management of Flisvos and Agios Kosmas marinas. With 25 years of experience in the Marine Industry, he gained significant maritime experience as an engineer on seagoing ships of Bilinder Marine Corp. (Latsis Group) and later as technical superintendent at Consolidated Marine Mgt, responsible for the technical management of a commercial tanker fleet, liquified gas ships and passenger vessels. In 2004 he moved to the field of Maritime Tourism as General Manager of Flisvos Marina during the development of the marina and its related facilities. Mr. Katsikadis is a graduate of the Naval Architecture and Marine Engineering Department of the National Technical University of Athens and has taken part in an EU postgraduate program. He also holds MBA degree from the ALBA Graduate Business School.

**Dimitris Kitsios**, Chief Infrastructure and Controls Officer.

Dimitris Kitsios is the Chief Infrastructure & Controls Officer στην Lamda Development. He has a 20year experience in managing / advising large scale Development programmes in the Midde East, Asia and North America across Real Estate, Energy, Aviation and Oil & Gas Industries. Before joining Lamda Development, Mr. Kitsios has been working for Archirodon Group in Managerial roles in Project & Programme Management, for Parsons Corporation as Programme Director, for Damac Properties as Vice President- Risk & Planning and most recently for Musanada as Performance Monitoring Director. Mr Kitsios is a Civil Engineer, having graduated from Aristotle University of Thessaloniki, and holds a MSc in Construction Engineering & Management from Stanford University.

**Lydia Maglara**, Chief Human Resources Officer

Lydia Maglara is the Chief Human Resources Officer (CHRO) of LAMDA Development. She brings more than 20 years of experience in Human Resources Management, in regional and global roles, at various multinational companies, like VP HR Shared Services Head for Asia & EMEA, VP HR Eastern & Southern Europe Head at MetLife, Regional HR Director for Balkans at Estee Lauder, HR Management roles at Procter & Gamble. She holds a Bachelor of Science degree in Hospitality Management from Johnson & Wales University, Rhode Island USA, and an MBA degree with specialization in HR from Baker College, Michigan USA.

**Melina-Sotiria Paizi**, Chief Development and Investment Portfolio Officer

Melina-Sotiria Paizi is the Chief Development and Investment Assets Officer of LAMDA Development. She brings the experience of more than 23 years in positions of General Management, Retail, and Marketing at various multinational corporations, in Greece and abroad, including the McArthurGlen Group, The Coca-Cola Company, Toyota, and L'Oreal. Ms. Paizi holds a Bachelor's degree in Business Administration from the Athens University of Economics and Business and an MBA degree from the Bocconi School of Management in Milan, Italy.

**Mary Papakonstantinou**, Chief Internal Auditor

Mary Papakonstantinou was appointed Chief Internal Auditor of LAMDA Development in April 2006. She joined LAMDA Development in February 2003 as a financial executive and held the position of Financial Analyst and Assistant to the CFO of the Company. Prior to joining LAMDA Development, Mrs. Papakonstantinou was working as Manager of Financial Services at BITROS group of companies. Mary Papakonstantinou holds a Bachelor's degree in Business Administration from Athens University of Economics and Business, as well as a master's degree in Business Administration (Executive MBA – International Program) from the same university. She is a member of the Hellenic Institute of Internal Auditors (H.I.I.A.), of the Institute of Internal Auditors (I.I.A.), and the Economic Chamber of Greece and actively participates in various working groups and initiatives to promote principles of internal audit thus corporate governance in Greece.

**Angeliki Touziou**, Chief Development Officer, Residential, Sports & Mixed Use Tower

Angeliki Touziou, has been employed at LAMDA Development since 2003 and currently holds the position of the Chief Development Officer Residential, Sports & Mixed Use Tower. During this period, she held key roles

in project management, design and construction of the Shopping Malls (The Mall Athens, Golden Hall) as well as in the development of projects in the Balkans (Romania, Serbia), whereas since 2012 she has dealt exclusively with the Ellinikon Project. Prior to working for LAMDA Development, she worked for Freyssinet (Group Vinci) in Spain and Greece. Mrs. Touziou holds a BEng. in Civil Engineering from University College London and a MSc DIC from Imperial College London.

**Dimitris Haralabopoulos**, Investor Relations & Financial Strategy Director

Dimitris Haralabopoulos is the Investor Relations and Financial Strategy Director of LAMDA Development, since September 2020. He has a previous professional experience of 17 years in Investor Relations, Investment Banking, Capital Markets, and Financial Analysis. He has worked in the past both in Greece and abroad (London, UK), with his most recent positions being Deputy Head of Investment Banking at the National Bank of Greece and Head of Investor Relations & Corporate Development at Marfin Investment Group. Additionally, he has worked at HSBC, Deutsche Bank, Alpha Finance, and Eurocorp Securities. He is a graduate of the Department of International & European Studies, Panteion University of Social & Political Science, and has a post-graduate degree, MSc in Investment Management from the Cass Business School, City University of London. Finally, he is certified by the Hellenic Capital Markets Commission (HCMC) with a category "D" certificate (Analysis on financial instruments or issuers).

**F. Notes on transactions with related parties and relevant information of the Board of Directors.**

The Company has a Compliance Procedure for related party transactions (the "Procedure"), which was prepared in the context of transparency and supervision of its related party transactions. More specifically, the Procedure relates to the Company's compliance with the provisions of the applicable institutional and supervisory framework, which define the criteria that the Company is obliged to comply with in order for its related party transactions to be lawful, such as, but not limited to, Law 4706/2020 and Law 4548/2018.

The purpose of the Procedure is to record the actions taken in relation to the monitoring of transactions with related parties and their appropriate disclosure to the competent bodies and shareholders of the Company.

A related party, as defined in IAS 24, is a person or entity that is related to the entity that prepares the financial statements (referred to below as the 'reporting entity').

(a) A person or a member of that person's immediate family is associated with a reporting entity if that person:

- (i) has control or joint control over the reporting entity,
- (ii) has significant influence over the reporting entity; or
- (iii) holds a key management position in the reporting entity or a parent of the reporting entity.

(b) The entity is associated with a reporting entity if any of the following conditions are met:

- (i) The entity and the reporting entity belong to the same group (which means that the parent, subsidiaries and sister subsidiaries are related).
- (ii) An entity is a related or joint venture of the other entity (or a related or joint venture of a member of a group to which it belongs or another entity).
- (iii) Both entities are joint ventures of the same third party.
- (iv) An entity is a joint venture of a third entity and the other entity is related to the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person under paragraph (a).
- (vii) A person under (a)(i) has significant influence over the entity or has a key management position in the entity (or in a parent of the entity).

A related party transaction is the transfer of resources, provision of services or existence of obligations between a reporting entity and a related party, regardless of whether a price is charged.

Members of the person's immediate family are those family members who can be expected to influence, or be influenced by, the person in their dealings with the entity and include:

- (a) the children and spouse or cohabitant of that person;
- (b) the children of the spouse or cohabitant of that person; and
- (c) his/her dependents or dependents of his/her spouse or cohabitant.

The Process includes the following steps:

1. Notifying a contractual term to the counterparty, in which the latter declares that it does not meet the requirements for being a Related Party. This term shall be included in the draft contract of the transaction.
- 2a. If the counterparty accepts the contractual term under the previous step, the Procedure shall be terminated.
- 2b. If the counterparty does not accept the contractual term of step 1, a Solemn Declaration shall be sent in order to be filled in with the conditions that make it a Related Party.
3. Receipt of the signed Solemn Declaration.
4. Forwarding the Solemn Declaration to the Financial Division.
5. Registration of a Related Party in the Register of Related Parties.
6. Notification of the existence of a Related Party to the Legal Division.
7. Taking steps to convene the Board of Directors to take a decision regarding the preparation of the transaction.
8. Board meeting.
- 9a. If the Board's decision is negative, the transaction will be cancelled.
- 9b. If the decision of the Board of Directors is favourable, a report of a statutory auditor or an auditing firm or another third party independent of the Company shall be obtained, which shall be incorporated in the Minutes of the Board of Directors.
10. The decision of the Board of Directors shall be published in the General Commercial Registry (GEMI) and the Procedure shall be terminated.
11. The decision of the Board of Directors shall be published in the GEMI.
- 12a. Convocation of a General Meeting to grant permission to prepare a transaction, if shareholders representing 1/20th of the share capital submit a relevant request within 10 days of the publication of the decision of the Board of Directors.
- 12b. A written declaration to the Company on the non-convening of a General Meeting, if shareholders representing 1/20 of the share capital fail to submit a relevant request within 10 days. (The statement ratifies the resolution of the BoD.)
13. General Meeting and decision making.
14. Publication of the GM decision in the General Commercial Registry.
15. Drawing up a contract with the related party.

**G. Notes on the information required under points (c), (d), (f), (h) and (i) of Article 10(1) of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids**

- The information required under Article 10, par. 1(c) of Directive 2004/25/EC is already included in another section of the Management Report.
- With regard to the information required under Article 10 paragraph 1 (d) of Directive 2004/25/EC, there are no securities of the Company which confer special control rights on the holders, subject to point 6 of the Explanatory Report.
- With regard to the information required under Article 10 paragraph 1 (f) of Directive 2004/25/EC, there is no restriction of any kind on voting rights.
- The information required under Article 10 paragraph 1 (g) of Directive 2004/25/EC i.e. the information relating to the amendment of the Company's Articles of Association and the appointment and replacement of a member of the Board of Directors, is already contained in another section of the Management Report.

- The information required under Article 10 paragraph 1 (h) of Directive 2004/25/EC is already contained in another section of the Management Report.

## **H. Notes on the Board Committees.**

### **H.1. Audit Committee**

#### **H.1.1. General Provisions**

The Audit Committee of the Company aims to assist the Board of Directors in its duties regarding financial reporting, Internal Control System (ICS) and Corporate Governance System (CGS), statutory auditing, as well as the security of information and information systems and the information of the investing public on the adopted sustainable development policy.

#### **H.1.2. Composition**

The Audit Committee is an independent committee within the meaning of case (ab) of paragraph 1(a) of article 44 of Law 4449/2017, as replaced by paragraph 1(a) of article 44 of Law 4449/2017. It consists of non-executive members of the Board of Directors and third parties, elected in accordance with the decision of the Extraordinary General Meeting of the Company's Shareholders of 22.12.2020 in application of article 44 of Law 4449/2017, para. 1b) and 1c). The term of office of the Committee is three years, starting from their election by the aforementioned General Meeting.

The Committee consists of four (4) members, three (3) of which are members of the Board and the other one (1) not a member of the Company's Board of Directors but a third party outside the Company. The Chair, in accordance with article 44 of Law 4449/2017 par. 1 e) as amended, is appointed by the members of the Committee and is independent of the Company. The appointment of the Chair of the Audit Committee takes place at the meeting of the Audit Committee of the Company.

#### **H.1.3. Terms of operation of the Committee**

A quorum is present and the Committee may validly deliberate on the agenda when the meeting is attended by at least 3/4 of its members. Decisions of the Committee are taken by majority vote after deliberations and in a case of a tie the Chair shall have a casting vote. In the Chair's absence, the Committee is chaired by the most senior Independent Non-Executive Member present.

The Audit Committee shall be convened by its Chair or the Chair's alternate, by two (2) business days' notice to the Committee's members, or at least five (5) days' notice, if the meeting convenes outside the Company's registered office.

The notice must clearly set the agenda of the meeting. The items on the agenda are set by the Chair of the Committee. Supporting documentation, if applicable, shall be notified together with the notice of meeting or at a later stage, and in any case in due time for the meeting.

The deliberations and decisions of the Committee are entered into minutes kept and signed by the members present at the meeting, according to article 93 of Law 4548/2018. Any member of the Committee may request the entry of that member's opinion in the meeting minutes.

The Audit Committee is supported by a Secretary, who is the Chief Internal Auditor and attends the Committee's meetings.

#### **H.1.4. Responsibilities**

In the context of its purpose, the Committee's responsibilities are summarised as follows:

##### **External Audit**

It monitors the process and the execution of the statutory audit of the company and consolidated financial statements of the Company and informs the Board of Directors on any issues that have arisen.

It oversees and monitors the independence of certified auditors accountants or audit firms, in accordance with Articles 21, 22, 23, 26 and 27, as well as with Article 6 of Regulation (EU) No 537/2014, and in particular the appropriateness of non-audit services provided to the Company, in accordance with Article 5 of Regulation

(EU) No 537/2014.

It is responsible for the selection of certified auditors accountants or audit firms and the determination of their remuneration, and nominates the certified auditors accountants or the audit firms to be appointed in accordance with Article 16 of Regulation (EU) No 537/2014, except in cases where Article 16(8) of Regulation (EU) No 537/2014 applies.

### **Financial Reporting Procedure**

It monitors, reviews and evaluates the financial reporting preparation process, i.e. the mechanisms and systems for the production, flow and dissemination of financial information produced by the Company's organisational units involved. The above responsibilities of the Audit Committee also include any other information published in any manner (i.e. announcements published in Athex Exchange Group, press releases). In this context, the Audit Committee informs the Board of Directors about its findings and submits proposals for the improvement of the procedure, if it is deemed necessary.

The responsibilities of the Committee also include assessment of the most significant issues and risks likely to impact the financial statements, and review of the Management's critical accounting estimates and judgements in the preparation of the financial statements.

### **Internal Control System & Corporate Governance System**

#### **Systems Supervision**

The Audit Committee supports the Board in ensuring the effectiveness and efficiency of the Company's Internal Control and Corporate Governance Systems. More specifically:

It monitors the efficiency of the Internal Control System (ICS), principally through the work of the Internal Audit Service, certified accountant and external evaluator and submits its proposals together with the Internal Audit Service's proposals, to the Company's Board of Directors.

It supervises the implementation of the Corporate Governance System (CGS) adopted by the Board of Directors, and periodically evaluates its efficiency, mainly through the Internal Audit Service's and the external evaluator's work, informs the Board of Directors of its findings and submits its proposals, together with those of the Internal Audit Service, to the Board of Directors, seeking to remedy any shortcomings.

It reviews and evaluates the policies and procedures regarding the periodic evaluation of the CGS, especially in terms of adequacy and efficiency of financial reporting both on a company and on a consolidated basis, and in terms of risk management and compliance, always according to recognized evaluation standards. It also reviews and evaluates the implementation of the provisions of law 4706/2020 on corporate governance using external evaluators, and submits its findings to the Company's Board of Directors.

The Audit Committee has an active role in the periodic evaluation of the CGS and the ICS by external evaluators as: it a) selects the nominates to perform the evaluation; b) proposes, selects and approves the assignment of the evaluation; c) monitors and supervises said evaluation as to the proper adherence to the agreements; and d) receives the Evaluation Report, which includes a report of all evaluation findings and the respective analyses thereof, and a summary of the evaluator's comments and the respective analysis thereof. The Committee gives the Board of Directors regular briefings of all of the above.

It oversees the implementation of the response actions to the findings of the CGS and ICS evaluation carried out by external evaluators or by the Internal Audit Service, and gives the Board of Directors regular briefings.

It reviews any published non-financial information.

Within the framework of its above responsibilities, the Committee monitors and reviews the Risk Management, Internal Audit and Compliance operations through the Risk Management, Compliance and Internal Audit Service units, which report functionally to the Committee.

#### **Other matters:**

The Audit Committee supervises the preparation and updating of the Conflict of Interest Policy and relevant procedures of the Company. It also examines conflicts of interest arising in the Group, it approves conflict of interest response plans, and, where necessary, submits the relevant reports to the Board of Directors.

The Audit Committee reviews and approves the Non-audit Works Assignment Policy.

It supervises the implementation of the Group's information and IT systems security policy.

It provides support to the Board of Directors in acquiring sufficient information on decision-making regarding transactions between related parties, according to the approved policy.

It examines, in cooperation with the Legal Counsel of the Company, at least once a year and/or earlier if necessary, the pending legal cases that may affect the financial situation of the Company.

It prepares and updates its Charter and submits the same to the Company's Board of Directors for approval, following which the Charter is published on the Company's website.

### **Investor Information**

The Audit Committee submits an Annual Activity Report in the Annual Financial Report of the Company and to the Ordinary General Meeting of the Company's Shareholders. This report details the Committee's actions and the issues addressed by it in the previous year.

Through the Activity Report, the Committee informs investors of the Sustainable Development Policy of the Company.

The Chair of the Committee attends the Annual General Meeting of the Company in order to answer any questions of investors regarding the Committee's activities.

#### **H.1.5. Method of evaluation**

The Audit Committee evaluates its Charter with respect to its suitability and efficiency on an annual basis or earlier, if this is imposed by a significant reason, and it submits this to the BoD for approval.

Moreover, the Committee carries out annual self-evaluations of its performance, functioning and overall qualifications of its members by means of a relevant questionnaire. The Chair of the Committee is responsible for planning the evaluation. The evaluation results are discussed by all the members of the Committee and the Chair takes steps to address any weaknesses in order to improve its services.

The Audit Committee informs the BoD on the results of the evaluation, as well as on the measures taken for the settlement of any weaknesses. The Committee evaluation results are taken into consideration in the evaluation of the Committee by the Board in terms of efficiency and performance of duties, which takes place on an annual basis as detailed in the Board of Directors Operating Regulations.

The self-assessment of the Audit Committee for 2022 has been completed with no findings and the results of this have been communicated to the Board. In addition, the Board has already started the procedures for its evaluations - hence the evaluations of its Committees - and the results of these are expected to be extracted during the first half of 2023, where they will be discussed in detail.

#### **H.1.6. Report on Activities - Meetings**

Regarding the activities of the Audit Committee during the year 2022, the relevant Report of the Chairman, C. Kyriazis is stated below:

*In my capacity as Chair of the Audit Committee of the Company "LAMDA DEVELOPMENT - Holding and Real Estate Development Société Anonyme", I hereby submit to you, on behalf of the Audit Committee, the Activity Report for the year 2022, referring to our work on the basis of the duties and responsibilities assigned to it, as presented in detail in the Audit Committee Charter published on the Company's website <https://www.lamdadev.com>.*

### **Composition**

*The current Audit Committee, established according to the terms and conditions of article 44, par 1(c) of Law 4449/2017, as amended by article 74 of Law 4706/2020, was elected by resolution of the Extraordinary General Meeting of the Company's Shareholders dated 22.12.2020, following which the Audit Committee was established as a body and its Chair was elected by decision of the Audit Committee that convened on the very same day, according to article 44, par. 1(e) of Law 4449/2017, as amended by article 74, par. 4 of Law 4706/2020. More specifically, the Audit Committee is composed of:*

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1. Chariton Kyriazis, Chair of the Audit Committee and Non-Executive Member of the Company's Board of Directors and Independent within the meaning of article 9, par. 1 & 2 of Law 4706/2020, meeting in any case the criteria of article 4 of Law 3016/2002, as currently in force;
2. Ioannis Zafeiriou, Member of the Audit Committee, Senior Independent Director, Non-Executive Member of the Company's Board of Directors and Independent within the meaning of article 9, par. 1 & 2 of Law 4706/2020, meeting in any case the criteria of article 4 of Law 3016/2002, as currently in force;
3. Evgenia Paizi, member of the Audit Committee and Non-executive of the Company's Board of Directors ; and
4. Konstantinos Sfakakis, member of the Audit Committee, Third Person outside the Company, Independent within the meaning of article 9, paras 1 & 2 of Law 4706/2020, meeting in any case the criteria of article 4 of Law 3016/2002, as currently in force;

All Audit Committee members have sufficient knowledge of the sector that the Company operates. At least one member of the Committee, Mr. Sfakakis, has sufficient knowledge in auditing and accounting.

### Meetings

During the financial year 2022, a total of thirteen (13) meetings were held. The following table shows the meeting attendance statistics of the Audit Committee members:

Members	Audit Committee Meetings - Year 2022													Attendance percentage:
	20/1	2/2	30/3	5/4	24/5	20/6	28/6	19/7	8/8	28/9	27/10	23/11	20/12	
Kyriazis Chariton	√	√	√	√	√	√	√	√	√	√	√	√	√	100%
Zafeiriou Ioannis	√	√	√	√	√	√	√	√	√	√	√	√	√	100%
Paizi Evgenia	√	√	√	√	√	√	√	√	√	√	√	√	√	100%
Sfakakis Konstantinos	√	√	√	√	√	√	√	√	√	√	√	√	√	100%

With regard to the activities of the Audit Committee, during the financial year 2022, all issues falling within its responsibilities were examined, with emphasis on statutory audit, the financial and non-financial reporting process and the Internal Control System and Corporate Governance System:

#### A. Statutory Audit

- The Audit Committee monitored and examined the process of the statutory audit of the Company's individual and consolidated statements for the financial year 2021 and the first-half of the financial year 2022 as well as the content of the chartered auditor-accountant's additional reports. In particular, during the statutory audit, meetings were held with the chartered auditor-accountant's team where it has been discussed and agreed, inter alia, the relevant audit plans and the analysis of the risks affecting the Company's financial status, based on which were prepared the Key Audit Matters, the accounting standards affecting the assumptions of the audit plan, as well as the priorities set by the European Securities and Markets Authority (ESMA) regarding the audit of the annual financial results, the materiality threshold, the scope of the audits, the results of the audits, the problems highlighted in the audit process due to the complexity of their work and the future challenges for the Company. The Audit Committee has ascertained the accuracy and completeness of the statutory audit procedure in accordance with the relevant regulations.
- The Audit Committee discussed with the chartered auditors-accountants the risk analysis and audit plan for the audit of the financial year 2022. In particular, the discussions addressed, inter alia, not only the main risks but also the positive elements that may affect the financial year results, the new ISO 315



*auditing standard which affects the assumptions of the audit plan and is expected to input additional information into the annual financial report regarding the significant risks affecting the Company's financial activity, the expected results based on the data available so far, the priorities set by the European Securities and Markets Authority (ESMA) as regards the audit of the annual financial statements, the scope of the audit, the key audit matters and the materiality threshold.*

- *The Audit Committee was briefed on the completion of the tax audit and the issuance of the tax certificate for the fiscal year 2021.*
- *The Audit Committee confirmed the chartered auditor-accountant's independence. More specifically, it reviewed the total amount of the fees of the chartered auditors-accountants (PwC) for the financial year 2021 regarding the audit and non-audit services that were carried out, as well as reviewed and approved additional fees for non-audit services during financial year 2022, pursuant to the Company Policy in force for the Assignment of Non-Audit Services, which implements, the applicable restrictions of European Regulation no. 537/2014 and the relevant HAASOB's (Hellenic Accounting and Auditing Standards Oversight Board) directives. In addition, PwC stated in writing its independence according to the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (the IESBA Code) and the ethical requirements of the European Regulation 537/2014 and Law 4449/2017.*
- *The Audit Committee proposed to the Board of Directors the submission to the 2022 Ordinary General Meeting of Shareholders of a proposal for the reappointment of the audit firm PwC for the statutory audit of the financial year 2022 given that, in light of the evaluation of its work and taking into account the opinion of the Chief Financial Officer, the cooperation to this day has been evaluated to be satisfactory. The Audit Committee also confirmed with the Financial Division that the proposed fee for the above work is reasonable for its quality and approved its amount.*
- *It approved an additional chartered auditor-accountant's fee for the audit of the annual financial statements for the financial year 2022, concerning the audit of McArthurGlen's post-acquisition financial statements.*
- *It approved an additional chartered auditor-accountant's fee related to the provision of assurance services in preparation for a bond issuance.*
- *Having noted from the previous financial year the need, in compliance with the applicable legal framework, to change the chartered auditor-accountant for the statutory audit for the financial year 2024, the Audit Committee took the following actions:*
  - *It decided the timely initiation of the process of selecting a new chartered auditor-accountant for the audit of the 2024 financial statements, targeting the advantages identified during the examination of this action, the main ones being the avoidance of assignments for non-authorized services to the future chartered auditor-accountant, which would call into question its independence, the timely engagement of the said auditor and the smooth transition into the new chartered auditor-accountant.*
  - *It addressed the selection procedure and took steps to prepare a call for proposals.*
  - *It selected the participants in the tender process, conducted interviews with them and examined in detail the content of the tenders submitted, with the assistance of the Chief Financial Officer, with the main criteria being the qualitative characteristics of the individual tenders as well as the technical skills of the audit teams.*
  - *It proceeded with the pre-selection of Ernst & Young (EY) as the new chartered auditor-accountant following an evaluation process in which the Chief Financial Officer also participated and informed the Board of Directors accordingly. The final decision on the appointment of the chartered auditor-accountant will be taken by the Board of Directors and subsequently by the Ordinary General Meeting that will be held in 2024.*
  - *It initiated discussions with the statutory chartered auditor-accountant (PwC) and the pre-selected chartered auditor-accountant (EY) on the transition plan between the two audit firms.*
  - *It proceeded, in cooperation with the Chief Financial Officer, to the assignment of various necessary tasks to the pre-selected audit firm in order to familiarise it with the Group and to confirm its pre-selection through the quality of the services provided.*

## **B. Financial Reporting Procedure**

- *It reviewed and evaluated the Financial Reporting procedure followed for the issuance of the Annual Financial Report 2021 and the Semi-Annual Financial Report 2022. During the review of the above procedure, inter alia, it discussed with the Chief Financial Officer, the Chief Internal Auditor, the chartered auditor-accountant and the independent property appraiser the key information/review points as these emerged during the audit of the financial results and the other recommendations of the above, it was briefed about the key financial data, it initiated actions to address any risks to the Company, and, having*

ascertained their proper execution, informed the Board of Directors and proposed the approval of the relevant financial statements.

- With regard to the audit of the preparation of the Parent Company and Group interim financial statements for the first quarter of 2022, the Audit Committee proposed its inclusion in the audit plan of the Internal Audit Service and, having received an update by the Chief Internal Auditor on the audit result and having discussed with the Chief Financial Officer and the Chief Operation Officer the key information/review points, as these emerged during the audit of the financial results and key financial data, the Audit Committee recommended their approval to the Board of Directors. Also, in light of the discussions that took place with the responsible company officers during the preparation of the above statements and the points for improvement that were highlighted by the audit carried out by the Internal Audit Service, the Audit Committee considered the possibility to recommend to the Management, as an additional control activity regarding the correctness of the information, the audit of the preparation of the Parent Company and Group financial statements for the nine months of 2022 by a chartered auditor-accountant.
- As far as the review of the preparation of the Parent Company and Group interim financial statements for the first nine months of 2022 is concerned, the Audit Committee assigned its audit to a specialized team of external consultants, namely Ernst & Young (EY), following its pre-selection as the new chartered auditor-accountant for the financial year 2024, aiming at the same time at familiarizing the new chartered auditor-accountant with the procedures of the Group. The discussions during the meetings with the EY chartered auditors-accountants addressed the key information/review points, the results of the review with the points for improvement identified and the actions taken by the Financial Division to improve the applicable process. The key financial data were also discussed at length with the Financial Division and, after providing any clarifications needed, the Audit Committee proposed their approval to the Board of Directors.
- The Audit Committee reviewed the financial year 2022 Corporate Announcements and the process for their preparation.

### **C. Internal Control System**

#### **Internal Audit**

- The Audit Committee was briefed by the Chief Internal Auditor about all the audits carried out within the reported period and reviewed the findings thereof, the corrective actions agreed with the senior management and the timeline for their implementation. In addition, it was given a follow up on the progress of the implemented actions according to the implementation timeline set by the responsible officials for the above actions. Where necessary, the Audit Committee contacted the responsible company officers for further clarification on the corrective actions decided. The examination of the significant findings and the identification of areas for improvement, contributed to the preparation of additional proposals by the Audit Committee to the Company's Management, which concerned the adoption of additional control activities in various functions of the Company, such as important procurements for the Ellinikon project, the drafting of the respective contracts and the Company's ERP system, which the Audit Committee discussed with the Company.
- The Audit Committee approved the initial 2022 annual audit plan of the Internal Audit Service, as well as the revisions of said plan containing the addition of new audits according to the needs of the Company. It was also briefed by the Chief Internal Auditor on the revised methodology to be followed by the Internal Audit Service in developing its audit plans, which is based on the risk identification & management register of the Company.
- It reviewed the annual activity report of the Internal Audit Service for 2021, as well as the respective 2022 quarterly reports for the periods that ended on 31.3.2022, on 30.6.2022 and on 30.9.2022.
- The Audit Committee was briefed, by written statement of the Chief Internal Auditor, about the independence of the Internal Audit Service.
- It evaluated the needs for necessary resources, and the potential impact of any restrictions on the resources or the auditing work of the Internal Audit Service in general, at the request of the Chief Internal Auditor, and proposed the further strengthening of the Service. It was also informed about the actions being implemented in the Internal Audit Service with the aim of procuring a tool for internal audit, which will facilitate the automation of specific tasks and will save additional human resources.
- The Chair of the Committee carried out the evaluation of the Chief Internal Auditor's performance, in the context of the annual evaluation of the Group's personnel for the year 2022. The Committee was also informed of the evaluation of all auditors of the Internal Audit Service based on the performance evaluation system implemented by the Company.
- During financial year 2022, and in addition to the Committee meetings, the Chair of the Committee had weekly meetings with the Chief Internal Auditor in order to be updated on the progress of internal audits and for the rest of the matters related to the responsibilities and management of the Internal Audit Service.

### **Risk Management**

- It reviewed the Group's most significant risks through the quarterly reports of the Senior Risk Manager, with emphasis on those related to the Ellinikon project and on those of the Financial Division.
- It reviewed the operation and the work of the Risk Unit through the meetings held with the Senior Risk Manager and other officers of the Company, as well as through the relevant reports submitted, namely the 2021 annual activity report and the quarterly reports for the periods ended on 31.3.2022, on 30.6.2022 and on 30.9.2022.
- It was briefed extensively on the capabilities of the new electronic risk management tool (Archer) and on the progress of its implementation in the Group. It also took actions to assess the recorded risks of the Financial Division and the relevant management actions, as well as the functionality of the application.
- It discussed with the Chief Operating Officer, to whom the Senior Risk Manager functionally reports, the final steps remaining to complete the Archer implementation.

### **Compliance**

- It was extensively briefed on the progress of the works of the Compliance Unit and the implementation of the 2022 action plan and reviewed the 2021 annual report and the quarterly reports submitted to for the periods that ended on 31.3.2022, on 30.6.22 and on 30.9.2022.

### **Evaluation of the Internal Control System (ICS)**

- It was briefed and evaluated the adequacy and effectiveness of the Internal Control System through a relevant precursory mid-year audit carried out by the Internal Audit Service with the aim of identifying potential weaknesses and monitored the implementation of the corrective actions agreed for its improvement.
- Within the framework of its responsibilities, that are stipulated in the Policy for the Evaluation of the Company's Internal Control System, which is approved by the Board of Directors, the Audit Committee accommodated the evaluation of the Internal Control System by an independent external auditor with a reporting date as of 31.12.2022. In particular, the Audit Committee has taken the following actions:
  - It evaluated the briefing notes sent to the Audit Committee and to the Internal Audit Service by certified external auditors and consulting firms.
  - After extensive discussions, the Audit Committee decided to assign the task to the firm that would be pre-selected as the Company's new chartered auditor-accountant for the financial year 2024, as it considered that the advantages of such an action were numerous and, above all, would contribute to a better understanding of the Group. Therefore, the evaluation work was undertaken by EY.
  - It monitored in detail the progress of the evaluation works.
  - It was briefed on the result of the evaluation, which was free from material weaknesses, and received the relevant Internal Control System Evaluation Results Report from the external auditor.
  - The Audit Committee submitted the report to the Board of Directors and arranged for a summary of the report to be sent to the Hellenic Capital Market Commission.
- It was briefed on the Company's new privileged information disclosure manual.
- It reviewed the new procurement policy and submitted proposals for its improvement.

### **D. Corporate Governance System**

- The Audit Committee was informed about the actions of the Internal Audit Service regarding the preparation of the Corporate Governance Declaration to be included in the 2021 Annual Financial Report, a task which was considered of high importance for the Company's compliance with Law 4706/2020 and the Hellenic Corporate Governance Code adopted by the Company.
- The Chair of the Audit Committee held meetings with the Chair of the Board of Directors, the Chief Executive Officer, as well as other officers of the Company on issues related to the Company's internal audit, risk management, regulatory compliance as well as the Internal Control System and the Corporate Governance System.

### **E. Other Significant Matters**

- The Audit Committee was briefed about the Company's pending litigation for the financial year 2021, through a detailed presentation by the Company's Legal Counsel.
- It reviewed the invoicing of expenses from Lamda Development to HELLINIKON S.M.S.A. and the respective tax accounting treatment.

## Annual financial report for the year ended 31 December 2022

- It was informed about the Whistleblowing issues managed by the Reports Committee, the procedure followed to investigate the relevant reports and the actions taken to resolve them. It also certified the correctness of the procedures followed and, based on the examination of the issues raised, prepared proposals to mitigate the relevant incidents.
- It examined two (2) situations that could lead potentially to conflicts of interest, where it approved the relevant response plans in accordance with the Company's conflict of interest policy and the respective conflict of interest management procedure .
- In order to enhance the credibility of the Group's real estate valuer's appraisals, the Audit Committee took actions, through which his independence was ascertained.
- The Audit Committee was informed, through the audits of the Internal Audit Service, about the actions of the Technology Department on issues concerning IT systems security.

### **F. Matters related to the operation of the Committee**

- The Audit Committee performed a self-assessment of its work for 2021, its operation and the overall qualifications of its members through the completion of a relative questionnaire, the conclusions of which were duly discussed and communicated to the Board of Directors of LAMDA Development S.A.
- It reviewed and approved the minutes of its meetings.
- It has submitted its Annual Activity Report for the financial year 2021 to be included in the 2021 Corporate Governance Declaration and to be submitted to the Annual General Meeting of Shareholders on 22 June 2022.
- It prepared and submitted reports regarding its activities to the Board for the year ended 31 December 2021, as well as for the quarters for the periods ended on 31.3.2022, on 30.6.2022 and on 30.9.2022. These reports included, inter alia, information on the progress of the work of the Internal Audit Service, the Compliance Unit and the Risk Unit. The audit reports of the Internal Audit Service were also sent along with the aforementioned reports, and, in order to ensure the safe and timely information of the Board of Directors, the Audit Committee arranged for their submission to be made through a restricted-access electronic platform.

### **G. Non-financial reporting and sustainable development**

- The Audit Committee was extensively briefed on the new institutional framework regarding the non-financial reporting and the ESG principles.
- The Chair of the Audit Committee was informed by the relevant company officers on their actions regarding the adoption and implementation of the sustainable development strategy for the Ellinikon and the Group. Following this, it supervised the drafting procedure of the Management's proposal to the Board of Directors regarding the above issues while participated in the presentation of its main points.
- It reviewed, through the work of the Internal Audit Service, ESG Reports for the years 2020 and 2021 and having found them to be comprehensive, technically detailed and satisfactory in terms of the quality of the work produced, approved their publication.
- It was briefed about the Company's action plan for the establishment of the decision-making and governance system for Sustainable Development issues and the progress of its implementation in the context of the implementation of the Company's strategy.

The Chair of the Audit Committee informed the Board of Directors on all the above matters as needed on a case by case basis.

### **Sustainable Development Policy**

Sustainable Development is an integral part of the Company's long-term strategy. By virtue of its Board of Directors' decision dated 16.7.2021, the Company implements a Sustainable Development Policy («The Policy»), the main points of which may be summarised below:

The Policy summarizes the Company's commitment to the responsible management of the economic, social and environmental impacts of all its activities towards its stakeholders, as well as the respective wider impacts towards the economy, society and natural environment. The company aims, on the one hand, at the reduction of any negative impacts and on the other hand, at the increase of positive impacts, within the framework of the United Nations Sustainable Development Goals.

The Company's Sustainable Development Policy is based, inter alia, on the Principle of Materiality and the Stakeholder Inclusiveness Principle, as both principles are defined in the GRI Standards and the United Nations Agenda 2030 for Sustainable Development (17 Sustainable Development Goals). It is

also based on the principles of the Company - i.e. Extroversion, Innovation, Investing in its people, Customer-centered approach - and covers the following axes:

**Environment:** In any business and commercial development, takes into consideration the following environmental aspects:

- Climate change;
- Air, noise and particulate matter pollution;
- Biodiversity (effect on ecosystems - animals, plants) and soil quality;
- Resource efficiency/materials (raw materials and supplies)
- Solid waste;
- Waste and wastewater.

**Society:** The company's activity creates a series of social and economic impacts for its stakeholders, as well as for the country in general. The most important socio-economic impacts covered by this policy include:

- Employment and economic value;
- Prosperity for the society and the local communities;
- Innovation and digital transformation;
- Dignity and equality;
- Training and skills development of the future
- Health, safety and well-being.

**Governance:** The Company, through the implementation of standards, principles and corporate governance best practices, seeks to operate with ethics, extroversion and transparency in every business operation aspect, in order to enhance its competitiveness and to create benefits at every level of its value chain. This policy includes the following aspects of a robust corporate governance approach:

- Corporate governance
- Stakeholder engagement/participation;
- Regulatory compliance and business ethics;
- Risk management, business continuity and emergency preparedness;
- Responsible investments and sustainable finance;
- Responsible procurement.

Maroussi, 31.03.2023

The Chair of the Audit Committee

C. Kyriazis

## **H.2. Compensation & Nomination Committee**

### **H.2.1. Establishment - Composition**

The Compensation & Nomination Committee was established according to the decision of the Company's Board of Directors dated 01.03.2011, from the merge of the Compensation Committee (established 16.07.2004) and Nomination Planning and Corporate Governance Committee (established 11.09.2007). Upon enactment of the provisions of Law 4706/2002, arose the need for the re-establishment of the Audit Committee and the adjustment of its Charter.

The Committee consists of four (4) members by majority independent from the Company, within the meaning of article 9 of Law 4706/2020. In particular, three (3) out of the four (4) members of the Committee are independent, non-executive members and one (1) is a non-executive Director. The Chair of the Committee is an independent, within the meaning of article 9 of Law 4706/2020, non-executive Director. The Chair and the members of the Committee are appointed by the Company's Board of Directors. The participation in the Committee does not exclude the possibility to participate in other committees of the BoD.

### **H.2.2. Terms of operation of the Committee**

The operation of the Compensation & Nomination Committee is governed by Articles 10, 11 and 12 of Law 4706/2020, Articles 109 to 112 of Law 4548/2018, and the Guidelines of the Hellenic Capital Market Commission for the Suitability Policy of Article 3 of Law 4706/2020.

The Committee is in quorum and meets validly on the items of the agenda, when three (3) members are present, by a majority of independents. The Committee meets at the registered seat of the Company, or where-ever else the Company's Articles of Association provides for, by analogy to article 90 of Law 4548/2018. 4548/2018. The Committee may also convene by video or telephone conference.

The deliberations and decisions of the Committee are entered into minutes kept and signed by the members present at the meeting, according to article 93 of Law 4548/2018. 4548/2018. Any member of the Committee may request the entry of that member's opinion in the meeting minutes.

The signing of a meeting's minutes by all the members of the Committee is equivalent to a Committee decision, even without a prior meeting taking place. In this case, article 94 of Law 4548/2018, which provides for the Board of Directors "Signing of minutes without a prior meeting", is applied by analogy.

The Committee is assisted by a Secretary, who is a member of the Committee or an executive of the Company at the discretion of the Committee and in accordance with its decision.

### **H.2.3. Responsibilities**

The Compensation & Nomination Committee's aim is to assist the Board of Directors in relation to the matters provided for by the law for the Compensation Committee and the Nomination Committee and operates in accordance with its detailed Operating Regulation, which is posted on the Company's website ([www.lamdadev.com](http://www.lamdadev.com)).

The responsibilities of the Compensation & Nomination Committee are as follows:

1. It submits proposals to the BoD concerning the Remuneration Policy that is submitted to the General Meeting for approval, according to article 110, par. 2 of Law 4548/2018.
2. It tabled proposals to the Board regarding the remuneration of the persons falling within the scope of application of the Remuneration Policy according to article 110 of Law 4548/2018 and regarding the remuneration of the Company's managing officers, especially the Chief Internal Auditor.
3. It examines information included in the final draft of the Annual Remuneration Report, providing its opinion to the BoD, prior to the submission of the Report to the General Meeting, according to article 112 of Law 4548/2018.
4. It has the responsibility to determine the remuneration system for the BoD members and the top management and to make relevant proposals to the BoD, which decides on these issues, or to propose to the General Meeting, where this is required.
5. It examines proposals concerning variable remuneration of the management of the Company and submits proposals to the BoD with respect to the total amount of annual variable remuneration (i.e. excluding basic salary) in the Company.
6. It examines proposals of the Company's management concerning stock option plans or granting of shares and it submits proposals to the BoD- and through it to the General Meeting, when this is required.
7. It determines the performance criteria of the executive members of the Board of Directors and their weighting at the beginning of each financial year, for the short-term incentive plan (bonus plan), based on the Company's strategic priorities and its business objectives. At the end of the financial year, it evaluates the Company's performance against these objectives.
8. It examines the performance targets proposed by management and their correlation with the variable remuneration of the executive members of the Board of Directors and top management, or targets connected with stock option plans or granting of shares, and submits its proposals to the BoD.

9. It reviews on a regular basis, the salary of executive BoD members and other terms of their contracts with the Company, including severance pay and pension arrangements.
10. It examines and proposes to the BoD the connection of the executive members' remuneration with ESG and sustainable development indexes that could add long-term value to the Company. In such case, it shall be ensured that these indexes are relevant and reliable and promote the proper and effective management of ESG matters and sustainable development matters.
11. It guides and monitors the external consultant, if he/she has been hired for remuneration issues. The external consultant is reported in the annual report of the Company together with a statement on any potential relationship between himself/herself and the Company or members of the BoD individually.
12. It recommends to the Board of Directors the return of all or part of the bonus awarded to the executive members of the Board of Directors, due to breach of contractual terms or inaccurate financial statements of previous years or generally based on incorrect financial data used for the calculation of this bonus.
13. It proposes to the BoD in the event of early termination of employment of an executive member, the consideration of additional severance pay, as appropriate.
14. It uses any resources it may deem appropriate for fulfilling its objectives, including services provided by external consultants.

The Compensation and Nomination Committee's responsibilities in relation to the nomination of candidates are the following:

1. It selects the nominees of the BoD taking into consideration the factors and criteria set by the Company, according to the Suitability Policy adopted.
2. It determines the requirements of the Company with respect to the size and composition of the BoD, with the purpose to achieve completeness and balance, knowledge, experience and management ability.
3. It proposes the suitability criteria of the BoD members, with the purpose to ensure individual and collective suitability.
4. It proposes to the BoD the Suitability Policy and monitors its implementation, with the support of the Internal Audit Service, the Human Resources Department, the Legal Department, the BoD Secretary and the Compliance Unit, where necessary.
5. It maintains supporting evidence concerning the approval of the Suitability Policy, and any amendments thereof, in an electronic file of the Company, through the Secretary of the Committee.
6. It keeps records through the Chair of the Committee with the results of the suitability evaluation, and especially any weaknesses found between the anticipated and real individual and collective suitability, as well as any necessary measures to address them.
7. It recommends to the BoD its staffing with persons of integrity and reputation, who have the experience required for the tasks and role they undertake, on the one hand, and sufficient time to carry out their duties, on the other.
8. It participates in the selection of third parties for the Audit Committee, when necessary.
9. It selects the appropriate methodological tools ensuring that nominees for BoD members are aware of, among other things, the corporate culture, the values and the general strategy of the Company, prior to undertaking their duties but also throughout their term of office.
10. It monitors on a continuous basis the suitability of the BoD members, especially for detecting instances where re-evaluation of suitability is required, in view of any new event that may take place.
11. It proceeds with specific actions at the end of each semester to ensure that the individual suitability criteria for each Board member are met, as described in the suitability criteria monitoring process.

12. It examines periodically and consistently the needs for renewal of the BoD.
13. It shall have a clearly defined nomination procedure, which shall be applied in a transparent and effective manner.
14. It identifies and recommends to the BoD suitable persons for becoming members of the BoD on the basis of a specific process.
15. It has in place a framework for filing positions and succession of BoD members, so as to identify the needs for filing positions or replacement, and to always ensure the smooth continuation of the management and the fulfilment of the Company's object.
16. It ensures the smooth succession of the BoD members with their gradual replacement, in order to avoid lack of management.
17. It achieves through the succession framework, which takes into consideration mainly the findings of the BoD evaluation, the necessary changes in the composition or skills, in order to maximize the efficiency and the collective suitability of the BoD.
18. It recommends to the Board of Directors, in order to be submitted to the General Meeting, the fulfilment of the independence criteria of paragraphs 1 and 2 of article 9 of Law 4706/2020 and any other independence criteria provided for in the Company's Internal Regulations or the Corporate Governance Code adopted by the Company.
19. It proceeds with specific actions, in order to ensure that independent non-executive members of the BoD have this status upon the time of undertaking their duties and maintain this capacity during their term of office. For this purpose, it monitors on a permanent basis the fulfilment of independence criteria by the independent non-executive members of the BoD.
20. It takes into consideration the adequate gender representation, at a percentage of at least twenty-five (25%) of all BoD members, when submitting proposals for the appointment of BoD members.
21. aiming on the one hand to promote the necessary diversity in the Board of Directors and on the other hand to foster the inclusiveness of its membership. When selecting Board members, the necessary care is taken to ensure a diversity of views and experience in order to make sound decisions
22. It maintains a list of candidate members who possess the specific characteristics required for the implementation of the Company's long-term planning. In this context, it shall ensure the existence of an appropriate succession plan to ensure the smooth continuity of the management of the Company's affairs and decision-making after any departures of Board members, in particular executive members and members of its committees. The succession plan shall in particular take into account the findings of the evaluation of the Board in order to achieve the required changes in composition or specific characteristics and to maximize the effectiveness and collective suitability of the Board.
23. It formulates a complete succession plan of the Chief Executive Officer and ensures:
  - i. the identification of the required qualities that the person of the CEO should possess
  - ii. the continuous monitoring and identification of potential internal candidates
  - iii. where appropriate, the search for potential external candidates; and
  - iv. dialogue with the CEO on the evaluation of candidates for his position and other senior management positions.
24. It participates in the nomination process and in the drafting of a succession plan for the BoD members and top management.
25. It defines the evaluation parameters on the basis of best practices and is in charge of the following:
  - i. the evaluation of the Board of Directors,
  - ii. the individual evaluations of the CEO and the Chair,



- iii. the succession plan of the CEO and the members of the Board of Directors,
  - iv. the targeted composition profile of the Board in relation to the Company's strategy and suitability policy.
26. It conducts the evaluation process in the form of questionnaires and interviews.
  27. It ensures the annual self-evaluation of the BoD and the periodic evaluation by an external consultant at least every three years.
  28. It provides guidance to the BoD for the annual evaluation of the Chief Executive Officer's performance.
  29. It obtains, with the assistance of the BoD Secretary, the written confirmation of the BoD members upon their appointment, that they accept the policies, procedures and other internal documents of the Company in their entirety and that they are bound by them.
  30. It recommends to the Board of Directors the replacement of its member, in case it is determined that one or more of the individual suitability criteria cease to apply to the person concerned, based on the Company's Suitability Policy and the relevant procedure for monitoring the individual suitability criteria.
  31. It approves the Training Policy of the BoD members.
  32. It uses any resources it may deem appropriate for fulfilling its objectives, including services provided by external consultants.

#### **H.2.4. Method of evaluation**

The Compensation and Nomination Committee evaluates its Operating Regulation with respect to its suitability and efficiency on a yearly basis or earlier, if this is imposed by a significant reason, and it submits this to the BoD for approval. The current Operating Regulation is posted on the website of the Company.

Moreover, the Committee carries out annual self-evaluations of its performance, functioning and overall qualifications of its members by means of a relevant questionnaire. The Chair of the Committee is responsible for organizing such evaluation. The evaluation results are discussed by all the members of the Committee and the Chair takes steps to address any weaknesses in order to improve its services.

The Committee shall inform the Board of Directors of the outcome of the evaluation and of the measures taken to address any weaknesses. The results of the Committee's evaluation shall be taken into account in the Board's assessment of its effectiveness and the fulfilment of its tasks annually.

#### **H.2.5. Activities - Meetings**

Regarding the activities of the Compensation and Nomination Committee during the year 2022, the relevant Report of the Chair, Mr. I. Zafiriou, is stated below:

*The Compensation & Nomination Committee is a Board of Directors committee, established in accordance to the decision of the Board of Directors (the "Board ") dated 01.03.2011, and derives from the merger of the Compensation Committee (established on 16.07.2004) and the Nomination and Corporate Governance Committee (established on 11.09.2007). The Compensation & Nomination Committee submits an Activity Report for the financial year 2022, describing the work of the Committee in accordance with its assigned responsibilities.*

*Further information on the duties, responsibilities assigned and operation of the Compensation & Nomination Committee is available in the Committee's Rules of Procedure, which is posted on the Company's website <https://www.lamdadev.com>.*

#### **Composition**

*During the financial year 2022, due to the sad loss of the Compensation & Nomination Committee Member, Kyriakopoulos Odysseus, it became necessary to establish the good standing of the Committee's composition and to review its Rules of Procedure. Following compliance with the requirements under the provisions of Law 4706/2020 and in accordance with its revised Rules of Procedure, the Compensation & Nomination Committee now consists of four (4) members, by majority independent from the Company. In particular, three (3) out of*

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the four (4) members of the Committee are independent non-executive members and one (1) is non-executive member of the Board of Directors. The Chair of the Committee is independent, within the meaning of article 9 of Law 4706/2020, non-executive member of the Board of Directors. The Chair and the members of the Committee are appointed by the Company's Board of Directors. The composition of the Compensation & Nomination Committee is as follows:

5. Mr. Ioannis Zafeiriou, Chair of the Compensation and Nomination Committee, Senior Independent Director, Non-Executive Member of the Company's Board of Directors and Independent within the meaning of article 9, par. 1 & 2 of Law 4706/2020, meeting in any case the criteria of article 4 of Law 3016/2002, as currently in force;
6. Mr. Chariton Kyriazis, Secretary of the Compensation and Nomination Committee, Non-Executive Member of the Company's Board of Directors and Independent within the meaning of article 9, par. 1 & 2 of Law 4706/2020, meeting in any case the criteria of article 4 of Law 3016/2002, as currently in force;
7. Mr. Vasileios Katsos, Member of the Compensation and Nomination Committee and Non-Executive Member of the Company's Board of Directors;
8. Mrs. Kalypso-Maria Nomikos, Member of the Compensation and Nomination Committee and Non-Executive Member of the Company's Board of Directors and Independent within the meaning of article 9, par. 1 & 2 of Law 4706/2020, meeting in any case the criteria of article 4 of Law 3016/2002, as currently in force.

### Meetings

During the financial year 2022 a total of five (5) meetings were held. The following table shows the meeting attendance statistics of the Compensation & Nomination Committee's members:

Members	Compensation & Nomination Committee Meetings - Year 2022					Attendance percentage:
	22/3	6/4	12/5	24/5	22/11	
Zafeiriou Ioannis	√	√	√	√	√	100%
Kyriazis Chariton	-	√	√	√	√	80%
Katsos Vasileios	√	√	√	√	√	100%
Nomikou Kalypso-Maria	√	√	√	√	√	100%

The issues examined by the Compensation and Nomination Committee during the financial year 2022 are summarized below

#### A. Remuneration Issues

- The Committee reviewed the information included in the final draft of the Annual Remuneration Report for the financial year 2022 and submitted its opinion to the Board before submitting the Report to the Ordinary General Meeting on 22.06.2022 according to article 112 of Law 4548/2018.
- It cooperated with an independent external consultant, KPMG, in order to examine proposals for the revision of the Remuneration Policy and to evaluate the adoption of best practices in Corporate Governance. In addition, in the context of its cooperation with the external consultant, the Committee examined methods employed to determine the variable compensation of the Management, stock option plans, performance criteria for executive members of the Board and the assessment of corporate performance against said performance targets.
- The Committee reviewed proposals regarding variable compensation of the Company's senior management officers and staff for the financial year 2021, and submitted proposals to the Board regarding the total aggregate of annual variable compensation (i.e. excluding basic remuneration) in the Company.
- It reviewed the performance criteria of executive members of the Board of Directors on the basis of the Company's strategic priorities and business objectives, evaluated the corporate performance against said

*objectives and submitted a proposal to the Board on 25.05.2022 for the payment of variable compensation to the executive members of the Board of Directors for the year 2021.*

**B. Nomination Issues**

- *The Committee proposed the eligibility criteria applying to the members of the Board, as these are reflected in the Company's Suitability Policy, in order to ensure individual and collective suitability.*
- *It prepared questionnaires for the evaluation of the Board members, in order to ensure that the criteria of individual eligibility, as described in the eligibility criteria monitoring procedure of the Company, are met.*
- *The Committee took the necessary actions to evaluate the collective suitability of non-executive members of the Board by means of evaluation questionnaires, recorded the evaluation results, and informed the Company's Board of Directors regarding the evaluation conclusions at the Board's meeting of 29.06.2022.*
- *The Committee reviewed compliance with the conditions provided under article 9, par. 1 and 2 of Law 4706/2020 applying to the designation of a member of the Board of Director as an independent Board member, with the support of Internal Audit Service, the Legal Department and the Compliance Unit, and informed the Board of Directors for the fulfilment of the independence criteria at its meeting of 06.04.2022.*
- *It examined the nomination of new members of the Board, taking into consideration the factors and criteria set by the Company and proposed to the Board of Directors regarding the its staffing with persons of integrity and good reputation, who on the one hand have the experience required for the duties and roles they undertake, and on the other hand have sufficient time to perform their duties.*
- *The Committee took note of the Management's intention to recruit officers for Senior Management positions, in accordance with its Rules of Procedure.*
- *The Committee carried out a self-evaluation of its performance, operation and overall qualifications of its members by means of a relevant questionnaire.*

*With respect of all the foregoing, the Chair of the Compensation and Nomination Committee informed the Board of Directors as needed on a case by case basis.*

*Maroussi, 31/03/2023*

*The Chair of the Compensation & Nomination Committee*

*I. Zafeiriou*

**I. Notes on Internal Control and Risk Management**

**I.1. Description of the Internal Control System**

The Internal Control System ("ICS") is the set of internal control mechanisms and procedures that ensure the proper management and operation of the Company.

Pursuant to paragraph 2 of article 4 of Law 4706/2020, the Board of Directors ensures the adequate and effective operation of the Company's ICS, which aims mainly at the following objectives:

- the consistent implementation of the operational strategy, with the effective use of available resources,
- the identification and management of material risks associated with the Company's business and its operation,
- the effective functioning of the internal audit service,
- to ensure the completeness and reliability of the data and information required for the accurate and timely determination of the Company's financial position and the preparation of reliable financial statements, as well as its non-financial position if article 151 of Law 4548/2018 applies,
- compliance with the regulatory and legislative framework, as well as the internal regulations governing the operation of the Company

The Risk Management System and the Regulatory Compliance System are included in the ICS, based on par. 1a of article 13 of Law 4706/2020.

The ICS includes the following main components, which are discussed in the following sections:

- The Control Environment
- Risk Management
- The control mechanisms and safeguards
- The information and communication systems, and
- The monitoring of the ICS.

Within the framework of the ICS and taking into account the "three-line governance model", the Company possesses a Risk Management Unit and a Compliance Unit in the second line, while the Internal Audit Service is located in the third line.

As mentioned in previous paragraphs, the Board of Directors, through the Audit Committee, has the ultimate responsibility for monitoring and evaluating the effectiveness and adequacy of the Company's Internal Control System.

### **I.1.1 Control Environment**

The control environment is the set of structures, standards, policies and procedures through which the Company's overall organization and management is determined. These elements form the basis for the development of an effective ICS.

### **Integrity, Ethical Values and Management Conduct**

The Company has adopted and applies a **Code of Conduct**, which has been recently revised (November 2022), which governs the conduct of all its human resources including the members of the Board of Directors and the Company's management. In particular, it includes provisions relating to the Company's corporate values and core operating principles, such as:

- integrity and respect for labour relations and human rights
- the commitment of employees to the company's objectives
- the Company's commitment to the continuous professional training of its human resources, as well as the continuous effort of its employees to achieve their maximum performance and the continuous improvement of the results of their work
- the dignified behaviour of employees in external activities
- compliance with the applicable legislation and regulatory framework, as well as the Group's regulations, policies and procedures
- the protection of personal data
- the confidentiality of work and confidentiality
- the fight against corruption;
- conflicts of interest;
- the extra-corporate activities of employees
- the use of the Company's assets
- the Group's relationships with customers and suppliers, which must be based on trust, mutual respect, fairness and honesty, thus ensuring long-term partnerships
- the health and safety of workers
- sustainable development principles relating to the environment and the Company's relations with society, in particular with vulnerable social groups and local communities in the areas where its facilities operate.

There are also procedures for informing the parties involved, for monitoring its compliance and for managing deviations and implementing corrective actions.

In addition to the Code of Conduct, the Company has established and implements a **Policy for Combating Discrimination, Violence and Harassment at Work**, in order to ensure a working environment where respect for human dignity prevails and discrimination based on personal characteristics (gender, race, colour, ethnic or social origin, genetic characteristics, language, disability or health status, age) and choices (religion or belief, political opinions, sexual orientation).

The Company has also adopted an **Anti-Corruption Policy** as a measure of best practice and to promote corporate compliance. The Policy places restrictions on the Company's interactions with various public and private sector employees in order to maintain a high standard of professional conduct and reflects the Company's zero tolerance approach against any form of corruption. The ultimate objective is to conduct business and transactions with professionalism, integrity and fairness. In this context, the Company's personnel are not allowed to offer or accept directly or indirectly - through third parties - gifts (money, cash, items and loans) from and to any third party with the purpose of obtaining or maintaining a business advantage. The Policy also sets rules regarding the provision of entertainment, meals, travel and lodging, political and charitable donations, direct payments or payments through third parties, and the employment and internship with the Company of individuals associated with State employees and business partners. The Company has also established the relevant procedures to be followed to ensure that the principles reflected in the above Policy are implemented. The Company encourages Personnel who become aware of incidents of Corruption to report them either to their immediate supervisor, any member of the Reporting Committee, the Reporting Committee as a body, or the Whistleblowing System by name or anonymously.

The Company has a Training Policy for Board members, executives & other executives, which provides the basic steps of the Company's training system, mainly regarding the design and implementation of training for prospective and current Board members, as well as for the Company's executives and other executives, with emphasis on issues of corporate culture, values and the Company's overall strategy.

### **Organisational Structure**

The Company has adopted specific organizational structures and arrangements for the execution, supervision and control of its operations and for the delineation of key areas of responsibility and the establishment of appropriate reporting lines, based on the size and nature of its operations, which are reflected in its Internal Regulation, a description of which is included in section B. of this Corporate Governance Statement.

### **Board of Directors and Board Committees.**

Sections D and H of this Statement describe the regulations concerning the Board of Directors and its Committees, based on article 10 of Law 4706/2020 (Audit Committee, Compensation and Nomination Committee).

### **Corporate Responsibility**

The Company has a Board of Directors' Rules of Procedure and the Operating Regulations of the Board committees, through which the regulations regarding authority, delegated powers, obligations, responsibilities, operating principles and rules of conduct are set out in detail.

The Company has established and operates Administration Committees such as the Management Committee and the Investment Committee, which aim to support the Management in matters of its responsibility, to monitor the progress of corporate affairs and to take the necessary decisions depending on their approval limits, as well as a Report Management Committee, which has undertaken the management and investigation of reports. Committees have also been set up to assist the Management in matters relating exclusively to the Hellenikon project, such as the Legal and Licensing Affairs Committee and the Project Executive Committee. The responsibilities of the Management Committees are included in the Company's Internal Regulations.

### **Human Resources**

The Company, through its Human Resources Department, has developed and implements policies/procedures for the recruitment, remuneration, training and evaluation of personnel that aim at attracting, developing and retaining competent employees while providing equal opportunities to all. In particular, remuneration linked to employee performance is provided for. Performance is assessed through individual target setting, linked to the broader strategy and the achievement of the Company's objectives. Benefits are also offered to all employees aimed at enhancing a sense of job security. Finally, development training programmes are

implemented, in which all employees can participate in order to meet their educational needs, improve their skills, ensure their continuous professional development and better respond to the fulfilment of the Company's objectives.

### **I.1.2. Risk management**

#### **I.1.2.1. The role of the Board of Directors regarding Risk Management**

The Board of Directors ensures the effectiveness and efficiency of Lamda's internal control system, aiming at the identification, recording, assessment and management of material risks related to Lamda's business activities and operations. It plays an indirect role in the risk management process. Without being directly involved in the risk management process, the Board of Directors exercises oversight of risk management:

- i. Defining Lamda Development's Risk Appetite.
- ii. Requesting, reviewing and approving risk management policies and procedures that are consistent with the organization's risk strategy and risk appetite.
- iii. Monitoring the implementation of risk management policies and procedures by management.
- iv. Taking measures to enhance the awareness of employees on risk management issues.
- v. Cultivating a corporate culture of risk awareness.

#### **I.1.2. The role of the Audit Committee (AC) in relation to Risk Management**

The Audit Committee, among its other responsibilities, assists the Board of Directors in fulfilling its duties regarding the effective operation of the internal control system, including risk management. The Audit Committee monitors and reviews the management of significant Risks and uncertainties, as well as the effectiveness and efficiency of the risk review and update process. In this context, the Audit Committee may evaluate the methods used to identify, monitor and manage Risks. The Audit Committee shall supervise the activities of the Risk Management Unit. Its other responsibilities include:

- i. Overseeing the risk appetite and risk tolerance appropriate to each area of the company's business.
- ii. Ensuring that appropriate governance, risk management, and risk management policies and procedures are in place and that appropriate risk control measures are in place at the corporate level.
- iii. Ensuring that appropriate procedures and systems are in place to identify, record, assess and report risks at company level.
- iv. Overseeing compliance with company-wide risk management governance procedures and practices and risk controls.
- v. Overseeing the effective and timely implementation of corrective actions.
- vi. Examining the responsibilities and autonomy of members of management and employees in carrying out risk management tasks.

#### **I.1.2.3. The Risk Management Unit (RMU) and its operation**

The regulation of the Risk Management Unit, which entered into force by decision of the Board of Directors of the Company on 16.7.2021, describes in more detail the mission, roles, responsibilities and reporting lines applicable to the Risk Management Unit. The main responsibilities of the Risk Management Unit are set out below:

- i. Designing, recommending and adopting an approved integrated Risk Management Strategy, as well as a Risk Management Policy Statement.
- ii. Adopting and maintaining a thorough Risk Management methodology.
- iii. Providing advice to Business Units on Risk Management techniques.
- iv. Facilitating the identification, assessment and response to Risks.
- v. Monitoring the implementation and effectiveness of Risk Management procedures.
- vi. Coordinating the provision of information on Risks and Risk Management.
- vii. Ensuring the consistency and homogeneity of Risk Management procedures throughout the Company.

- viii. Acting as a communication channel for the exchange of information on Risks and Risk Management.
- ix. Providing independent advice on the adequacy of mitigation actions and controls.
- x. Providing independent advice on the effectiveness of the individual stages of the Risk Management process. The Risk Management Unit may escalate its concerns about specific Risk Management actions to the appropriate level of management to resolve the issue.
- xi. Providing training and support for the cultivation of a corporate culture based on awareness of Risk issues throughout the company.
- xii. Acting as a central point of coordination of Risk Management information between the Company and third parties regarding the use of common tools for the disclosure and management of operational, commercial, financial, internal and external Risks.

#### **.I.1.2.4. The role of middle and senior management in relation to Risk Management**

Middle and Senior Management are responsible for identifying and managing risks in accordance with their responsibilities and the Company's Risk Appetite.

The Management is also responsible for:

- i. The identification, assessment and introduction of mitigation and control instruments.
- ii. The continuous monitoring and periodic review of risks, mitigation remedies and controls throughout the risk lifecycle, in accordance with established procedures. The periodic review of risks and the provision of appropriate approval in accordance with the established procedures at least on a quarterly basis.
- iii. The updating of the Risk data in the Company's Risk Management System.
- iv. Delegating appropriate responsibilities to the other members of the Risk Management System.
- v. Working with the Risk Management Unit as required to ensure that the Risk Management procedures and methods in place are up to date and aligned with the requirements of the Board of Directors and the Audit Committee.
- vi. The review of Risks that have been categorized according to either the professional experience of the managers or their area of responsibility and to interface with other Risk Managers to coordinate management actions.
- vii. Ensuring that Risk Management processes are integrated with other planning processes and management actions.
- viii. Ensuring that risk management and control objectives are included in management objectives, as well as in the Company's remuneration structure.
- ix. Ensuring that third parties dealing with the Company, with the care of their management, record and manage the risks that concern them and that they comply with Lamda Development's Risk Management procedures and policies.
- x. The promotion of Risk Management processes and corporate culture.

#### **I.1.2.5. Other staff in relation to Risk Management**

Employees are responsible for:

- i. Their effective contribution to Risk Management, including the identification of potential threats.
- ii. Monitoring and periodic review of the risks for which they are responsible, including mitigation measures and controls throughout the risk lifecycle. The periodic review of risks at least on a quarterly basis.
- iii. The successful completion of the mitigation actions and tasks assigned to them.
- iv. Reporting on the interim status of mitigation actions.

#### **I.1.2.6. Third parties in relation to Risk Management**

The Company applies a global approach to its risk management activities. As such, current or future strategic partners may be invited to submit their risk management processes and systems for audit and are likely to be selected to be an integral part of the Company's risk management infrastructure and to contribute to the Company's system in a transparent and controlled manner.

### **I.1.2.7. Risk Management Policy and Procedure**

The Risk Management Policy specifies the principles, positions and requirements of Lamda Development S.A. for the management of its risks and presents the responsibilities of the Board of Directors, the Audit Committee, senior management and direct supervisors, as well as the Company's personnel and third parties, with regard to Risk Management.

Risk Management at Lamda Development is practiced in a systematic and structured manner. It is conducted on the basis of the best available information and resources. It is dynamic and continuous and takes into account both the changing external business environment and the changes taking place within the Company.

The key elements of the risk management process are the following:

Communication and consultation

Setting the applicable framework and objectives

Risk identification

Risk analysis

Risk assessment

Risk management (Response)

Monitoring and control.

### **I.1.2.8. Other additions / events within 2022**

In 2022, the digital risk management tool (ERM - Enterprise Risk Management) of RSA-Archer was fully implemented, the purchase of which was decided in 2020.

A special customized seminar on the definition of risk appetite was also organized and as a result the Board approved the risk appetite statement, which statement the management is required to take into account in the performance of its duties.

Finally, in the year 2022, the computerized system for recording and managing the risks of third parties, i.e. the business partners of LAMDA Development, was developed and implemented with regard to risk management issues.

### **I.1.3 Control Mechanisms and Safeguards**

The Company has control mechanisms and safeguards in place to perform its operations aimed at preventing or detecting material errors in a timely manner, in order to ensure the reliability and efficiency of operations, as well as compliance with laws and regulations.

These control mechanisms and safeguards are based on the existence of detailed, written policies, procedures, codes, codes of conduct, operating regulations approved by competent bodies, which include the roles and responsibilities of those involved in the performance of the work. These provide for specific control points such as, but not limited to, key principles, segregation of duties, appropriate approvals, classification of access to systems and files, confirmations, etc.

### **Conflict of interest**

An important aspect in relation to the above is the prevention, identification and management of situations related to conflict of interest issues. In this context, the Company has adopted a Conflict of Interest Policy in accordance with article 97 of Law 4548/2018 and articles 13 and 14 of Law 4706/2020, which specifies its requirements for the identification, prevention and management of situations of conflict of interest that affect the interests of the Company and its affiliated companies within the meaning of article 32 of Law 4308/2014, as well as its customers, suppliers and partners. It also has a Conflict of Interest Management Procedure, which has the ultimate goal of timely and correct management of such situations.

### **Information Systems governance and security**

As the Company is particularly sensitive to information and information systems security issues, it has ensured the design and implementation of a structured and recurring process for the identification, minimization and prevention of relevant risks, through which the effective protection of information and information systems has been achieved, as there has been no significant external or internal loss or unavailability of data and



services in recent years. The most important safeguards at the individual stages of this process include:

1. Development of an integrated framework for the monitoring and control of its information systems, consisting of:
  - policies and procedures covering the entire scope of activities of the Group's information systems
  - a set of control mechanisms
  - a Disaster Recovery Plan;
  - continuous updates of software and hardware to meet all needs and requirements; and
  - regular internal and external audits designed to verify compliance with the applicable policies and to evaluate the effectiveness and efficiency of the safeguards in place.
2. Continuous training of staff at all levels by means of a Cyber Security Awareness Program approved by the National Cyber Security Center, offered via an e-learning platform in cooperation with a specialised firm, aiming at:
  - familiarising staff with the applicable security practices
  - raising awareness on how to identify and respond to cyber security and information security risks; and
  - at increasing awareness among all employees on the importance of data protection and the need for every employee to discharge the responsibilities assigned to them.
3. The insurance coverage of the Group by means of an ad-hoc "Cyber Risks" insurance product, which provides the Company with coverage against:
  - liability to third-party claims (e.g. business partners, suppliers, regulatory authorities, etc.) for pecuniary or moral loss or damage caused by acts or omissions of the Company or by malicious acts of third parties (hacker attacks); and
  - incalculable financial loss due to possible downtime, through malicious software, to remediation (loss of profits, covering crisis management costs and damage repair).

### **Personal data**

With regard to personal data protection, the Company has developed a comprehensive system that ensures compliance with the General Data Protection Regulation (GDPR). Specifically, the Company has taken, inter alia, the following actions:

- It has appointed its Data Protection Officer to monitor compliance with the GDPR, who acts as a point of contact with data subjects and the supervisory authority
- It implements appropriate data protection policies, including to facilitate the exercise of data subjects' rights and to manage information security breaches
- It provides transparent information on the processing of personal data to different categories of data subjects through data protection updates
- It shall keep an up-to-date central record of the processing activities it carries out
- It implements technical and organisational measures to ensure an appropriate level of data security, including the timely restoration of availability and access to personal data in the event of a physical or technical incident, the anonymisation of personal data, pseudonymisation and encryption of personal data,
- It promotes a culture of data protection and privacy throughout the organisation through employee awareness and training.

## **Supplier Code of Conduct**

In order to ensure that suppliers, service providers and consultants with whom the Company enters into contractual relationships adopt the same values and ethical principles as those of the Company, the Company has adopted a Supplier Code of Conduct in 2022, which must be explicitly accepted before entering into any contractual relationship. In particular, the main objective of the Code is to promote safe and fair working conditions and the responsible management of social, ethical and environmental issues in Lamda's supply chain. Therefore, within the Code, provisions are included that relate to the following issues:

- human rights and labour practices
- cases of conflicts of interest
- the confidentiality of information
- the protection of personal data
- protection against bribery, corruption and generally harmful individual behavior
- the health and safety of workers
- the environment and
- the whistleblowing policy.

### **I.1.4. Information and communication system**

The information and communication system includes in particular the procedures for reviewing the completeness and reliability of financial and non-financial information, the procedures and channels for critical internal and external communication with stakeholders and the procedures for managing and investigating named and anonymous whistleblowing reports.

#### **Financial and non-financial information**

The Company has established a system of safeguards with respect to the production process of financial information, which is one of the key control objects of the independent Internal Audit Service, in order to provide assurance that this information is accurate and reliable. In addition, the Audit Committee monitors, reviews and evaluates this process. The key features of the above system of financial reporting are:

- The organisation - distribution of responsibilities (delegation of powers and competences that ensures the enhancement of efficiency while preserving the separation of powers).
- Staffing the financial services with qualified personnel.
- Identifying, assessing and managing potential financial reporting risks.
- The implementation of security safeguards for accounting monitoring (timely initiation of the relevant process, consolidation of financial data and monitoring of intra-company transactions, automated and non-automated checks between the various information systems, access to accounting data and confidential information in general only for authorised persons) and asset safeguarding (existence of security mechanisms for fixed assets, inventories, cash and cash equivalents, as well as other assets and liabilities).
- Supervision and preventive control of the implementation of procedures by the competent bodies of the Company

Similarly to financial information, non-financial information, which is also a key object of control of the Internal Audit Service, follows a similar system of safeguards as the above (timely organization and allocation of responsibilities, identification and assessment of potential risks and implementation of safeguards to address them, supervision and preventive control of the implementation of procedures, etc.) and aims to ensure the adequacy and accuracy of the information provided. Published non-financial information (e.g. sustainability reports, stock exchange announcements, press releases) is also reviewed by the Audit Committee.

#### **Corporate Communication Policy**

The Company implements a Corporate Communication Policy through which it handles matters such as professional speeches, interviews, publications and general participation in events on behalf of the Company.

#### **Internal Communication Policy**

The Company, in order to ensure that the Management provides timely and accurate information to the Group's

employees, has ensured the establishment of a specific policy, through which the rules, responsibilities and actions regarding internal communication are defined.

### **Crisis Management Communication Handbook**

The Company has prepared a crisis communication management manual, which outlines the basic principles and procedures for the preparation, management and resolution of potential crisis incidents that may arise in the Company and affect its operations.

### **Communication with supervisory and regulatory authorities and investor information**

The Company maintains a relevant procedure to ensure proper and timely communication with the supervisory authorities, while implementing procedures regarding the required disclosures and announcements to the Hellenic Capital Market Commission and the Athens Exchange, as provided for in the regulatory and legislative framework, in particular Law 4548/2018 and Law 3556/2007, Regulation 596/2014/EU and the Regulation of the Stock Exchange.

### **Communication with shareholders and customers**

In order to provide information to shareholders and generally to communicate with them on a regular basis, the Company uses its website, taking appropriate measures to ensure equal access of shareholders to the disclosure of events.

In particular, it has developed on its website ([www.lamdadev.com](http://www.lamdadev.com)), a communication platform for its shareholders and a contact person has been appointed accordingly. The relevant procedure for communication with shareholders is also posted on its website.

In addition, the Company has a Shareholder Relations and Corporate Announcements Department, which has the responsibilities provided for in Articles 19 and 20 of Law 4706/2020 and referred to in section 3.10.6 of the Company's Regulations.

Finally, the Company maintains procedures to manage customer requests and complaints in order to communicate effectively with its customers and other stakeholders.

### **Whistleblowing**

In the context of good corporate governance and regulatory compliance, a Reporting Policy (EU Directive 2019/1937) has been developed and the principles and guidelines provided therein are applied in order to enhance integrity, transparency and accountability as well as to protect the interests and reputation of the Company. This Policy aims to encourage all stakeholders to report, confidentially or anonymously through existing reporting channels, any conduct that is illegal or even unethical, as soon as it comes to their attention. In particular, with respect to whistleblowing, in 2021, the mechanism for reporting, managing and investigating reports was put in place. The Board of Directors of the Company has approved the respective policies and procedures under which the internal allocation of responsibilities is carried out and the proper functioning of the mechanism is ensured. The recording of all reports is done through multiple reporting channels including the specially designed external platform which is accessible online and ensures the independence and confidentiality of the petitioners. At the same time, information and training has been provided to all Group staff through an interactive webinar with easy-to-understand audiovisual material, while the reporting policy has been posted on the Group's website to inform investors, creditors and the general public. The Reports Management Committee established to monitor the Whistleblowing system has already started managing and investigating the reports in accordance with the approved procedures, ensuring the confidentiality of the information.

#### **I.1.5. Monitoring of the ICS**

The monitoring of the ICS concerns the process of its continuous evaluation (both internally and by an independent evaluator on a triennial basis), in particular with regard to its adequacy (design) and effectiveness (implementation).

##### **I.1.5.1. Audit Committee**

A detailed reference to the Audit Committee and its activities in relation to its responsibilities for the year 2021 is made in paragraph H.1 of this Statement.

### **I.1.5.2. Internal Audit Service**

The Company possesses an Internal Audit Service ("IAS") in accordance with the provisions of Law 4706/2020 and in particular Articles 15 and 16.

The IAS is an independent organisational unit within the Company, with the purpose of monitoring and improving the Company's operations and policies regarding the ICS.

The Chief Internal Auditor is appointed by the Board of Directors of the Company upon the proposal of the Audit Committee and reports functionally to the Audit Committee and administratively to the CEO. The Board of Directors approves its Charter, upon the proposal of the Audit Committee, and the remuneration of the Chief Internal Auditor, upon the proposal of the Compensation and Nomination Committee.

In order to carry out the work of the IAS, the Chief Internal Auditor has access to any organisational unit of the Company and is informed of any information required for the performance of his/her duties.

The main powers and responsibilities of the IAS are those listed in its revised Charter on the Company's website (<https://www.lamdadev.com>) and in particular in the revised from 16.07.2021, based on articles 15, 16 of Law 4706/2020. Indicatively, it monitors, controls and evaluates:

- the implementation of the internal audit charter and internal control system, especially as regards the adequacy and accuracy of the financial and non-financial information, risk management, compliance and corporate governance established by the Company
- the quality assurance mechanisms
- the corporate governance mechanisms
- the respect of the commitments included in the prospectuses and business plans of the Company regarding the use of capital raised by regulated markets.

In relation to the above, the IAS prepares reports on its findings, the risks arising from them and the recommendations for improvement, if any, and submits them quarterly to the Audit Committee.

The Chief Internal Auditor:

- Submits to the Audit Committee an annual audit plan and the needs for necessary resources, as well as the impact of a restriction of resources or the internal Audit Service's work in general. Preparation of the annual plan is made using the risk-based approach after taking into consideration the Audit Committee's opinion.
- Attends the General Meetings of Shareholders.
- Provides in writing any information required by the Hellenic Capital Market Commission and provides the latter with its cooperation and assistance in order to facilitate the HCMC's monitoring, control and supervisory work.

All of the responsibilities of the IAS are detailed in its Charter, which is posted on the Company's website.

### **I.1.5.3. Compliance Unit**

The Company has a Compliance Unit (hereinafter "Compliance Unit") whose main mission is to ensure the Company's compliance with the applicable institutional and supervisory framework, as reflected in the annual Compliance Action Plan (hereinafter the "Action Plan"). The Action Plan is approved annually by the Audit Committee and reflects the Compliance Pillars as well as the individual actions to be implemented to monitor compliance and govern the business activities and operation of the Company. As part of strengthening the integrity and transparency of the Company, the Compliance Unit ensures that a comprehensive compliance program is established.

The responsibilities of the Compliance Unit include prevention, suppression and reporting activities to ensure the Group's regulatory compliance. The detailed responsibilities of the Compliance Unit are set out in its Regulation and the annual Action Plan. Some of these are the formation and establishment of a corporate culture of regulatory compliance, the identification of the applicable institutional and supervisory framework, the development of audit programmes relating to the compliance of corporate Policies and Procedures with the existing legislative and regulatory framework and the submission of relevant reports to the Audit Committee. The implementation of the responsibilities of the Compliance Unit is governed by the Compliance Procedures Manual.

In the context of its work, the Compliance Unit has access to all the necessary sources of information within and outside the Organisation, communicates its findings in a timely and accurate manner, receives the necessary training and is properly informed in order to monitor the effective adoption and rigorous implementation of changes in the regulatory framework.

The Compliance Unit is headed by the Chief Legal and Compliance Counsel.

The Compliance Unit reports functionally to the Audit Committee and administratively to the CEO. On a quarterly basis, it reports on regulatory compliance to the Audit Committee.

All of the responsibilities of the Compliance Unit are detailed in its Regulation, which is posted on the Company's website.

### **I.2 Results of the evaluation process of the Internal Control System in accordance with article 14, par. 3(j) and paragraph 4 of Law 4706/2020 and the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission**

The Company, by decision of its Board of Directors, has entrusted Ernst & Young (Hellas) Certified Public Accountants S.A. to assess the adequacy and effectiveness of the Internal Control System of LAMDA Development S.A. and its significant subsidiaries, HELLINIKON S.M.S.A, LAMDA Olympia Village S.M.S.A., LAMDA DOMI S.M.S.A., PYLAIA S.M.S.A., with a reporting date of 31 December 2022, in accordance with the provisions of paras 3(j) and 4 of Article 14 of Law 4706/2020 and decision 1/891/30.09.2020 of the Board of the Hellenic Capital Market Commission as in force (the "Legislative Framework").

The assurance work was performed in accordance with the audit program included in the Hellenic Accounting and Auditing Standards Oversight Board (ELTE) decision number 227/10-11-2022 and the International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information".

Based on the work performed by the evaluator on the assessment of the adequacy and effectiveness of the Internal Control System of the Company and its significant subsidiaries, we report that no material weaknesses were identified.

### **I.3. Statement by the Board of Directors on the conduct of an annual review of the corporate strategy, the main business risks and the internal control systems**

The Board of Directors of the Company, in compliance with the requirements of the HCGC and Law 4706/2020, ensured during 2022 the annual review of the corporate strategy, the main business risks and the internal control system. All of the above issues were included in the agenda of the Board of Directors in 2022, with the aim of providing appropriate guidance, regular monitoring and updating, as well as approving/validating relevant documents and specific actions, both at the planning and implementation level. Specifically:

#### Corporate Strategy

At its meetings the Board of Directors:

- Was thoroughly informed on the implementation of the Company's approved strategy based on updated data and information on the Ellinikon project, its shopping centres and other investments;
- Informed and provided guidance on proposals for future strategy being considered by the CEO and senior management;
- Approved individual recommendations concerning the implementation of the approved strategy and was informed of their progress;

#### Main Business Risks

At its meetings the Board of Directors:

- Re-assessed the main business risks associated with the approved strategy and any plan for its implementation and was informed of the measures to address them;
- Approved the new Risk Management Policy and the Risk Appetite Statement;

- It was informed in detail through the Audit Committee on the progress of the Risk Management Unit's work. It was also informed on the progress of the implementation of the digital risk management tool (ERM - Enterprise Risk Management) of RSA-Archer, the aim of which is to be the only management tool for the recording of the Group's risks, where for each risk all the main safeguards and management actions for their management as well as the deadlines for their implementation will be included.

More information on the Risk Management System is given in section I.1.2.

#### Internal Control Systems

During its meetings, the Board reassessed and made the following approvals, as appropriate, based on updated data and information and the Audit Committee's comments and observations thereon:

A) The adequacy of the design of the ICS in the form of policies, procedures, regulations and other documents, organisational arrangements, etc.

- More specifically, it proceeded with the approvals of the revised official corporate documents, such as the Internal Regulation, the Code of Conduct, the Procurement Policy, the Supplier Code of Conduct, the Information Systems Security Policy, the Anti-Corruption Procedure, the Compliance Policy, the Regulation and the Procedures Manual of the Compliance Unit, etc.

B) The effectiveness of the implementation of the ICS as evidenced by the audits of the IAS and the observations and recommendations of the Audit Committee to the Board of Directors and the audit by the independent external evaluator, whose conclusion is included in section I.2 "Results of the Internal Control System evaluation process in accordance with article 14, paras 3(j) and 4 of Law 4706/2020 and the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission".

#### **I.4. Delegation of non-audit services to statutory auditors or the audit firm**

The Company, in compliance with Law 4449/2017, European Regulation 537/2014 and in accordance with ELTE's Announcement No.025/2018 entitled "Guidelines on Monitoring the fee cap of non-audit services", has established and applies a Policy on the Engagement of the Statutory Auditor for non-audit work. This Policy sets the rules for the assignment of non-audit work to the statutory external auditors, in order to ensure their independence and to ensure that the practices followed by the Company and its Group companies are fully harmonized with the content of national and European legislation and international best practices.

In this context, the Company has adopted the following:

##### **A. Definition of the permissible non-audit services by statutory auditors**

In application of Article 5 of European Regulation 537/2014, the statutory auditor/audit firm may provide specific non-audit services, which are reflected in the above Policy.

##### **B. Cap on non-audit services fees**

A cap is set for non-audit work assigned during each financial year, the amount of which may not exceed 70% of the average statutory audit fees invoiced over the last three years. The relevant calculation shall be applied at group level and shall relate to non-audit services assigned to the audit firm that controls the group and not to the entire network of the audit firm. Please note that the calculation does not include services for the tax certificate.

For the calculation of the fee cap, the non-audit services referred to in Article 5.1 of Regulation 537/2014 are also not taken into account.

The cap on fees for non-audit services applies only at the level of the statutory auditor or audit firm that controls the Group and not to the entire network of the audit firm. Therefore, if non-audit services are provided by related entities from the same network of the audit firm, even within the same Member State, the fee cap will not apply to the non-audit services provided by those entities, even if they are

also audit firms.

The calculation of the cap fee must be performed not only on the controlled Public Interest Entity but also, where applicable, on its parent company and its controlled entities. For the calculation of the remuneration cap, the entities taken into account may be established either inside or outside the European Union.

For each assignment, the fee for all the services specified in the assignment shall be taken into account, even if they are expected to be performed in future years.

It is noted that these services are valid for the provision by the statutory auditor/audit firm established in Greece. In cases where the entity to which the service is provided is located in a different country, different rules on permitted services may apply, which should be assessed on a case-by-case basis, depending on national law and requirements from third country authorities.

### **C. Approval and notification of assignments**

Before any non-audit work is undertaken, the following conditions should, under the responsibility of the statutory auditor, be met in aggregate:

- a) The services to be assigned fall within the categories of permitted services listed in the Policy on the Assignment of Non-Audit Services to the Statutory Auditor
- b) The amount of the fee must be within the limits of point (B) above

Prior to any assignment, a request will be submitted to the Audit Committee, stating the scope of the services, the fee, the legal entity assigning the services and the responsible Group officer for communication purposes.

The request may be submitted electronically to the Chair of the Audit Committee, who may be authorised by decision of the Committee to approve assignments the fees of which are up to 5% of the average fees of the previous three years.

For the following permitted non-audit work, no prior approval of the Audit Committee is required, only the direct notification of the engagement. This exception does not apply if the fee for the individual engagement is more than €50,000.

1. Tax clearance certificate services
2. Provision of assurance services relating to financial statements and/or data derived from the entities' books and records
3. Services related to due diligence work
4. Services related to the issuance of "comfort letters" in connection with financial statements or in connection with prospectuses issued by the Company or its subsidiaries.

**Periodic Services:** In the case of service contracts which are of a periodic nature or which are intended to be renewed within a specific period of time, by analogy with paragraph 11 of article 6 of Law 4412/2016, the basis for the calculation of the estimated value of the contract is taken as the basis for the calculation of the estimated value of the contract:

- (a) either the total actual value of successive contracts of the same type concluded during the preceding twelve months or financial year, adjusted, where possible, to take account of any changes in their quantity or value during the twelve months following the initial contract
- (b) either the estimated total value of the successive contracts concluded during the twelve months following the first delivery or during the financial year, where this exceeds twelve months.

**Services billed at an hourly rate:** for the purposes of approval by the Audit Committee, the contracting agency shall provide an estimate of value and shall be required to seek approval from the Committee where it is estimated that the billing may be in excess of the estimate by more than 15%.

If the award provides for the possibility of extensions or automatic renewal of the contract, then the value of the award is understood to be the amount that includes the value of any extensions or

renewals and to the extent that fees for a maximum of the next 48 months are covered.

Segmentation: Where the proposed provision of services may result in the award of contracts in the form of separate segments, the total estimated value of all such segments shall be taken into account. In any case, where the timeframe for the execution of the project or recurring services extends beyond 48 months, only the fees corresponding to the 48 months following the award shall be taken into account. The award shall not be broken down in such a way as to avoid the application of any provision of this Regulation, unless justified by objective reasons in an explanatory note submitted for approval by the Audit Committee.

The approval of the Audit Committee does not constitute a release from the obligation to approve the relevant expenditure as may be provided for by other Group procedures.

Monitoring of fees: The monitoring of fee requests and the corresponding approvals at group level will be carried out by the Audit Committee Secretariat.

The statutory auditor and the Group department commissioning the work are jointly responsible for obtaining the approval of the Audit Committee for each assignment in accordance with the above. Failure to do so will result in the assignment being considered invalid and no fee will be due, regardless of whether the service has been provided in whole or in part.

The Statutory Auditor's Non-Audit Engagement Policy shall be communicated to the Statutory Auditor, who agrees to comply with it to the extent that it applies to him, in particular with regard to the above paragraph.



**J. EXPLANATORY REPORT OF THE BOARD OF DIRECTORS OF LAMDA DEVELOPMENT S.A.  
(Par.7 & 8, Article 4, Law 3556/2007)**

**1. Structure of the Company's share capital**

The Company's share capital on 31.12.2022 amounts to €53.021.014,50 divided into 176.736.715 shares, with a nominal value of €0,30 each. All shares are listed for trading in the Securities Market of the Athens Exchange.

The Company's shares are common registered with a voting right. Each share of the Company embodies all the rights and the obligations that are specified by the Law and the Company's Articles of Association. The liability of the shareholders is limited to the nominal value of the shares they hold.

**2. Restrictions on the transfer of shares of the Company**

The Company shares may be transferred as provided by the law and the Articles of Association provide no restrictions as regards the transfer of shares.

**3. Significant direct or indirect participations in accordance with the provisions of articles 9 – 11 of L. 3556/2007**

On 31.12.2022, the following shareholders held directly or indirectly, more than 5% of the share capital of the Company, in accordance with the provisions of articles 9-11 of L.3556/2007:

<b>Shareholder</b>	<b>Shares</b>	<b>Percentage of Share Capital 31.12.2022</b>
Consolidated Lamda Holdings S.A.	77.341.062	43,76%
Voxcove Holdings LTD	17.682.144	10,00%
Brevan Howard Capital Management Limited (BHCML) / Tryfon Natsis & Despoina Natsi	11.233.029	6,36%

On 31.07.2020 the Company announced that pursuant to the TR1 notification dated 29.07.2020 submitted by Mr Tryfon Natsis (which replaces the TR1 submitted with respect to the same transactions on 27.07.2020), on 24.07.2020, Mr Tryfon Natsis held directly through a joint account that he maintains with Ms Despoina Natsi, 3,53% of the total shares and voting rights in the Company, and controlled in total 6,36% of the total voting rights in the Company, due to the investment discretion that he has in the following funds i.e. Brevan Howard TN Macro Master Fund Limited (BTN), Brevan Howard Master Fund Limited (BHM) and Brevan Howard Multi-Strategy Master Fund Limited (BMS), which on 24.07.2020 acquired in total 2,83% of the shares and voting rights in the Company. The abovementioned investment funds are managed by Brevan Howard Capital Management Limited (BHCML), an entity with registered office in Jersey, authorised and regulated by Jersey Financial Services Commission. It is also noted in the same TR1 notification that BHM, BTN and BMS funds are Cayman based and have their own board of directors. Each of these funds is beneficially owned by feeder funds, one Cayman based and one Delaware based. These feeder funds, which have the same boards of directors as BHM, BTN and BMS, are beneficially owned by the investors within the feeder funds. BHM, BTN and BMS have appointed BHCML as manager. Tryfon and Despina Natsis own shares in the Company in their joint account. Mr Tryfon Natsis is a Co-Founder of Brevan Howard and has investment discretion in the BHM, BTN and BMS funds.

No other physical or legal entity possesses more than 5% of the share capital of the Company, on the above date.

**4. Shares providing special control rights**

None of the Company's shares carry special control rights, without prejudice to point 6 herein.

## 5. Voting rights restrictions

No restrictions on voting rights are foreseen in the Company's Articles of Association.

## 6. Agreements among the shareholders of the Company

As per the Company's announcements dated 02.07.2014 and 23.09.2014, on 26.08.2014 investment funds, all managed by the Investment Firm Blackstone / GSO Capital Partners LP (hereinafter the "**GSO Investment Funds**"), the Company and Consolidated Lamda Holdings S.A. entered in an agreement (hereinafter the "**Shareholders Agreement**") pursuant to which, for as long as the GSO Investment Funds hold in total, directly or indirectly, at least 10% of the voting rights of the Company, the GSO Investment Funds shall be entitled to nominate one member of the Board of Directors of the Company, their consent as shareholders will be required in order for the Company's General Meeting of the Shareholders to decide on a significant change of the business scope of the Company or the delisting of its shares from the regulated market, and in addition the GSO Investment Funds will benefit from customary anti-dilution rights, and the other minority protection rights.

According to the Deed of Adherence dated 28.12.2017, which was signed among GSO Coastline Credit (Luxembourg) Partners S.A.R.L., GSO Palmetto Opportunistic Investment (Luxembourg) Partners S.A.R.L., GSO Special Situations Master Fund S.A.R.L., GSO Cactus Credit Opportunities Oasis Credit (Luxembourg) Partners SARL on the one side (hereinafter referred to as the "Transferors"), whose rights are controlled by GSO Capital Partners LP, and Voxcove Holdings Limited (hereinafter the "New Shareholder") on the other side, it was agreed that, in view of the transfer of 10.227.206 shares from the Transferors to the New Shareholder, the latter shall adhere to the Shareholders' Agreement dated as of 26.08.2014 and signed between "GSO Shareholders" (as defined in the agreement), GSO Capital Partners LP, Consolidated Lamda Holdings SA and the Company. Under this Deed of Adherence, the New Shareholder enters into the above Shareholders' Agreement and is bound by all its terms.

## 7. Rules governing the appointment and replacement of the members of the Board of Directors, as well as for amendment of the Article of Association deviating from those provided for in Law 4548/2018

In accordance with the amended Article 10 of the Articles of Association, which regulates among other the appointment and replacement of the members of the Board of Directors, the following are provided:

### "ARTICLE 10

- 1. The Company is administered by a Board of Directors consisting of minimum five (5) to maximum fifteen (15) Members that are elected by the Shareholders' General Meeting and that may be Shareholders. The Members may be either natural or legal persons. In the case that a legal person is Member of the Board of Directors, it is required to designate a natural person to exercise its powers as member of the Board of Directors. The elected Members of the Board of Directors may be reelected. The General Meeting may, as and when it considers appropriate, elect Substitute Members, up to a number that shall not surpass that of the ordinary Members.*
- 2. Three (3) calendar days prior to any general meeting of shareholders which is convened for the purposes of electing new members of the Board of Directors the Minority Shareholder (as defined in paragraph 11 of the present article) is entitled to appoint for as long as it holds at least 10% of the Relevant Equity Shares (as defined in paragraph 12 of the present article) one (1) member of the Board of Directors pursuant to the provisions of Article 79 of Law 4548/ 2018. Such member of the Board can be removed at any time by decision of the Minority Shareholder and be replaced by other member until the expiration of the relevant office term. In the event that, and for as long as, the Minority Shareholder does not hold at least 10% of the Relevant Equity Shares the above appointed person shall automatically cease to be a member of the Board of Directors.*
- 3. The term of office of Board Directors members shall be five (5) years and may be extended until the first Ordinary General Meeting convened after the expiration of the said term, but cannot exceed six (6) years in total.*

4. *In the event of resignation or death or in any other way termination of membership vacant board positions shall be filled by substitute members, if any, elected by the General Meeting, pursuant to article 10, paragraph 1 of the Articles of Association summoned in the order in which they were elected.*
5. *In the case that the filling of vacancies is not possible, whether because no substitute members have been elected by the General Meeting, or because their number is exhausted, the Board of Directors may either elect directors to fill in the vacancies, or carry on with the administration and representation of the Company with the remaining directors and without replacing the former directors, on the condition that the remaining number of directors is superior to one half of the initial number of directors as it was before the occurrence of the aforementioned events. That said, the number of Board members cannot, at any time, be inferior to three (3). The choice of one of the above solutions is made by the Board of Directors at its absolute discretion. The Board of Directors may substitute only some of the vacant members provided that the Members after the partial substitution exceed one half of the total number of the members before the occurrence of the vacancy or vacancies.*
6. *The aforementioned right of the Board of Directors to elect Directors to replace vacant members, does not apply if vacant members have been appointed by the Board of Directors pursuant to paragraph 2 of the present article. Pursuant to paragraph 2 of this article, the sole responsible to decide the replacement of vacant Members of the Board which have been appointed by the Board of Directors is the Minority Shareholder.*
7. *The right of the Board of Directors to continue to manage and represent the Company through any remaining members and without having replaced any vacant members shall not prejudice the right of the shareholder mentioned in paragraph 2 of the present article to exclusively replace any vacant member that has been appointed by such Shareholder pursuant to paragraph 6 of the present article.*
8. *Should there be an election for replacing members, these shall be elected by the Board of Directors upon decision of its remaining members, provided their number is not inferior to three (3), and shall stay in office for the remaining of the term of office of the member to be replaced. The decision pertaining to the election is subject to the publication formalities and shall be announced by the Board of Directors at the first subsequent General Meeting, which has the power to replace the elected members even if no such item is entered on the agenda. The right of the General Meeting set out above to elect permanent members in replacement of those mentioned in paragraph 5 of the present article shall not exist in relation to members that have been appointed by the shareholders pursuant to paragraph 2 of the present article given the exclusive right of replacement granted to such shareholders pursuant to paragraphs 6 and 7 of the present article.*
9. *The election of directors in replacement of vacancies shall be compulsory when the number of the remaining directors is inferior or equal to half of the initial number of the Members of the Board of Directors, as it was before the occurrence of one or more vacancies. A vacant Member of the Board of Directors appointed pursuant to paragraph 2 of this article must be replaced by the appointment of a Member of the Board of Directors pursuant to paragraphs 6 and 7 of this article.*
10. *In any case, the remaining members of the Board of Directors, regardless of their number, may convene a General Meeting with the express purpose of electing a new Board of Directors. In this case, prior to such General Meeting the shareholder mentioned in paragraph 2 of the present article shall fully exercise their rights under the abovementioned paragraphs.*
11. *"Minority Shareholder" means the legal entity "VOXVOCE HOLDINGS LIMITED" and any other person which enters into its position by acquiring at least 10% of the Relevant Equity Shares of the Company (as*

defined in paragraph 12 of the present article), acting legally and without breaching any relevant contractual obligations.

12. "Relevant Equity Shares" means the share capital of the Company, as is outstanding from time to time, excluding any shares issued under the stock option plan as approved by resolution of the General Meeting as in force and under any other stock option plan being approved pursuant to Article 113 of Law 4548/ 2018.

13. The verb "hold", in relation to shares, refers to shares being held directly and/or held through a proxy/agent."

In addition, in relation to the amendment of the Company's Articles of Association, article 19, par. 2 and 3 of the amended and in force Articles of Association, the following are provided:

### **"ARTICLE 19**

...

2. Without prejudice to paragraph 3 of the present article, all issues pertaining to the convocation, quorum, decision-making majority requirements and General Meeting competencies, as well as to participation and voting rights in the General Meeting, are regulated in accordance with the provisions of Law 4548/2018, as in force, In addition to the competence of the General Meeting, the Board of Directors may also be competent to decide that a bond will be issued, except for when the bonds to be issued are convertible into shares, subject to the second subparagraph of paragraph 4 of Article 16 hereof, or if they carry a right to participate in profits.

3. Any material change in the Company's business (resulting into the Company ceasing to be active in the development of real estate as its core business activity), any amendment of Article 2 of the present Articles of Association as well as any ceasing of operations of any material subsidiaries of the Company or any agreement by the Company to implement such abovementioned material change or amendment of Article 2 or the aforementioned ceasing of operations shall be treated as a matter which falls under Article 130(3) of Law 4548/ 2018 and the exclusive competence of the General Meeting which validly resolves on such matter only if no objections are raised by shareholders that hold 10% of the Relevant Equity Shares (as defined under article 10 of the present articles of association).

....."

### **8. Authority of the Board of Directors or certain of its members regarding the issuance of new shares or the purchase of own shares**

A. According to the provisions of article 24, paragraph 1 of the L. 4548/2018 and in combination with the provisions of article 6 of the Articles of Association of the Company, within five years since the relative decision of the General Meeting of the Shareholders with which an increase in the share capital is conducted, the Board of Directors has the right by a 2/3 majority decision of its members, to increase the share capital by issuing new shares. The amount of the increase cannot exceed more than three times the amount of the share capital that has already been paid-in, at the date the relative decision was made by the General Meeting. The abovementioned authority of the Board of Directors may be renewed by the General Meeting of the shareholders for a time period that does not exceed five years for each renewal.

B. According to the provisions of article 113 of the L. 4548/2018, by virtue of a decision of the General Meeting, which is made by increased quorum and majority, a stock option plan may be introduced in favour of members of the Board of Directors and personnel of the Company, and of affiliated companies according to article 32 of the L. 4308/2014, in the form of the option to purchase shares, according to the terms of this decision, a summary of which is publicized. The decision of the General Meeting especially specifies the maximum number of shares that can be issued, which cannot exceed 10% of the existing shares, the price and the terms of

distribution of the shares to the beneficiaries. The Board of Directors decides on any other relevant details not otherwise determined by the General Meeting, issues the stock option certificates and the shares to the beneficiaries who have exercised their option, increasing respectively the capital and certifying the relative increase of it, according to the paragraph 3 of article 113 of the L. 4548/2018.

Pursuant to the above provisions, the Extraordinary General Meeting of the Shareholders on 22.12.2020 decided a Stock Incentive Award (stock option) according to the provisions of article 113 Law 4548/2018 that will be offered to Officers and employees of the Company and its affiliates within the meaning of article 32 of Law 4308/2014. The Options are divided into a) "Initial Options" for up to 5.500.000 Company shares (equivalent to 3,112% of the Company's share capital as on the date of the Extraordinary General Meeting), and b) "additional options" for up to 2.750.000 Company shares (equivalent to 1,556% of the Company's share capital as on the date of the Extraordinary General Meeting). Exercise price under the Award is set to €6,70 per share. In order to fulfil the Options that will be exercised under the Award, the Company shall proceed to a corresponding capital increase and issue of new shares according to the provisions of article 113, Law 4548/2018. The Term of the Award is set to six (6) years, commencing in December 2020 and ending in December 2026. In addition to the foregoing special authorisations expressly provided herein, the Extraordinary General Meeting authorises the Board to specify the Participants of the Award, the special terms applying to the award and the exercise of the Options, and any other term that may be deemed necessary or suitable for the implementation of the Award, in accordance with the applicable laws and the Company's best practices, within the scope of the Board of Directors powers and competencies.

C. Pursuant to the provisions of article 49 and 50 of the L. 4548/2018, as it applies, subject to prior approval by the General Meeting of the Shareholders, the Company may acquire its own shares, under the responsibility of the Board of Directors, provided that the par value of the shares acquired, including the shares previously acquired and still held by the Company, does not exceed the one tenth (1/10) of its paid-up share capital. The resolution of the General Meeting must also set the terms and conditions of the acquisitions, the maximum number of shares that may be acquired, the effective period of the approval granted, which may not exceed 24 months, and, in the case of acquisition for value, the maximum and minimum consideration.

In implementation of the above provisions the Annual General Meeting of the Shareholders of the Company, on 23.06.2021 decided on the purchase of own shares within a period of 24 months, i.e. from 24.06.2021 until 23.06.2023, up to 10% of its paid-up share capital, at a maximum purchase price of €14,00 per share and a minimum purchase price equal to the nominal value of the share, that is €0,30 per share and instructed the Board of Directors to implement this decision in cases where it deemed necessary. The Board of Directors of the Company with its decision dated 23.06.2021 decided that the Company may proceed to the materialization of the abovementioned decision, as best served the interests of the Company.

Therefore, the total number of own shares that the Company holds on 31.12.2022 amounts to 2.382.693 shares, equivalent to 1,348% of its share capital.

### **9. Significant agreements put in force, amended or terminated in the event of a change in the control of the Company, following a public offer**

In the event of a change in the control of the Company, due to the disposal of all shares held by Consolidated Lamda Holdings S.A., the Shareholders Agreement is considered automatically expired.

A. Furthermore, in case of the loss of the control of the Company by Consolidated Lamda Holdings S.A., shall be considered as an event of default with respect to the following bond loan contracts: LAMDA Development S.A.: Common Bond Loan (Green Bond) of €230 million (capital balance as of 31.12.2022) with 230.000 common, bearer bonds of the Company, with a nominal value of €1.000 each, trading in the category of Fixed Income Securities of the Regulated Market of the Athens Exchange.

B. LAMDA Development S.A.: Common Bond Loan of €320 million (capital balance as of 31.12.2021) with 320.000 common, bearer bonds of the Company, with a nominal value of €1.000 each, trading in the category of Fixed Income Securities of the Regulated Market of the Athens Exchange.

C. LAMDA Development SA: Syndicated common bond loan of up to €347,2 million capital, with Eurobank and Piraeus Bank, with bonds registered and not listed on the regulated market, which will be issued in case of forfeiture of the letter of guarantee of equal value, which has been delivered to the HRADF, as beneficiary, to ensure the claims of the latter arising from the SPA and related to the payment of the credited part of the purchase price of the shares issued by "HELLINIKON S.M.S.A"

D. LAMDA DOMI S.M.S.A.: Syndicated bond loan with the banks HSBC France, Eurobank, Alpha Bank and Piraeus Bank, loan balance €80,20 million as of 31.12.2022.

E. PYLAIA S.M.S.A.: Syndicated bond loan with the banks Eurobank, Alpha Bank and Piraeus, with a loan balance of €68,76 million as of 31.12.2022.

F. SINGIDUNUM BUILDINGS d.o.o. Belgrade: Syndicated common bond loan with the banks EUROBANK CYPRUS LIMITED, Direktna Banka Belgrade and Alpha Bank SA., with capital balance of €25,02 million as of 31.12.2022

G. HELLINIKON S.M.S.A.: Syndicated common, secured, bond loan of up to €494 million, with Eurobank as the bondholders' agent and administrative agent, and Eurobank and Piraeus Bank as the initial bondholders, with nominal and unlisted in an organized market bonds, to be issued for the financing of the infrastructure works and other developments related to the Ellinikon project as well as the financing of the VAT, with term until 25.06.2031.

**10. Every agreement that the Company has concluded with members of its Board of Directors or with its employees, which foresees compensation in case of resignation or dismissal without substantial cause or termination of the term of office or employment due to a public offer**

The Company has no agreements with members of the Board of Directors or with its employees, which foresee compensation in case of resignation or dismissal without substantial cause or termination of the term of office or employment as a result of a public offer.

**Maroussi, 2 May 2023**

**Board of Directors**

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**Anastasios K. Giannitsis**

**Chairman of the BoD**

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**Odyssefs E.Athanasidou**

**Chief Executive Officer**

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**Evgenia G.Paizi**

**Member of the BoD**

### III. Independent auditor's report

To the Shareholders of Lamda Development S.A.

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

##### Our opinion

We have audited the accompanying separate and consolidated financial statements of Lamda Development S.A. (Company and Group) which comprise the separate and consolidated statement of financial position as of 31 December 2022, the separate and consolidated income statements and statements of 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 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 2022, 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 and of Regulation (EU) No 537/2014, 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, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Company and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

The non-audit services that we have provided to the Company and its subsidiaries, in the period from 1 January 2022 and during the year ended as at 31 December 2022, are disclosed in the note 37 to the separate and consolidated financial statements.

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the year under audit. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Valuation of Investment Property</b></p> <p><i>(Notes 2.6, 4.1a and 6 in the separate and consolidated financial statements)</i></p> <p>Investment property comprises owned land, owned buildings and leased buildings held for the purpose of generating long-term lease revenue or capital gains, as well as property for future development.</p> <p>The Group measures investment property at fair value in accordance with International Accounting Standard 40.</p> <p>As stated in Note 6 of the financial statements, the fair value of the Group’s investment property as at 31 December 2022 amounts to €2,011 million. The gain from the revaluation of the aforementioned investment property for the year ended 31 December 2022 amounted to €146 million for the Group.</p> <p>The valuation of all the Group's investment property was carried out by certified external valuers who performed their valuations in accordance with International Valuation Standards.</p>	<p>We have conducted the following procedures regarding the assessment of the valuation of Investment Property:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the processes followed by management for the valuation of investment properties.</li> <li>• We obtained the valuation reports, that were prepared by certified external valuers, and compared the fair value of investment properties to the book values in the Group's accounting records.</li> <li>• We have assessed and confirmed the professional competence, experience, independence and objectivity of the certified external valuers of the Group.</li> <li>• We examined, on a sample basis, for the investment properties with the highest fair value and risk of material misstatement, as identified based on our risk assessment of the Group’s investment property portfolio, the accuracy and relevance of the data</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p>Fair value is primarily based on discounted future cash flows which stem from future cash flows underlying tenant lease contracts that are in place for the operating investment properties and based on estimated expected future income and construction costs for the properties under development. External factors such as rental rates for similar properties and current market conditions are also taken into account. Alternatively, fair value is based on comparative prices, adjusted where necessary due to differences in the physical condition, location or condition of the property in question.</p> <p>In order to determine the fair value of investment property, certified external valuers take into account factors directly associated with the property concerned, such as existing leases, construction cost for the development properties, and any restrictions on the use of the property. They then use assumptions, based on available information in the real estate market, at the date of preparation of the financial statements, relating to expected future market rentals, discount rates and exit yields in order to determine appropriate valuations.</p> <p>We focused on this matter because of the:</p> <ul style="list-style-type: none"> <li>• Relative size of the investment property to the total assets;</li> <li>• The subjective nature and the use of judgement for the selection of the appropriate methods and sources of data, in making the assumptions and estimates used by the management in the context of investment properties' valuation carried at fair value;</li> </ul>	<p>used by Management's certified external valuers to determine the fair value of the Group's investment properties. This data mainly comprised information on lease rentals of the investment property as derived from signed rental contracts as well as other data such as other income, operating costs and construction costs.</p> <ul style="list-style-type: none"> <li>• With the assistance of external valuation experts in real estate valuation, for the investment properties with the highest fair value, we assessed the appropriateness of the methodologies used and the reasonableness of the key assumptions, such as discount rates, exit yields, market rents, vacancies, operating costs and construction costs.</li> <li>• We attended meetings with management's external certified valuers to understand the methodology and key assumptions underlying the property valuations. We discussed any adjustment made to the key valuation assumptions and we assessed whether these adjustments were appropriate in light of the volatility characterizing existing macroeconomic conditions.</li> </ul> <p>Our audit procedures concluded that the valuations carried out were based on reasonable assumptions and appropriate data and are in line with the current market conditions taking into consideration the conditions that have been formed as a result of the recent geopolitical developments in Europe.</p> <p>Finally, we confirmed that the disclosures included in Note 6 of the separate and consolidated financial statements were sufficient and appropriate in line with the requirements of International Accounting Standard 40.</p>

Key audit matter	How our audit addressed the key audit matter
<ul style="list-style-type: none"> <li>• Sensitivity of valuations to key input assumptions, specifically discount rates, exit yields, future rental income following the expiry of existing lease contracts, vacancies, operating costs and construction costs;</li> <li>• Wider challenges currently facing the real estate market and particularly the retail and hospitality sectors as a result of macroeconomic uncertainty following and geopolitical developments in Europe and the consequent effects on energy costs, inflationary trends and interest rate curves.</li> </ul>	
<p><b>Net Realisable Value of Inventories Under Development</b></p> <p><i>(Notes 2.13, 4.1d and 10 in the separate and consolidated financial statements)</i></p> <p>Inventories mainly comprise development properties held for development and subsequent sale within the ordinary course of business.</p> <p>As stated in Note 10 to the consolidated financial statements, the carrying amount of inventory of Group’s development properties amounted to €1.1 billion (2021: €0.9 billion) and represent 26% (2021: 26%) of total assets as at 31 December 2022.</p> <p>Inventories of development properties are measured at the lower of cost and net realizable value in accordance with the accounting policy described on Note 2.13 to the consolidated financial statements. Net realizable value is the</p>	

estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to complete the sale.

The Group's management's estimates of both future selling values and completion costs are an area of increased estimation uncertainty, as the assessment of net realizable value involves assumptions about future market conditions that are inherently subject to the risk of change.

Management proceeded with an impairment test of the properties under development and concluded that there is an impairment of the value of specific properties amounting to €11.0 million as at 31 December 2022.

We focused on this matter due to:

- The relative size of inventory development properties to the total assets of the Group;
- The subjective nature and the use of judgement for the selection of the appropriate methods and sources of data, in making the assumptions and estimates used by the management in the context of estimating the net realizable value;
- The wider challenges currently facing the real estate market and particularly the retail and hospitality sectors as a result of macroeconomic uncertainty following and geopolitical developments in Europe and the consequent effects on energy costs, inflationary trends and interest rate curves.

We have conducted the following procedures regarding the assessment of the net realisable value of inventory of properties under development:

- Obtained an understanding of the processes followed by management for for review of key assumptions used in the estimation of net realisable value across the residential development project portfolio.
- Obtained the project feasibility model that management uses to assess net realisable value and held discussions with management to develop an understanding of the basis for assumptions used in the model.
- Assessed the reasonableness of key assumptions by comparing the estimated sale prices with the data provided by the certified external valuers and used to determine the fair value of the Group's properties or with internal data for expressions of interest and sales of residential properties made recently in the project of Ellinikon.
- Contrasted other key model assumptions with management's internal project budgets, such as capitalised costs, completion costs, and overhead cost allocation factors across projects.
- Assessed management's conclusion that the book value of the Group's property under development inventory is fully recoverable.

Our audit procedures concluded that management's approach to determining net realisable value was based on reasonable assumptions and appropriate data.

Finally, we confirmed that the disclosures included in the separate and consolidated financial statements

Key audit matter	How our audit addressed the key audit matter
	<p>were sufficient and appropriate in line with the requirements of International Accounting Standard 2.</p>
<p><b>Acquisition accounting for business combinations</b></p> <p>(Notes 2.3 and 9 in the separate and consolidated financial statements)</p> <p>During the second half of 2022, the Group completed the acquisition of the company Designer Outlet Athens S.M.L.L.C. (formerly McArthurGlen Hellas Monoprosopi E.P.E.), owner of the Designer Outlet Athens discount village in Spata, Attica prefecture. The basic consideration of the acquisition amounted to €35.8 million, while the possible additional consideration of up to €8 million according to management's estimates.</p> <p>As stated in Note 9 of the financial statements, this transaction has been accounted in accordance with the guidance described in IFRS 3 "Business Combinations" with the acquisition price allocated to the individual identifiable assets and liabilities based on their relative fair values at the date of purchase. The goodwill resulting from the acquisition amounts to €7.4 million and has been recognised in the consolidated Statement of Financial Position under the line item "Intangible assets".</p> <p>We focused on this matter due to:</p>	<p>We have conducted the following procedures with regards to the acquisition accounted for as business combination:</p> <ul style="list-style-type: none"> <li>• We assessed management's process for the recognition and determination of the fair values of the underlying assets acquired and liabilities assumed, including the contingent variable purchase price component.</li> <li>• We reviewed the sale and purchase agreement of the acquisition in order to determine the key terms and to confirm the purchase price and payment terms.</li> <li>• We evaluated management's assessment of the findings of the due diligence review.</li> <li>• We reviewed management's assessment of the acquisition accounting for the Designer Outlet Athens discount village, as a business combination, as well as the calculation of the goodwill resulting from the allocation of the purchase price to the assets acquired and the liabilities assumed based on the relevant their fair values on the date of completion of the transaction.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<ul style="list-style-type: none"> <li>• The significant magnitude of the acquisition to the consolidated financial statements of the Group.</li> <li>• The inherent complexity in accounting for the business combinations in accordance with the requirements of IFRS 3 "Business combinations" which is due to: <ul style="list-style-type: none"> <li>○ The significant assumptions and estimates made by management in order to determine the fair value of the assets acquired, mainly related to the investment property, as well as the liabilities assumed and</li> <li>○ the existence of the contingent variable purchase price component.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• We assessed the professional competence, independence and objectivity of management's certified external property valuer.</li> <li>• With the assistance of our independent external valuation experts, we evaluated the methodologies and underlying assumptions used by management in estimating the fair value of the investment property acquired.</li> <li>• We attended meetings with management's external certified valuer to understand the methodology and key assumptions underlying the property valuation. We discussed any adjustment made to the key valuation assumptions and we assessed whether these adjustments were appropriate in light of the volatility characterising existing macroeconomic conditions.</li> <li>• We evaluated the adequacy of the relevant disclosures made in the financial statements.</li> </ul> <p>Our audit procedures concluded that the approach followed by management in order to determine the fair value of the underlying assets acquired and liabilities assumed is based on reasonable assumptions and appropriate data.</p> <p>We also found that the disclosures in Note 9 of the separate and consolidated financial statements are adequate and consistent with the requirements of International Financial Reporting Standard 3.</p>

Key audit matter	How our audit addressed the key audit matter
<p><b>Basis of preparation</b></p> <p><i>(Notes 2.1, 3.1.c and 18 in the separate and consolidated financial statements)</i></p> <p>As explained in Note 2.1 the financial statements of the Group have been prepared on a going concern basis.</p> <p>The uncertainty relating to the geopolitical developments in Europe and the consequent effects on energy costs, inflationary trends and interest rate curves on the Group’s performance and cash flows, combined with the execution risks associated with the Ellinikon Development, may cause management to experience liquidity constraints during the foreseeable future. Furthermore, the Group, in addition to the capital expenditures for development and infrastructure projects, is committed to proceed with the renovation of the Metropolitan Park of Elliniko - Agios Kosmas.</p> <p>As of 31 December 2022, the Group's short-term debt obligations mainly relate to the contractual capital repayment of the bridge financing amounting to €361 million payable in December 2023. Management is in advanced negotiations with the banks and has agreed the term sheet for the issuance of a new common bond loan facility which will include the refinancing of the short term debt (bridge financing) together with existing bank loans for the remaining shopping centers under a contemplated restructuring within 2023.</p>	<p>We performed the following procedures in assessing the appropriateness of the going concern basis of accounting used in preparing the financial statements:</p> <ul style="list-style-type: none"> <li>• We discussed with management the basic planning regarding the raising of new funds in order to cover the financing needs of Ellinikon project, as well as possible alternatives that have been considered to address liquidity issues if they arise in the foreseeable future.</li> <li>• We examined which projected capital expenditures are committed and which are discretionary.</li> <li>• We agreed the estimated cash flows to the approved business plans.</li> <li>• We have evaluated the financial position of the Group for the next 12 months and we tested key assumptions against underlying documentation, such as debt agreements, borrowing rates and payment schedules.</li> <li>• We evaluated management’s conclusion that there are no material uncertainties with respect to going concern.</li> <li>• We reviewed the adequacy and suitability of the relevant disclosures made by management in the financial statements.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p>Management expects that the liquidity of the Group will be positively affected by the improvement of the overall performance of its main cash flow generation units and by the proceeds associated with the Ellinikon project. In addition, management has successfully concluded project financing for the initial 5 years for the Ellinikon project amounting to €1.3 billion (including letters of guarantee).</p> <p>Based on the above, management has analysed its future cash flows to assess the Group's ability to have sufficient cash available to finance its current working capital, significant investments and debt obligations for the immediate future.</p> <p>After considering all of these factors, amongst others and including compliance with the required financial ratios underlying loan agreements, management have concluded that there would be sufficient cash flows for the foreseeable future and that preparing the financial statements on a going concern basis remains appropriate. (Note 2.1).</p> <p>We focused on this area because of the potential impact of the current macroeconomic conditions on the Group's activities, the significant financing needs of the Ellinikon project, as well as due to the estimates and assumptions required by management so as to evaluate the Group's ability to continue as a going concern in the foreseeable future.</p>	<p>Based on our audit procedures, we concluded that the inputs used in management's assessment was based on reliable data and that the assumptions used were reasonable and consistent with management's estimations and plans, which support the going concern basis of accounting used in the preparation of the financial statements.</p>

## **Other Information**

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Statements of Board of Directors members, the Board of Directors Report and the Tables of Use of Raised Funds (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.

We considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018 and the Corporate Governance Statement required by article 152 of Law 4548/2018 has been prepared.

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

- The information given in the the Board of Directors' Report for the year ended at 31 December 2022 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, 151, 153 and 154 of Law 4548/2018.
- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 152 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 and Other Information that we obtained prior to the date of this auditor's 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 scepticism 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the year under audit and are therefore the key audit matters. We describe these matters in our auditor's report.

## **Report on other legal and regulatory requirements**

### **1. Additional Report to the Audit Committee**

Our opinion on the accompanying separate and consolidated financial statements is consistent with our, as per article 11 of Regulation (EU) 537/2014 required, Additional Report to the Audit Committee of the Company.

### **2. Appointment**

We were first appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 16 June 2004. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 19 years.

### **3. Operating Regulation**

The Company has an Operating Regulation in accordance with the content provided by the provisions of article 14 of Law 4706/2020.

### **4. Assurance Report on the European Single Electronic Format**

We have examined the digital files of the Company and the Group, which were compiled in accordance with the European Single Electronic Format (ESEF) defined by the Commission Delegated Regulation (EU)

2019/815, as amended by Regulation (EU) 2020/1989 (hereinafter "ESEF Regulation"), and which include the separate and consolidated financial statements of the Company and the Group for the year ended 31 December 2022, in XHTML format 213800C7PQZVF38FYL54-2022-12-31-el.xhtml, as well as the provided XBRL file 213800C7PQZVF38FYL54-2022-12-31-el.zip with the appropriate marking up, on the aforementioned consolidated financial statements, including the other explanatory information (Notes to the financial statements).

### **Regulatory framework**

The digital files of the European Single Electronic Format are compiled in accordance with ESEF Regulation and 2020 / C 379/01 Interpretative Communication of the European Commission of 10 November 2020, as provided by Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (hereinafter "ESEF Regulatory Framework").

In summary, this Framework includes the following requirements:

- All annual financial reports should be prepared in XHTML format.
- For consolidated financial statements in accordance with International Financial Reporting Standards, the financial information stated in the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows, as well as the financial information included in the other explanatory information, should be marked-up with XBRL 'tags' and 'block tag', according to the ESEF Taxonomy, as in force. The technical specifications for ESEF, including the relevant classification, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF Regulatory Framework are suitable criteria for formulating a reasonable assurance conclusion.

### **Responsibilities of the management and those charged with governance**

The management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company and the Group, for the year ended 31 December 2022, in accordance with the requirements set by the ESEF Regulatory Framework, as well as for those internal controls that management determines as necessary, to enable the compilation of digital files free of material error due to either fraud or error.

### **Auditor's responsibilities**

Our responsibility is to plan and carry out this assurance work, in accordance with no. 214/4 / 11.02.2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines in relation to the work and the assurance report of the Certified Public Accountants on the European Single Electronic Format (ESEF) of issuers with securities listed on a regulated market in Greece" as issued by the Board of Certified Auditors on 14/02/2022 (hereinafter "ESEF Guidelines"), providing reasonable assurance that the separate and consolidated financial statements of the Company and

the Group prepared by the management in accordance with ESEF comply in all material respects with the current ESEF Regulatory Framework.

Our work was carried out in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standard Board for Accountants (IESBA Code), which has been transposed into Greek Law and in addition we have fulfilled the ethical responsibilities of independence, according to Law 4449/2017 and the Regulation (EU) 537/2014.

The assurance work we conducted is limited to the procedures provided by the ESEF Guidelines and was carried out in accordance with International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information". Reasonable assurance is a high level of assurance, but it is not a guarantee that this work will always detect a material misstatement regarding non-compliance with the requirements of the ESEF Regulation.

### **Conclusion**

Based on the procedures performed and the evidence obtained, we conclude that the separate and consolidated financial statements of the Company and the Group for the year ended 31 December 2022, in XHTML file format 213800C7PQZVF38FYL54-2022-12-31-el.xhtml, as well as the provided XBRL file 213800C7PQZVF38FYL54-2022-12-31-el.zip with the appropriate marking up, on the aforementioned consolidated financial statements, including the other explanatory information, have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.



Athens, 2 May 2023  
The Certified Auditor

PricewaterhouseCoopers S.A.  
Certified Auditors  
260 Kiffisias Avenue,  
152 32, Halandri  
SOEL Reg. No. 113

Socrates Leptos - Bourgi  
SOEL Reg. No. 41541

## Statement of financial position (Company and Consolidated)

Amounts in € thousands

	Note	GROUP		COMPANY	
		31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment property	<a href="#">6</a>	2,010.614	1,846.920	1.840	1.840
Inventories	<a href="#">10</a>	830.613	606.051	-	-
Right-of-use assets	<a href="#">19</a>	131.783	140.329	6.305	8.156
Tangible assets	<a href="#">7</a>	88.429	58.146	4.198	4.625
Intangible assets	<a href="#">8</a>	27.920	20.384	2.020	2.353
Investments in subsidiaries	<a href="#">9</a>	-	-	880.780	606.758
Investments in joint ventures and associates	<a href="#">9</a>	3.919	3.483	2.634	1.467
Deferred tax assets	<a href="#">24</a>	521	677	329	546
Restricted cash	<a href="#">13</a>	11.347	167.000	11.347	167.000
Other receivables	<a href="#">11</a>	21.842	29.225	4.690	84.594
Derivative financial instruments	<a href="#">23</a>	10.267	310	-	-
Other financial instruments	<a href="#">14</a>	11.757	756	817	756
		<b>3.149.012</b>	<b>2.873.281</b>	<b>914.960</b>	<b>878.095</b>
<b>Current assets</b>					
Inventories	<a href="#">10</a>	237.311	342.146	-	-
Trade and other receivables	<a href="#">11</a>	113.884	49.908	116.758	92.873
Current tax assets		533	661	160	172
Restricted cash	<a href="#">13</a>	167.000	210.000	167.000	210.000
Cash and cash equivalents	<a href="#">12</a>	515.515	162.402	212.436	31.505
		<b>1.034.243</b>	<b>765.117</b>	<b>496.354</b>	<b>334.550</b>
Assets classified as held for sale	<a href="#">9</a>	-	32.539	-	2.570
<b>Total assets</b>		<b>4.183.255</b>	<b>3.670.937</b>	<b>1.411.314</b>	<b>1.215.215</b>
<b>EQUITY</b>					
Share capital and share premium	<a href="#">15</a>	1,024.508	1,024.508	1,024.508	1,024.508
Treasury shares	<a href="#">16</a>	(15.848)	(3.729)	(15.848)	(3.729)
Other reserves	<a href="#">17</a>	27.616	17.256	17.278	10.218
Retained earnings/(Accumulated losses)		117.482	164.206	(251.484)	(212.973)
<b>Equity attributable to equity holders of the Company</b>		<b>1.153.758</b>	<b>1.202.241</b>	<b>774.454</b>	<b>818.024</b>
Non-controlling interests		13.884	99.002	-	-
<b>Total equity</b>		<b>1.167.642</b>	<b>1.301.243</b>	<b>774.454</b>	<b>818.024</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	<a href="#">18</a>	775.346	671.694	541.257	347.341
Lease liabilities	<a href="#">19</a>	178.242	179.815	4.890	6.677
Deferred tax liabilities	<a href="#">24</a>	204.090	175.975	-	-
Derivative financial instruments	<a href="#">23</a>	-	376	-	-
Net employee defined benefit liabilities	<a href="#">20</a>	940	914	468	459
Provisions for infrastructure investments for HELLINIKON S.M.S.A.	<a href="#">22</a>	507.354	479.553	-	-
Consideration payable for the acquisition of HELLINIKON S.M.S.A.	<a href="#">9</a>	354.656	501.245	-	-
Other non-current liabilities		20.673	21.378	-	-
		<b>2.041.301</b>	<b>2.030.950</b>	<b>546.615</b>	<b>354.477</b>
<b>Current liabilities</b>					
Borrowings	<a href="#">18</a>	387.315	49.726	57.391	11.685
Lease liabilities	<a href="#">19</a>	3.094	3.097	1.751	1.697
Trade and other payables	<a href="#">21</a>	265.225	99.356	31.103	29.332
Provisions for infrastructure investments for HELLINIKON S.M.S.A.	<a href="#">22</a>	121.260	155.455	-	-
Consideration payable for the acquisition of HELLINIKON S.M.S.A.	<a href="#">9</a>	163.872	-	-	-
Current tax liabilities		33.546	1.110	-	-
		<b>974.312</b>	<b>308.744</b>	<b>90.245</b>	<b>42.714</b>
Liabilities directly associated with assets classified as held for sale	<a href="#">9</a>	-	30.000	-	-
<b>Total liabilities</b>		<b>3.015.613</b>	<b>2.369.694</b>	<b>636.860</b>	<b>397.191</b>
<b>Total equity and liabilities</b>		<b>4.183.255</b>	<b>3.670.937</b>	<b>1.411.314</b>	<b>1.215.215</b>

Notes on pages 157 to 243 form an integral part of these financial statements

## Income statement (Company and Consolidated)

	Note	GROUP		COMPANY	
		01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<i>Amounts in € thousands</i>					
Revenue	<a href="#">25</a>	141.696	79.090	29.065	42.533
Dividends income		123	135	11.977	8.917
Net gain/(loss) from fair value adjustment on investment property	<a href="#">6</a>	146.032	325.299	-	-
Loss from inventory impairment	<a href="#">10</a>	(11.736)	(272)	-	-
Profit from disposal of investment property	<a href="#">6</a>	79	880	-	-
Cost of sales of inventory	<a href="#">10</a>	(19.442)	-	-	-
Expenses related to investment property	<a href="#">26</a>	(14.671)	(11.883)	-	-
Expenses related to the development of the Ellinikon site	<a href="#">27</a>	(73.617)	(31.979)	(23.244)	(24.035)
Employee benefits expense	<a href="#">28</a>	(23.324)	(21.022)	(15.357)	(13.617)
Depreciation	<a href="#">7,8,19</a>	(8.982)	(8.602)	(3.172)	(2.617)
Provision for impairment relating to investments in subsidiaries, joint ventures and associates	<a href="#">9</a>	(440)	-	(3.479)	(3.590)
Provision for impairment of receivables from subsidiaries	<a href="#">34</a>	-	-	(1.555)	(1.126)
Gain on disposal of subsidiary	<a href="#">9</a>	30	1.212	5	9.586
Other operating income / (expenses) - net	<a href="#">29</a>	(23.076)	(5.902)	(10.331)	(5.077)
<b>Operating profit/(loss)</b>		<b>112.672</b>	<b>326.956</b>	<b>(16.091)</b>	<b>10.974</b>
Finance income	<a href="#">30</a>	5.289	283	4.419	1.426
Finance costs	<a href="#">30</a>	(94.509)	(58.892)	(26.628)	(18.089)
Share of net profit/(loss) of investments accounted for using the equity method	<a href="#">9</a>	114	(484)	-	-
<b>Profit/(loss) before income tax</b>		<b>23.566</b>	<b>267.863</b>	<b>(38.300)</b>	<b>(5.689)</b>
Income tax expense	<a href="#">31</a>	(47.522)	(68.094)	(211)	(3.988)
<b>Profit/(loss) for the year</b>		<b>(23.956)</b>	<b>199.769</b>	<b>(38.511)</b>	<b>(9.677)</b>
<b>Profit/(loss) attributable to:</b>					
Equity holders of the parent		(31.409)	191.242	(38.511)	(9.677)
Non-controlling interests		7.453	8.527	-	-
		<b>(23.956)</b>	<b>199.769</b>	<b>(38.511)</b>	<b>(9.677)</b>
<b>Earnings/(losses) per share (€) attributable to the equity holders of the Parent</b>					
- Basic	<a href="#">35</a>	(0,18)	1,08	(0,22)	(0,05)
- Diluted	<a href="#">35</a>	(0,18)	1,08	(0,22)	(0,05)
Weighted Average number of shares	<a href="#">35</a>	174.765.798	176.721.722	174.765.798	176.721.722
Revised Weighted Average number of shares	<a href="#">35</a>	174.765.798	177.741.707	174.765.798	177.741.707

Notes on pages 157 to 243 form an integral part of these financial statements

## Comprehensive income statement (Company and Consolidated)

	GROUP		COMPANY	
	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<i>Amounts in € thousands</i>				
<b>Profit/(loss) for the year</b>	<b>(23.956)</b>	<b>199.769</b>	<b>(38.511)</b>	<b>(9.677)</b>
Change in cash flow hedges, after tax	4.187	904	-	-
Currency translation differences	(273)	107	-	-
<b>Items that may be subsequently reclassified to Income Statement</b>	<b>3.914</b>	<b>1.011</b>	<b>-</b>	<b>-</b>
Actuarial gains / (losses), after tax	72	(73)	22	(53)
Change in income tax rate	-	(10)	-	-
<b>Items that may not be subsequently reclassified to Income Statement</b>	<b>72</b>	<b>(83)</b>	<b>22</b>	<b>(53)</b>
<b>Other Comprehensive Income for the year</b>	<b>3.986</b>	<b>928</b>	<b>22</b>	<b>(53)</b>
<b>Total Comprehensive Income for the year</b>	<b>(19.970)</b>	<b>200.697</b>	<b>(38.489)</b>	<b>(9.730)</b>
<b>Profit/(loss) attributable to:</b>				
Equity holders of the parent	(28.019)	191.891	(38.489)	(9.730)
Non-controlling interests	8.049	8.806	-	-
	<b>(19.970)</b>	<b>200.697</b>	<b>(38.489)</b>	<b>(9.730)</b>

Notes on pages 157 to 243 form an integral part of these financial statements

## Statement of changes in equity (Consolidated) 2022

Amounts in € thousands	Attributable to equity holders of the parent				Total	Non-controlling interests	Total equity
	Share capital and share premium	Treasury share	Other reserves	Retained earnings / (Accumulated losses)			
<b>GROUP</b>							
<b>1 January 2022</b>	<b>1.024.508</b>	<b>(3.729)</b>	<b>17.256</b>	<b>164.206</b>	<b>1.202.241</b>	<b>99.002</b>	<b>1.301.243</b>
<b>Total income:</b>							
(Loss) / Profit for the period	-	-	-	(31.409)	(31.409)	7.453	(23.956)
<u>Other comprehensive income for the year:</u>							
Change in cash flow hedges, after tax	-	-	3.591	-	3.591	596	4.187
Actuarial gain, after tax	-	-	72	-	72	-	72
Currency translation differences	-	-	(273)	-	(273)	-	(273)
<b>Total other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>3.390</b>	<b>-</b>	<b>3.390</b>	<b>596</b>	<b>3.986</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>3.390</b>	<b>(31.409)</b>	<b>(28.019)</b>	<b>8.049</b>	<b>(19.970)</b>
<b>Transactions with the shareholders:</b>							
Other reserves	-	-	(68)	68	-	-	-
Issue of share capital	-	-	-	-	-	5	5
Acquisition of treasury shares	-	(12.119)	-	-	(12.119)	-	(12.119)
Employees share option scheme	-	-	7.038	-	7.038	-	7.038
Dividends to non-controlling interests	-	-	-	-	-	(342)	(342)
Acquisition of additional share proportion in subsidiary	-	-	-	(15.383)	(15.383)	(93.617)	(109.000)
Acquisition of subsidiary	-	-	-	-	-	787	787
<b>Total transactions with the shareholders for the year</b>	<b>-</b>	<b>(12.119)</b>	<b>6.970</b>	<b>(15.315)</b>	<b>(20.464)</b>	<b>(93.167)</b>	<b>(113.631)</b>
<b>31 December 2022</b>	<b>1.024.508</b>	<b>(15.848)</b>	<b>27.616</b>	<b>117.482</b>	<b>1.153.758</b>	<b>13.884</b>	<b>1.167.642</b>

Notes on pages 157 to 243 form an integral part of these financial statements



## Statement of changes in equity (Consolidated) 2021

Amounts in € thousands	Attributable to equity holders of the parent					Non-controlling interests	Total equity
	Share capital and share premium	Treasury share	Other reserves	Retained earnings / (Accumulated losses)	Total		
<b>GROUP</b>							
<b>1 January 2021</b>	<b>1.024.576</b>	-	<b>8.772</b>	<b>(26.340)</b>	<b>1.007.008</b>	<b>94.756</b>	<b>1.101.764</b>
<b>Total income:</b>							
Profit for the year	-	-	-	191.242	191.242	8.527	199.769
<u>Other comprehensive income for the year:</u>							
Change in cash flow hedges, after tax	-	-	619	-	619	285	904
Actuarial loss, after tax	-	-	(72)	-	(72)	(1)	(73)
Currency translation differences	-	-	112	-	112	(5)	107
Change in income tax rate	-	-	(10)	-	(10)	-	(10)
<b>Total other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>649</b>	<b>-</b>	<b>649</b>	<b>279</b>	<b>928</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>649</b>	<b>191.242</b>	<b>191.891</b>	<b>8.806</b>	<b>200.697</b>
<b>Transactions with the shareholders:</b>							
Other reserves	-	-	745	(745)	-	-	-
Change of other reserves due to sale of subsidiary	-	-	(49)	49	-	-	-
Issue of share capital	-	-	-	-	-	42	42
Acquisition of treasury shares	-	(3.729)	-	-	(3.729)	-	(3.729)
Employees share option scheme	-	-	7.139	-	7.139	-	7.139
Dividends to non-controlling interests	-	-	-	-	-	(4.602)	(4.602)
Change in income tax rate	(68)	-	-	-	(68)	-	(68)
<b>Total transactions with the shareholders</b>	<b>(68)</b>	<b>(3.729)</b>	<b>7.835</b>	<b>(696)</b>	<b>3.342</b>	<b>(4.560)</b>	<b>(1.218)</b>
<b>31 December 2021</b>	<b>1.024.508</b>	<b>(3.729)</b>	<b>17.256</b>	<b>164.206</b>	<b>1.202.241</b>	<b>99.002</b>	<b>1.301.243</b>

Notes on pages 157 to 243 form an integral part of these financial statements

## Statement of changes in equity (Company) 2022

*Amounts in € thousands*

	Share capital and share premium	Treasury shares	Other reserves	Retained earnings / (Accumulated losses)	Total Equity
<b>COMPANY</b>					
<b>1 January 2022</b>	<b>1.024.508</b>	<b>(3.729)</b>	<b>10.218</b>	<b>(212.973)</b>	<b>818.024</b>
<b><u>Total income:</u></b>					
Loss for the year	-	-	-	(38.511)	(38.511)
<u>Other comprehensive income for the year:</u>					
Actuarial gain, after tax	-	-	22	-	22
<b>Total other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>22</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>(38.511)</b>	<b>(38.489)</b>
<b><u>Transactions with the shareholders:</u></b>					
Acquisition of treasury shares	-	(12.119)	-	-	(12.119)
Employees share option scheme	-	-	7.038	-	7.038
<b>Total transactions with the shareholders</b>	<b>-</b>	<b>(12.119)</b>	<b>7.038</b>	<b>-</b>	<b>(5.081)</b>
<b>31 December 2022</b>	<b>1.024.508</b>	<b>(15.848)</b>	<b>17.278</b>	<b>(251.484)</b>	<b>774.454</b>

Notes on pages 157 to 243 form an integral part of these financial statements

## Statement of changes in equity (Company) 2021

*Amounts in € thousands*

	Share capital and share premium	Treasury shares	Other reserves	Retained earnings / (Accumulated losses)	Total Equity
<b>COMPANY</b>					
<b>1 January 2021</b>	<b>1.024.576</b>	-	<b>3.132</b>	<b>(203.296)</b>	<b>824.412</b>
<b><u>Total income:</u></b>					
Loss for the year	-	-	-	(9.677)	(9.677)
<u>Other comprehensive income for the year:</u>					
Actuarial loss, after tax	-	-	(53)	-	(53)
<b>Total other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(53)</b>	<b>-</b>	<b>(53)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(53)</b>	<b>(9.677)</b>	<b>(9.730)</b>
<b><u>Transactions with the shareholders:</u></b>					
Change in income tax rate	(68)	-	-	-	(68)
Acquisition of treasury shares	-	(3.729)	-	-	(3.729)
Employees share option scheme	-	-	7.139	-	7.139
<b>Total transactions with the shareholders for the year</b>	<b>(68)</b>	<b>(3.729)</b>	<b>7.139</b>	<b>-</b>	<b>3.342</b>
<b>31 December 2021</b>	<b>1.024.508</b>	<b>(3.729)</b>	<b>10.218</b>	<b>(212.973)</b>	<b>818.024</b>

Notes on pages 157 to 243 form an integral part of these financial statements

## Cash Flow Statement (Company and Consolidated)

	Note	GROUP		COMPANY	
		01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<i>Amounts in € thousands</i>					
<b>Profit/(loss) for the year</b>		<b>(23.956)</b>	<b>199.769</b>	<b>(38.523)</b>	<b>(9.677)</b>
<b>Adjustments for:</b>					
Income tax expense	<a href="#">31</a>	47.522	68.094	211	3.988
Depreciation	<a href="#">7,8,19</a>	8.982	8.602	3.172	2.617
Share of net profit of investments accounted for using the equity method	<a href="#">9</a>	(114)	484	-	-
Dividends income		(123)	(135)	(11.977)	(8.917)
Provision for impairment of receivables from subsidiaries	<a href="#">34</a>	-	-	1.555	1.126
Provision for impairment relating to investments in subsidiaries, joint ventures and associates	<a href="#">9</a>	440	-	3.479	3.590
Impairment of receivables	<a href="#">11</a>	73	2.220	(25)	71
(Gain)/Loss from sale of investment property / tangible assets		(79)	(880)	-	-
(Gain)/loss related to sale/acquisition share of control in entities	<a href="#">9</a>	(30)	(1.212)	(5)	(9.586)
Provision for retirement benefit obligations	<a href="#">20</a>	115	26	38	(156)
Employees share option scheme	<a href="#">17</a>	7.038	7.139	7.038	7.139
Finance income	<a href="#">30</a>	(5.289)	(283)	(4.419)	(1.426)
Finance costs	<a href="#">30</a>	94.509	58.892	26.628	18.089
Loss from inventory impairment	<a href="#">10</a>	11.736	272	-	-
Net (gains)/losses from fair value adjustment on investment property	<a href="#">6</a>	(146.032)	(325.299)	-	-
Other non-cash (income) / expense		-	(4.949)	-	(119)
		<b>(5.208)</b>	<b>12.740</b>	<b>(12.816)</b>	<b>6.739</b>
<b>Changes in working capital:</b>					
(Increase)/decrease in inventories	<a href="#">10</a>	(6.218)	(5.261)	-	-
Decrease/(increase) in trade receivables	<a href="#">11</a>	(58.458)	(11.151)	31.004	(19.761)
Increase/(decrease) in trade payables	<a href="#">21</a>	133.356	16.053	2.042	2.570
(Decrease)/increase related to payments in advance from revenue contracts of HELLINIKON S.M.S.A.	<a href="#">21</a>	20.351	23.200	-	500
		<b>89.031</b>	<b>22.841</b>	<b>33.046</b>	<b>(16.691)</b>
Income taxes paid		(951)	(2.735)	-	(6)
<b>Net cash (outflow) / inflow from operating activities</b>		<b>82.872</b>	<b>32.846</b>	<b>20.230</b>	<b>(9.958)</b>
<b>Cash flows from investing activities</b>					
Purchase of tangible assets and investment property	<a href="#">6,7</a>	(74.408)	(27.314)	(293)	(2.287)
Purchase of intangible assets	<a href="#">8</a>	(1.415)	(508)	(233)	(334)
Proceeds from sale of tangible assets and investment property	<a href="#">6,7</a>	150	14.000	-	-
Dividends/pre-dividends received		123	338	33.086	338
Interest received		326	300	-	153
Loans from/(to) related parties		-	-	-	(80.000)
Proceeds from repayment of loans to related parties		-	-	-	2.270
Payments of consideration for the (acquisition)/disposal of participations	<a href="#">9</a>	(143.949)	(308.064)	858	(901)
(Purchase)/sale of other financial instruments at fair value through profit or loss	<a href="#">14</a>	(10.505)	(756)	-	(756)
Cash equivalents at the date of the acquisition	<a href="#">9</a>	4.070	794	-	-
(Increase)/decrease in the share capital of participations	<a href="#">9</a>	(229)	(300)	(271.221)	(300.086)
Restricted cash	<a href="#">13</a>	198.653	(377.000)	198.653	(377.000)
<b>Net cash (outflow) / inflow from investing activities</b>		<b>(27.184)</b>	<b>(698.510)</b>	<b>(39.150)</b>	<b>(758.603)</b>

## Annual financial report for the year ended 31 December 2022

<i>Amounts in € thousands</i>	Note	GROUP		COMPANY	
		01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<b>Cash flows from financing activities</b>					
Acquisition of treasury shares	<a href="#">16</a>	(12.468)	(3.380)	(12.468)	(3.380)
Dividends paid to non-controlling interests	<a href="#">9</a>	(4.602)	-	-	-
Loans received/(repayment) of loans from related parties		36	-	36	(7.253)
Proceeds from borrowings	<a href="#">18</a>	713.475	15.770	237.975	-
Repayment of borrowings	<a href="#">18</a>	(340.272)	(30.464)	-	-
Repayment of lease liabilities	<a href="#">19</a>	(3.602)	(3.557)	(1.759)	(1.500)
Interest paid and related expenses	<a href="#">18,30</a>	(35.994)	(29.355)	(17.746)	(16.795)
Interest paid related to lease liabilities	<a href="#">19</a>	(8.891)	(4.071)	(303)	(358)
Borrowings transaction costs	<a href="#">18</a>	(10.257)	(32)	(5.884)	-
<b>Net cash (outflow) / inflow from financing activities</b>		<b>297.425</b>	<b>(55.089)</b>	<b>199.851</b>	<b>(29.286)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>353.113</b>	<b>(720.753)</b>	<b>180.931</b>	<b>(797.847)</b>
Cash and cash equivalents at the beginning of the year	<a href="#">12</a>	162.402	883.155	31.505	829.352
<b>Cash and cash equivalents at end of the year</b>	<a href="#">12</a>	<b>515.515</b>	<b>162.402</b>	<b>212.436</b>	<b>31.505</b>

Notes on pages 157 to 243 form an integral part of these financial statements

## Notes to the financial statements

### 1. General information

These financial statements include the standalone financial statements of the company LAMDA DEVELOPMENT S.A. (the "Company") and the consolidated financial statements of the Company and its subsidiaries (together "the Group") for the fiscal year ended 31 December 2022. The names of the subsidiaries are presented in note 9. The annual financial statements of the Group's subsidiaries are uploaded on the website [www.lamdadev.com](http://www.lamdadev.com). The Company's shares are listed on the Athens Stock Exchange.

The main activities of the Company are investment, development and project management in commercial real estate market in Greece, as well as in countries of S.E. Europe (Serbia, Romania and Montenegro) through its subsidiaries. The Group's most significant investments are: four shopping and leisure centers (The Mall Athens, Golden Hall and Designer Outlet Athens in Athens and Mediterranean Cosmos in Thessaloniki), office complexes in Greece and Romania, Flisvos Marina in Faliro, as well as the metropolitan redevelopment of Hellinikon Airport area, where the Group will develop residencies, hotels, shopping centers, offices, cultural and training centers, information and health centers, other infrastructure, a metropolitan park of 2 million sq.m., as well as the redevelopment of the 3.5 km long coastline, including the exploitation of Marina of Agios Kosmas.

The Company is domiciled in Greece, 37A Kifissias Ave., 15123, Maroussi with the Number in the General Electronic Commercial Registry: 3379701000 and its website address is [www.lamdadev.com](http://www.lamdadev.com). The entity Consolidated Lamda Holdings S.A., which is domiciled in Luxembourg, holding 43,76% of Company's shares as of 31.12.2022.

These annual consolidated and standalone financial statements have been approved for release by the Company's Board of Directors on 2 May 2023 and are subject to the approval of the ordinary General Meeting of Shareholders.

### 2. Summary of significant accounting policies

#### 2.1 Basis of preparation of annual financial statements of preparation

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

The Management decision to apply the going concern assumption is based on the estimations related to the possible effects of the COVID-19 pandemic, energy crisis and inflationary pressures. This decision is based on the forecasts of future cash flows, the current cash position of the Group, the recent developments regarding the financing of the property development in Ellinikon within 2021 and April 2022, the issuance of Green Common Bond Loan (note 18), as well as the receipts for sales of residential and hotel properties in Ellinikon.

#### **The impact due to the coronavirus pandemic COVID-19 for the year ended 2022**

The COVID-19 pandemic, although in recession, continued to be present during 2022. It is noted that the operating EBITDA of Shopping Malls in 2022 was not negatively affected at all, either by the suspension of store operations or by the implementation of Greek State's directive for discounts on rents, in stark contrast to the corresponding period of 2021. Consequently, EBITDA profitability of Shopping Malls in 2022 showed accelerated rates of recovery reaching to pre-pandemic (2019) levels.

**Impact from inflationary pressures, energy crisis, increased interest rates and geopolitical instability**

In the context of the inflationary pressures observed in international markets as well as in Greece, the Company's rental income is mostly inflation adjusted, linked to an adjustment clause in connection to changes in the consumer price index (CPI). The said adjustment clause is translated into a 1.5-2 percentage points margin over the officially announced consumer price index. According to the official statistics by ELSTAT, in December 2022 the CPI registered an annual increase of 7,2% compared to December 2021, while the average CPI for the twelve-month period (January-December) 2022 registered an annual increase of 9,6% compared to the corresponding period in 2021.

Increasing energy costs, a trend observed in the international markets due to the energy crisis had an adverse impact in Shopping Malls' operating expenses during 2022. The total energy cost of the Shopping Malls (The Mall Athens, Golden Hall and Mediterranean Cosmos) for the year 2022 amounted to €4,4 million, increased by 64% compared to 2021. Most of the said cost relate to the common areas in the Shopping Malls, which are undertaken by the shopkeepers/tenants.

The following are noted regarding the increase in energy costs in 2022:

- (d) the Group had active contracts for fixed energy prices until the end of April 2022, which ensured very low unit prices for the first quarter and was not affected by the significantly high market prices,
- (e) the Group, in the context of competitions, entered into new fixed-term variable pricing contracts (one for the period up to September 2022 and the second for the following period up to April 2023), following the conditions of the energy market, which ensured competitive prices compared to the market,
- (f) the energy consumption in the Shopping Malls was higher in 2022 compared to 2021, due to their longer operating period (in 2021 the Shopping Malls remained closed, by law, for a total period of about 3 months).

The Group constantly monitors the developments in the energy market in order to react immediately and take advantage of possible market variations. Finally, the Group will intensify its efforts to implement its "green" energy investments in eligible properties, to reduce future energy costs, by limiting dependence on traditional energy sources.

The Group has not agreed or contracted final selling prices for the larger part of the projects and developments included in The Ellinikon. This enables the Group to pass on to its counterparties all or part of the increase in raw material prices and energy costs, observed recently in the market, while maintaining selling prices at competitive levels based on the broader market conditions. Worth noting that, in accordance with international practices related to the preparation of future estimates-budgets for projects of similar size and complexity, the Group has included contingencies in the cost estimates for all projects and developments included in The Ellinikon. Regarding the exposure, at Group level, to the risk of increases in interest rates, it is pointed out that this risk mainly concerns long-term borrowings with a floating interest rate. Borrowings with a floating interest rate at the end of 2022 (31.12.2022) constituted approximately 53% of total and amounted to approximately €617 million. At the same time, interest rate swap contracts have been concluded, in order to hedge against changes in interest rates, amounting to approximately €112 million. Therefore, according to the relevant sensitivity analyses, a +/- 1 percentage point change in the reference interest rates (Euribor) of floating rate borrowings has an impact of approximately €5 million on the annual financial cost on a consolidated basis (respectively in the pre-tax consolidated results of the Group).

Regarding the war in Ukraine and the current geopolitical developments, it is worth highlighting the following: (a) the Company does not own subsidiaries and/or other investments in Russia/Ukraine, or other neighboring areas directly affected from war conflicts (b) in the Shopping Malls there are no shopkeepers/tenants originated from the said countries and (c) there are no customers from said countries who have submitted deposits for the future purchase of both apartments on the residential tower Riviera Tower and land plots for Beach Villas.

The Company's Management closely monitors and evaluates the events in relation to the war in Ukraine to take the necessary measures and to adjust its business plans (if required) in order to ensure business continuity and limitation of any negative effects on the Group's activities. At this stage it is not possible to predict the general impact that may have on the financial status of the Group's customers a prolonged energy crisis and increase in prices in general. Based on its current assessment, it has concluded that no additional provisions for impairment are required for the Group's financial and non-financial assets as at 31 December 2022.

## Annual financial report for the year ended 31 December 2022

The Management of the Company has carried out all the necessary analysis in order to confirm its cash adequacy at Company and Group level. The Group's cash and signed agreements of bank loans are 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.

In note 3 "Financial risk factors" of the financial statements, there is information on the approach of the total risk management of the Group, as well as on the general financial risks that the Group faces regarding the going concern principle.

This consolidated and Company financial statements have been prepared under the historical cost principle, 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 information 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 information are disclosed in note 4.

### 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 1st January 2022. The Group's assessment of the effect of these new standards, amendments to standards and interpretations is presented below.

#### **Standards and Interpretations effective for the financial year 2022**

##### **IFRS 16 (Amendment) "Covid-19-Related Rent Concessions - Extension of application period"**

(COMMISSION REGULATION (EU) No. 2021/1421 of 30th August 2021, L 305/17 -31.8.2021)

The amendment is effective for annual reporting periods beginning on or after 1 April 2021.

The amendment extended by one year the relief to cover rent concessions that reduce only lease payments due on or before 30 June 2022.

The Group will apply this amendment, but no significant impact is expected based on Management's current assessment of the ongoing COVID-19 situation.

##### **Several Narrow-scope Amendments to IFRS**

(COMMISSION REGULATION (EU) No. 2021/1080 of 28th June 2021, L 234/90 – 2.7.2021)

These apply to annual accounting periods starting on or after 1st January 2022.

In May 2020, the IASB issued several narrow-scope amendments to IFRS Standards. The package of amendments includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards.

Amendments to IFRS 3 "Business Combinations" update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognize contingent assets, as defined in IAS 37, at the acquisition date. Amendments to IAS 16 "Property, Plant and Equipment" prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss. Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" clarify that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies 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, rather than on assets dedicated to that contract.

Annual Improvements make minor amendments to IFRS 9 "Financial Instruments" and the Illustrative Examples accompanying IFRS 16 "Leases". The amendment to IFRS 9 addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test. The amendment to IFRS 16 removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

The Group will apply these amendments, but no significant impact is expected based on Management's current assessment.



**Standards and Interpretations effective after 31st December 2022**

The following new standards, amendments and IFRICs have been published but are in effect for the annual fiscal period beginning the 1st of January 2023 or subsequently and have not been adopted from the Group earlier.

**IAS 1 “Presentation of Financial Statements” (Amendment) - “Accounting policy disclosures”**

(COMMISSION REGULATION (EU) No. 2022/357 of 2nd March 2022, L 68/1 -3.3.2022)

This applies to annual accounting periods starting on or after 1st January 2023. Earlier application is permitted. In February 2021 the IASB issued amendments to IAS 1 “Presentation of Financial Statements” and IFRS Practice Statement 2 “Making Materiality Judgements”. The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The Group is assessing the impact of the amendment on its financial statements.

**IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” (Amendment) - “Definition of accounting estimates”**

(COMMISSION REGULATION (EU) No. 2022/357 of 2nd March 2022, L 68/1 -3.3.2022)

This applies to annual accounting periods starting on or after 1st January 2023. Earlier application is permitted. In February 2021 the IASB issued amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”. The amendments to IAS 8 clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

The Group is assessing the impact of the amendment on its financial statements.

**IAS 12 “Income Taxes” (Amendment) – “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”**

(COMMISSION REGULATION (EU) No. 2022/1392 of 11<sup>th</sup> August 2022, L 211/78 -12.8.2022)

This applies to annual accounting periods starting on or after 1st January 2023. Earlier application is permitted. In May 2021 the IASB issued amendments to IAS 12 “Income Taxes”. The amendments to IAS 12 specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. IAS 12 “Income Taxes” specifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations—transactions for which companies recognize both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

The Group will assess the impact of the amendment on its financial statements. These amendments are not expected to affect the Group.

**IAS 1 “Presentation of Financial Statements” (Amendments) - “Classification of Liabilities as Current or Non-current” and “information about long-term debt with covenants”**

This applies to annual accounting periods starting on or after 1st January 2024. Earlier application is permitted. In January 2020 the IASB issued amendment to IAS 1 “Presentation of Financial Statements” that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity’s right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

Also, in October 2022 the IASB issued amendment to IAS 1 “Presentation of Financial Statements” that aim to improve the information companies provide about long-term debt with covenants. IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company’s ability to do so is often subject to complying with covenants. For example, a company might have long-term debt that could become repayable within 12 months if the company fails to comply with covenants in that 12-month period. The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements. The IASB expects the amendments to improve the information a

company provides about long-term debt with covenants by enabling investors to understand the risk that such debt could become repayable early.

The Group expects no impact to financial statements since the existing accounting policies are consistent with the proposed amendments. These amendments have not yet been endorsed by the European Union.

**IFRS 16 “Leases” (Amendment) - “Sale and leaseback transactions”**

This applies to annual accounting periods starting on or after 1st January 2024. Earlier application is permitted. In September 2022 the IASB issued amendment to IFRS 16 “Leases”, which add to requirements explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases that same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The amendments issued add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the Accounting Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction.

The Group will assess the impact of the amendment on its financial statements. These amendments are not expected to affect the Group.

There are no other new standards or amendments to standards, which are mandatory for periods beginning during the current period and subsequent periods that may have significant impact on the Group’s financial statements.

**2.3 Consolidation**

**(a) Subsidiaries**

Subsidiaries are all entities (including structured entities) 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 such 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 value of the assets transferred, the liabilities assumed to the former owners and the shares issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a possible contingent consideration arrangement. Subsequent changes in the fair value of a contingent consideration that has been classified as an asset or liability are recognized under IFRS 9 either in the Income Statement or as a change in other comprehensive income. If a contingent consideration does not fall within the scope of IFRS 9, it shall be measured in accordance with the appropriate IFRS. If it has been classified as part of the Equity it will not be recalculated and the subsequent settlement will be accounted for in equity. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date. The Group recognizes any non-controlling interest in the subsidiary, either at fair value or at the non-controlling interest’s proportionate share of the subsidiary’s equity.

Acquisition-related costs are recorded in Income Statement.

If the business combination is achieved in stages, the fair value of the equity interest held by the Group to the acquired entity is re-measured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognized in Income Statement.

Inter-company transactions, balances and unrealized gains on transactions between Group entities are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the transferred asset. Accounting policies applied by subsidiaries have been adjusted to conform to those adopted by the Group.

Company recognizes investments in its subsidiaries in the standalone financial statements at cost less any 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 indication that the investment in a subsidiary is impaired. In case of such indication, 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

subsidiary exceeds its 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. The impairment that has been recognized in previous reporting periods are examined at each reporting date for a 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) Associates**

Associates are all entities over which the group has significant influence but not control. Investments in associates are accounted under the equity method. Under the equity method, the investment is initially recognized at acquisition cost, that is increased or decreased by the recognition of the Group's share in profit or loss of associates post-acquisition. Investments in associates include goodwill identified on acquisition.

In case the ownership interest in an associate is reduced but Group's significant influence is retained, only a proportionate share of the amount previously recognized in other comprehensive income is reclassified to Income Statement.

The Group's share of post-acquisition profit or loss is recognized in the Income Statement, while its share of post-acquisition movements in other comprehensive income, is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment in associates. In case the Group's share of losses in an associate exceeds its investment value, no further losses are recognized, unless it has made payments or further commitments have been assumed on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investments in the associates are impaired. In case of such evidence, the Group calculates the amount of the impairment as the difference between the recoverable amount of the investments in associates and its carrying value and recognizes the amount in Income Statement, added to "Share of net profit of investments accounted for using the equity method".

Unrealized gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted to ensure consistency with the policies adopted by the Group.

The Company accounts investments in associates in the standalone financial statements at acquisition cost less any impairment. The Group and the Company determine at each reporting date whether there is any objective evidence that the investment in associates is impaired. In case of such evidence, 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 associates exceeds the recoverable amount, the respective impairment loss is recognized in the Income Statement. The determination of the recoverable amount of each associate depends directly on the fair value of investment property held by the subsidiary, as the investment property is the most significant asset. The impairment that has been recognized in previous reporting periods are examined at each reporting date for possible reversal.

**(e) Joint arrangements**

According to IFRS 11 investments in joint arrangements are classified as joint operations or joint ventures and classification depends on contractual rights and obligations of the investor. The Group assessed the nature of its investments in joint arrangements and concluded that refer to joint ventures. Joint ventures are accounted through equity method.

Under the equity method of accounting, investments in joint ventures are initially recognized at acquisition cost, that is subsequently increased or decreased by the recognition of Group's share of the post-acquisition profits or losses of joint ventures and movements in other comprehensive income. In case the Group's share of losses in a joint venture exceeds its investment value (which includes any long-term investment that, in substance, consists part of the Group's net investment in the joint ventures), no further losses are recognized, unless it has made payments or further commitments have been assumed on behalf of joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

The Company accounts investments in joint ventures in the standalone financial statements at acquisition cost less any impairment. The Group and the Company determines at each reporting date whether there is any objective evidence that the investment in the joint ventures is impaired. In case of such evidence, 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 investment exceeds the recoverable amount, the respective impairment loss is recognized in the Income Statement. The determination of the recoverable amount of each joint venture depends directly on the fair value of investment property held by the joint venture, as the investment property is the most significant asset. The impairment that has been recognized in previous reporting periods are examined at each reporting date for possible reversal.

**(f) Acquisition of assets - IFRS 3 par.2 (b)**

Pursuant to paragraph 2 (b) of IFRS 3 "Business combinations", in case of acquisition of subsidiaries, which do not fall within the definition of a business combination but constitute the acquisition of assets or group of assets that are not a business, the acquirer recognizes the individual identifiable acquired assets and liabilities at acquisition cost, which is allocated to the individual identifiable assets and liabilities based on their relative fair values at the acquisition date. In addition, such transactions do not result in goodwill.

## **2.4 Segment reporting**

Operating segments are determined and reported in financial statements according to the internal reporting provided to the Group's Management. The Group's Management is responsible for the allocation of resources and the segments performance, as well as for the Group's strategic decisions. The activities of the Group concern the business sector of real estate in Greece and the Balkans. The Board of Directors (which is responsible for making financial decisions) defines the segments of activity according to the use of the Group's investment properties and its geographical location. The Group redefines its operating segments when the structure of its main activities and its organizational structure change.

## **2.5 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 each Group entity operates ("the functional currency"). The consolidated financial statements are presented in Euro (€), which is the Group's financial statements 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 differences (gains and losses) resulting from the settlement of such transactions in foreign currency and from the translation of monetary items from foreign to functional currency according to the exchange rates of at reporting date, are recognised 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 Group's presentation currency are translated into the Group 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 of 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 such cases, 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 recognised in other comprehensive income.

During consolidation procedure, exchange differences arising from the translation of the net investment in foreign entities are recognised in equity. When a foreign operation is sold, cumulative 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 subsidiaries are treated as assets and liabilities of the foreign entity and translated at the closing rate of the reporting date.

**2.6 Investment property**

Property that is held for either long-term rentals or for capital appreciation or both, and that is not owner-occupied by the Group, is classified as investment property.

Investment property comprises freehold properties as well as with surface right, like land, buildings, land and buildings held under finance and operating leases, properties under construction to be developed for future use as investment property, as well as properties for which the Group has not yet identified a specific use.

Investment property is measured initially at its cost, including related direct transaction costs. Investment properties deriving from finance 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. These 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, it is recognized at cost and remain at cost (less any impairment) until (a) the fair value can be reliably measured 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 recognised as a liability, including finance lease liabilities in respect of leasehold land classified as investment property. Other outflows, including contingent rent payments, are not recognised 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 property, will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are expensed in Income Statement when incurred.

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

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If an investment property becomes owner-occupied, it is reclassified as tangible asset, 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 tangible under IAS 16. However, any fair value revaluation gain is recognized in Income Statement to the extent that it reverses a previous impairment loss. Any remaining gain is recognised in other comprehensive income and increasing assets revaluation reserve within equity.

If the use of an inventory changes and the property is classified as an investment property, any difference between the carrying amount and its fair value at the date of transfer is recognized in the Income Statement.

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,
- (d) commencement of an operating lease to a third party, for a transfer from inventories to investment property.

### 2.7 Tangible assets

Tangible assets include land, buildings and facilities in third party buildings, transportation equipment and machinery, furniture and other equipment, as well assets under construction.

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

Subsequent costs are accounted by increasing the tangible assets carrying amount or recognised as a separate asset, only when it is probable that future economic benefits will flow to the Group and under the assumption that their cost can be measured reliably.

Repairs and maintenance costs 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:

- Buildings and facilities in third party buildings 10-25 years
- Transportation equipment and machinery 5-10 years
- Furniture and other equipment 5-10 years

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

When tangible assets carrying amounts are greater than their recoverable amount, the difference (impairment loss) is recognized immediately in Income Statement. 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.

## 2.8 Intangible assets

### (a) Goodwill

Goodwill represents the difference of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary, associate, or joint venture at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates and joint ventures is included in investments in associates and joint ventures.

Goodwill is tested annually for impairment and carried at cost less any accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For impairment testing purposes, goodwill is allocated to cash-generating units which represent each entity.

### (b) Software

The software mainly concerns software licenses used for the administrative operations of the Group. Expenses that improve or extend the operation of software programs beyond their original specifications are capitalized and added to their original acquisition value. Software is valued at acquisition cost less depreciation and any impairment losses. Depreciation is charged on a straight-line basis over the estimated useful lives of the assets up to 5 years.

### (c) Other intangible assets

Other intangible assets mainly concern tourist port licenses as well as customer relations. In particular, they concern:

- a) the operating license of the tourist port of Flisvos until 2049,
- b) the favorable relationship with the ETAD lasting until 2020,
- c) the customer relations of Flisvos Marina lasting until 2031,
- d) the operating license of the tourist port of Agios Kosmas for 99 years from the acquisition of HELLINIKON S.M.S.A., as well as
- e) the customers relations of Agios Kosmas Marina lasting until 2027.

Other intangible assets are valued at acquisition cost less depreciation and any impairment losses. Depreciation is charged on a straight-line basis over the estimated useful lives of the assets, which range from 1 to 99 years.

## 2.9 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 amortisation as well as investments in subsidiaries, joint ventures and associates are tested for impairment whenever there are indications that their carrying amount may not be recoverable.

The recoverable amount is the higher of the assets' net realisable 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 [6](#).

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

## 2.10 Financial assets

### (a) Recognition and measurement of financial assets

The Group recognizes a financial asset in its Statement of Financial Position when, and only when, it becomes a party to the contractual provisions of the instrument. The Group initially recognizes trade and other receivables on the date of transaction. At initial recognition, under IFRS 9, all financial assets, except for certain trade receivables, are recognized initially at their fair value plus transaction costs (except financial assets measured at Fair Value through Profit or Loss, where transaction costs are expensed).

## **(b) Classification of non-derivative financial assets**

### **i) Debt financial instruments**

Debt financial instruments within the scope of IFRS 9 are classified according to: (i) the Group's business model for managing the assets, that is, if the objective is to hold for the purpose of collecting contractual cash flows or collecting contractual cash flows as well as the sale of financial assets; and (ii) whether the instruments' contractual cash flows on specified dates represent "solely payments of principal and interest" on the principal amount outstanding (the "SPPI criterion"), in the below three categories:

- Debt instruments at amortized cost,
- Debt instruments at Fair Value through Other Comprehensive Income ("FVOCI"), and
- Debt instruments at Fair Value through Profit or Loss ("FVPL").

The subsequent measurement of debt financial instruments depends on their classification as follows:

#### **Debt instruments at amortized cost:**

Include financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. After initial measurement these debt instruments are measured at amortized cost using the effective interest method. Gains or losses arising from derecognition and impairment recognized in the Income Statement as finance costs or income, as well as the EIR income through the amortization process. This category includes Group's debt financial instruments, except for investments in mutual funds and bonds that are measured at fair value through Profit or Loss.

The financial assets that are classified in this category mainly include the following assets:

- Cash and cash equivalents
- Restricted cash
- Trade receivables
- Loans to subsidiaries, included in "Other receivables" and "Trade and other receivables"

#### Trade receivables:

Trade receivables are amounts owned by customers for the sale of products or the provision of services within the ordinary course of business. If the receivables are collected inside the normal business cycle of the business, which is not more than one year, they are recorded 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.

#### Loans to subsidiaries:

Includes non-derivative financial assets with fixed or determinable payments that are not traded on active markets and are not intended to be sold. They are included in current assets, except for those with a maturity of more than 12 months from the reporting date that are included in non-current assets.

#### **Debt instruments at FVOCI:**

Include financial assets that are held within a business model with the objective both to collect contractual cash flows and to sell the financial assets and meet the SPPI criterion. After initial measurement these debt instruments are measured at fair value with unrealized gains or losses recognized as other comprehensive income in revaluation reserve. When the assets are sold, derecognized or impaired the cumulative gains or losses are transferred from the relative reserve to the Income Statement of the period. Interest income calculated using the effective interest method, foreign exchange gains or losses and impairment losses are recognized in Income Statement.

The Group did not hold on 31.12.2022 Debt instruments at FVOCI.

#### **Debt instruments at FVPL:**

Include financial assets that are not classified to the two above categories because cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. After initial measurement these debt instruments are measured at fair value with unrealized gains or losses, including any interest income, recognized in Income Statement in the account "Other operating income / (expenses) – net". In this category are included the Group's investments in mutual funds and bonds.



## ii) Equity financial instruments

Equity financial instruments within the scope of IFRS 9 are classified according to the Group's intention to hold or not for the foreseeable future and its election at initial recognition to classify at FVOCI or not, in the below two categories:

- Equity instruments at FVOCI, and
- Equity instruments at FVPL.

The subsequent measurement of equity financial instruments depends on their classification as follows:

### Equity instruments at FVOCI:

Include financial assets, which the Group intends to hold for the foreseeable future ("Not held for sale") and which the Group has irrevocably elected at initial recognition to classify at FVOCI. This election is made on an investment-by-investment basis. After initial measurement these financial assets are measured at fair value with unrealized gains or losses recognized as other comprehensive income in revaluation reserve. When the assets are sold or derecognized the cumulative gains or losses are transferred from the relative reserve to retained earnings (no recycling to income statement of the period). Equity instruments at FVOCI are not subject to an impairment assessment under IFRS 9. Dividends are recognized as "dividends income" in Income Statement, unless the dividend clearly represents a recovery part of the cost of the investment.

The Group did not hold on 31.12.2022 Equity instruments at FVOCI.

### Equity instruments at FVPL:

Include financial assets, which the Group has not irrevocably elected at initial recognition to classify at FVOCI. After initial measurement these equity instruments are measured at fair value with unrealized gains or losses, including any interest or dividend income, recognized in Income Statement as financial income or expenses respectively.

## (c) Derecognition of financial assets

The Group ceases recognizing a financial asset when and only when:

- the contractual rights to the cash flows from the financial asset expire or
- the Group has transferred its contractual right to receive cash flows from an asset, or retains this right to receive cash flows from an asset but has assumed a contractual obligation to pay the cash flows to a third or more parties, or has transferred substantially all risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred the control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has assumed a contractual obligation to pay the cash flows to a third or more parties, but in parallel has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. When the Group's continuing involvement takes the form of a guarantee over the transferred asset, the extent of continuing involvement is measured at the lower of the carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay ("the guaranteed amount"). When the entity's continuing involvement takes the form of a written or purchased option (or both) on the transferred asset (including cash-settled options), the extent of the entity's continuing involvement is the amount of the transferred asset that the Group may repurchase. However, in case of a written put option on an asset that is measured at fair value, the extent of the continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise.

## (d) Impairment of financial assets

IFRS 9 requires the Group to recognize loss allowance for Expected Credit Losses ("ECLs") on:

- Debt instruments at amortized cost,
- Debt instruments at FVOCI, and
- Contract assets (as defined in IFRS 15).

The Group has trade and other receivables (including those arising from operating leases) that are measured at amortized cost and are subject to the model of expected credit losses in accordance with IFRS 9.

Cash and cash equivalents, as well as restricted cash, are also subject to IFRS 9 impairment requirements.

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

### **i) 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 in an amount equal to the expected credit losses over the lifetime of receivable. For the purposes of determining the expected credit losses in relation to trade and other receivables (including those deriving by operating leases), the Group uses a credit loss provisioning table based on the maturity of the outstanding claims. Credit loss projections 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 for the calculation of expected credit losses will continue to be subject of review and improvement, subject to the conditions of the trade and economic environment.

### **ii) Loans to subsidiaries**

Expected credit losses are recognized on the basis of the following:

- expected 12-month credit losses are recognized on initial recognition, reflecting part of the cash flow deficiencies, during the lifetime, that will arise if there is a breach within 12 months after the reporting date weighted by the probability of default. The requirements of this category are referred to as in step 1.
- expected credit losses, over the lifetime, are recognized in the event of a significant increase in credit risk detected subsequent to the initial recognition of the financial instrument, reflecting cash flow deficiencies arising from all probable default events over the lifetime of a financial instrument, weighted with the probability of default. The requirements of this category are referred to as in step 2.
- expected credit losses, over the lifetime, are always recognized for receivables with impaired credit value and are reported as in step 3. A financial asset is considered impaired when one or more events have occurred that have a detrimental effect on its estimated future cash flows financial asset.

## **2.11 Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount 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 must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

## **2.12 Derivative financial instruments and hedging activities**

The Group uses derivative financial instruments to hedge the risks related to future rate fluctuation. Derivatives are initially recognized at fair value on the date a 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.

For the purpose of hedge accounting, derivative financial instruments are classified as:

- fair value hedge: hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- cash flow hedge: hedging the exposure to variability in cash flows that is either attributable to particular risk associated with a recognized asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or

cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

#### Hedge accounting

##### Fair value hedge:

Gains or losses from subsequent measurement of the hedging instrument at fair value are recognized in the Income Statement as "Finance costs – net" (or other comprehensive income, if the hedging instrument hedges an equity instrument for which the Group has elected to present changes in FVOCI).

##### Cash flow hedge:

The effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the Income Statement as "Other operating income / (expenses) – net".

Amounts recognized as other comprehensive income are transferred to the Income Statement in the same period or periods during which the asset acquired or liability assumed affects profit or loss (such as in the periods when the hedged financial income or financial expense is recognized or when a forecast sale occurs). If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to Income Statement in the same period or periods as the hedged expected future cash flows affect Income Statement.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognized in other comprehensive income are transferred to the income statement.

Certain derivative instruments that are not qualify as hedging instruments and no longer meet the criteria for hedge accounting, are classified as derivatives available for sale and accounted for at fair value through profit or loss. Changes in the fair value of any of these derivative instruments are recognized immediately in the Income Statement within "Other operating income / (expenses) – net".

At 31.12.2022 the Group does not own instruments for fair value hedging. At the same date the Group owned instruments of cash flow hedging applying risk hedge accounting, hence the changes of the fair value were registered at special reserve in the equity (note [17](#)).

## **2.13 Inventories**

Inventories mainly include land and buildings for sale, as well as land under development for the purpose of future sale within the ordinary course of business. Inventories are initially accounted at acquisition cost or their deemed cost, being their fair value at the reclassification date from investment property. They are subsequently carried at the lower of cost and net realisable value.

#### Property under development

Properties under development are land held for the purpose of their development and subsequent sale. At the reporting date they are presented at the lower of cost and net realisable value.

The cost consists of the cost of acquiring the assets, as well as the development cost (construction costs, fees of designers and other professionals during the development phase and borrowing costs for their further utilization).

Net realisable value of each property is the estimated selling price in the ordinary course of business, less costs to complete redevelopment and related selling expenses.

The properties under development are transferred upon their completion to the land and buildings for sale.

#### Land and buildings for sale

Land and buildings for sale are complete properties that were not sold up to the reporting date and are presented at the lower of cost and net realisable value.

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The cost consists of the cost of acquiring the assets, the cost of development as described above, and the relevant costs of preparing to sell them.

Net realisable value of each property is the estimated selling price in the ordinary course of business, less related selling expenses.

### Impairment provisions

To calculate the net realisable value of each property, as described above, the Group's Management estimates both the sale values and the completion cost as an area with increased appraisal uncertainty, as such estimates take into account market conditions affecting each property, as well as its sales strategy.

At each reporting date it is estimated whether an impairment provision should be made if the conditions are such that the cost exceeds the net realizable value of the property. Write-offs and impairment losses are recognized in profit or loss when they arise.

### Time classification of real estate under development

Inventories relating to properties under development are classified as current assets when their sale is expected to occur within the normal operating cycle of the Group. Especially in the case of inventories of Ellinikon area, the first phase of the investment period is defined as the normal operating cycle. Land held for further development purposes on which no development or development activities have been commenced, and which are not expected to be completed within the normal operating cycle, are classified as non-current assets.

### Inventories with surface right

The property inventories for which the Group does not have full ownership but holds land with a surface right for 99 years are presented in the Statement of Financial Position in the "Rights-of-use assets".

## **2.14 Cash and cash equivalents**

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

Bank overdrafts are shown within current loans in Statement of Financial Position and Cash Flow Statement.

### Restricted Cash

Restricted cash refer to amounts that cannot be used by the Group until the occurrence of a specific time point or event in the future and are not cash equivalents. In cases where restricted cash are expected to be used within one year from the reporting date they are classified as current assets. However, if they are not expected to be used within one year from the reporting date, they are classified as non-current assets.

## **2.15 Share Capital – Share Premium – Treasury shares**

The share capital includes the shares that have been issued and are in circulation. The share premium reserve includes the price paid in addition to the nominal value of the shares. Expenses related to the issue of new shares are deducted from the share premium reserve, net of taxes.

The treasury shares represent shares of the Company which were acquired and held by the Group. Treasury shares are deducted from equity at acquisition cost including any costs, net of tax. No gain or loss is recognized in the Income Statement when acquiring, selling, issuing or cancelling treasury shares. The sale or purchase price and related gains or losses, net of transaction costs and taxes, are recognized directly in equity.

## **2.16 Trade and other payables**

Trade and other 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 recognised initially at fair value and subsequently measured at amortized cost using the effective interest method.

## **2.17 Borrowings**

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

## **2.18 Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, are capitalized as part of the cost of this asset, for the time required until the asset is ready for use or sale. Qualifying asset is an asset that necessarily take a substantial period of time to get ready for its intended use or sale. Borrowing costs deriving during the development of investment properties are not capitalized since these assets are stated at their fair value.

Income earned on the temporary investment of specific borrowings that have been drawn for the acquisition, construction or development of an asset is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the Income Statement for the period in which they are incurred. Borrowing costs include interest and other costs incurred in connection with borrowing funds.

## **2.19 Current and deferred income tax**

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

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

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax base 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 tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint ventures, unless the Group is able to control the reversal of temporary differences and the temporary differences are not expected to be reversed in the near future.

Deferred tax liabilities are recognized for deductible temporary differences arising from investments in subsidiaries, associates and joint ventures only to the extent that they are probable that they will be reversed in the future and that future taxable profits will be available to settle the temporary differences.

Deferred 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.

## 2.20 Employee benefits

### (a) Short-term benefits

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

### (b) Right of leave

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

### (c) Retirement benefits

The Group participates in retirement schemes in accordance with the Greek legislation by paying into publicly administered social security funds on a mandatory basis. Benefits after retirement include both defined contribution plans and defined benefits plans.

Defined contribution plans include payments of fixed contributions into State Funds. 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 cost of defined contribution plans is recorded as an 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 independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits 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 losses arising from adjustments based on historical data are recognized in equity in other comprehensive income in the period in which they arise.

Past-service costs are 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 cannot 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 securities of the parent Company, LAMDA DEVELOPMENT S.A. The fair value of 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 rights granted:

- including any market performance conditions (e.g. the entity's share price)
- excluding the impact of any non-market performance vesting conditions (e.g. profitability, sales growth targets and stay of the employee in the Company for a specified period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, 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 grant 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 granting of options by the Company to the employees of the Group's subsidiaries is accounted for as a capital contribution. The fair value of the services provided by the employees, which is measured in relation to the fair value at the date of grant, is recognized during the vesting period as an increase in the investment in a subsidiary with a corresponding credit of the equity in the financial statements of the parent Company.

## **2.21 Grants**

Government grants are recognised at fair value when it is virtually certain that the grant will be collected and the Group will comply with anticipated conditions.

Government grants relating to expenses are deferred and recognized in the Income Statement over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to the purchase of tangible assets are included in non-current liabilities as deferred government grants and are credited to the Income Statement on a straight-line basis over the expected lives of the related assets.

At reporting date, there were no government grants.

## **2.22 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, a 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 (note [4.1](#)). The discount rate used to determine the present value reflects current market assessments regarding the time value of money and the risks related to the specific liability.

The above also applies to the recognition and subsequent measurement of provisions for infrastructure in HELLINIKON S.M.S.A. concerning the unavoidable obligation of the Group, as defined in the shares purchase agreement for the acquisition of 100% of the shares of HELLINIKON S.M.S.A. and for a specific period of time, for the implementation of public benefit projects such as roads, utility networks, undergrounding and pedestrian bridges etc. which will be transferred to the ownership of the Greek State upon their completion free of charge.

## 2.23 Revenue recognition

Revenue comprises the fair value of revenues from property leases, provision of services and management of real estate, as well as real estate purchases and sales, net of value added tax (VAT), discounts and followed by the intragroup revenue eliminations. Revenue is recognised as follows:

### (a) Revenue from investment property

Revenue from investment properties includes operating lease revenue, revenue from maintenance and management of real estate, concession rights and commercial cooperation agreements.

The revenue 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 revenue from operating leases refers to the annual base remuneration that each tenant pays into the shopping centers (Base Remuneration – standard remuneration deriving from the commercial cooperation agreement), which is adjusted annually by CPI plus indexation which varies 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 revenue.

The revenue from maintenance and management of real estate, concessions and commercial cooperation agreements is recognized during the period for which the concession and commercial cooperation services are provided.

### (b) Berthing services

Berthing services are recognized in the Income Statement at the year that the services offered with reference to the completion of the specific transaction calculated based on the services offered, as a proportion of the total services to be offered.

### (c) Sale of real estate

Revenue from the sale of real estate is only recognized in the financial statements when the final contract has been signed.

When the outcome of a contract cannot be reliably estimated, the revenue is recognized only to the extent that the contract costs incurred will probably be recoverable. Contract expenses are recognized when incurred.

Contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost-plus margin. The revenue from sale of real estate is measured at the fixed transaction price agreed under the sale and purchase agreement. Revenue from sale of real estate is recognized as and when the control of the asset is transferred to the customer, and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

This is generally established when:

- the promised properties are specifically identified by its plot, floor/apartment number, as well as their attributes (such as their size and location) in the sale and purchase agreements and the attached layout plan and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group and
- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognized over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains control of the asset. The Group recognizes revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.



The Group recognizes revenue at a point in time for the sale of plots and completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the assets sold.

**(d) Interest income**

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount 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).

**(e) Dividend income**

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

**Contract assets and contract liabilities**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. In the case of real estate sale contracts, contract asset is the excess of cumulative revenue earned over the billings to date. A contract asset is stated at cost less accumulated impairment. Contract assets are subject to impairment in accordance IFRS 9 "Financial Instruments". A contract liability is the obligation to transfer goods and services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. In the case of real estate sale contracts, contract liability is the excess of the billings to date over the cumulative revenue earned. Contract liabilities are recognized as revenue when the Group performs its obligation under the contracts.

## **2.24 Leases**

**(a) Group as the lessee**

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

- Fixed amount payments deducting any claims related to lease incentives
- Variable amount payments based on an index or percentage
- Payments that are expected to be made by the lessee as guaranteed residual values
- Payments related to the price of 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

Rent payments are discounted using the imputed rental rate. If this interest rate cannot be determined, then the lessee uses the incremental borrowing rate, which is the rate at which the lessee would borrow funds to purchase an asset of similar value in a similar economic environment and under the same trading terms and conditions.

The right to use an asset is measured at cost and includes the following items:

- The amount of the initial measurement of the lease liability
- Rent payments made before or at the start of the lease deducting any lease incentives received
- Any initial costs directly related to the lease
- Costs related to the restoration of the leased asset

Each rent payment is divided between the liability and the finance expense. The finance expense is charged to the Income Statement during the term of the lease and is calculated at a fixed interest rate on the balance of the liability for each period. The value of the right of use is amortized using the straight-line method with equal charges either during the useful life of the asset with a right of use or during the term of the contract depending on which period is shorter. In the case that the right of use concerns an investment property, then the value of the right of use is depreciated through the Income Statement as a change in the fair value of investment property.

Payments related to short-term leases, as well as contracts where the value of the asset is of small value are recognized as an expense in the Income Statement during the term of the lease. Leases with a duration of up to 12 months are defined as short-term contracts. Low value assets include mainly office and IT equipment.

**(b) Group company as the lessor**

Assets leased to third parties under operating leases are included in investment properties and measured at fair value (note [2.6](#)). Also, note [2.23](#) describes the accounting policy of revenue recognition from leases.

**2.25 Dividend distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements when the dividend distribution is approved by the Shareholders Ordinary General Assembly. The first dividend is recognized at its payment.

**3. Risks management and fair value estimation**

**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 plan focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Financial risks 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.

Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's operations in Greece. Despite the aforementioned uncertainties, the Group's operations continue without any disruption. However, Management is not able to accurately predict the likely developments in the Greek economy and its impact on the Group activities. Further information regarding the impact and uncertainties for pandemic COVID-19 is presented in note [2.1](#).

**(a) Market risk**

**i) Foreign exchange risk**

The Group operates in Greece and Balkans and is exposed to foreign exchange risk arising from various currency exposures. The major part of the Group's transactions is denominated in Euro. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group's stable policy is to avoid purchasing foreign currency in advance and contracting foreign exchange future contracts with external counterparties, as well as foreign exchange hedging.

The Group has certain investments in subsidiaries operating abroad whose net assets are exposed to foreign currency translation risk at their financial statements translation for consolidation purposes. In relation to the operations outside Greece, the most important operations relate to Serbia where the currency translation rate does not present a large fluctuation historically. Also, the Group operations outside Greece does not include significant commercial transactions and therefore there is not a significant foreign exchange risk.

**ii) 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 (including inventories of the Ellinikon project). Any extreme negative changes of the above may have a corresponding negative impact on business activity, operating cash flows, fair value of the Group's investment property, and in 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 of spaces in the Group's investment property may decrease due to the adverse economic condition or due to increased competition. The above may result to lower occupancy rates, renegotiation of commercial cooperation contracts terms, higher costs required for entering into commercial agreements, lower revenue from base remuneration, as well as lower term commercial cooperation contracts.

The Group enters into long term operating lease arrangements for a minimum of 6 years, the lease payments are adjusted annually according to the Consumer Price Index plus average margin coming up to 1,5-2%.

### **iii) Interest rate risk**

Interest risk mainly derives from the Group's loans with floating interest rates based on Euribor. This risk is partially hedged through cash held at floating rates. Also, 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.

The Group's exposure to the risk of changes in market interest rates mainly concerns the long-term borrowings of the Group with floating interest rates. The Group also manages interest rate risk by having a balanced loan portfolio with fixed and floating interest rates. As of December 31, 2022 approximately 47% (31.12.2021: 44%) of the Group's loans had a fixed interest rate which concern the Common Bond Loan of nominal value €320m and bond yield of 3,40%, as well as the Company's Common Bond Loan under the Framework of Green Bond of nominal value €230m and bond yield of 4,70%.

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 the loan of the subsidiary LAMDA DOMI S.M.S.A. which amounts to €60,1 million as at 31.12.2022, as well as for part of the loan of the subsidiary PYLAIA S.M.S.A. which amounts to €51,6 million as at 31.12.2022. The change in the fair value of the derivatives (interest rate swaps) was recorded in the statement of comprehensive income and the income statement as hedge accounting is applied.

The sensitivity analysis below is based on change in a variable keeping all other variables constant. Such a scenario is not probable to happen, and changes in variables can be related for example to change in interest rate and change in market price.

As of December 31, 2022 a change by +/- 1,00% on reference rates (Euribor) of loans at functional currency with floating rate, would have an impact of +/-€5,0 million in finance cost at Group level on annual basis and +/-€0,1 million at Company level. The impact (increase / decrease) on results before tax of the year and the equity respectively of the Group and the Company would be corresponding.

### **(b) Credit risk**

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

Regarding Group 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 fulfill their contractual obligations due to either downsizing of their financial activities or weakness of the local banking system.

However, the Group on 31.12.2022 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 Management considers that there is no substantial risk for doubtful debts, other than those for which sufficient provisions have already been recognized. In addition, customers' credit risk is significantly reduced due to the Group's policy of receiving bank letters of guarantee from 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. The credit risk of total cash ("Cash and cash equivalents" and "Restricted cash") that were placed in banks is classified in the table below according to the level of credit risk as follows:

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(Moody's Rating)	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>A1</b>	242	157	99	100
<b>Ba2</b>	477.216	-	213.188	-
<b>Ba3</b>	215.670	-	177.474	-
<b>B2</b>	-	498.602	-	384.215
<b>B3</b>	-	40.177	-	24.170
<b>n/a</b>	205	77	-	-
	<b>693.333</b>	<b>539.013</b>	<b>390.761</b>	<b>408.485</b>

The balance of the account "Cash and cash equivalents" refers to cash on hand and bank deposits. As at 31.12.2022, the bank assets of the Group were concentrated in mainly 3 banking organizations in Greece at a rate of more than 10%, which is a 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. Credit risk of bank deposits reduced within 2022, as this was reflected also in international credit rating agencies' reports.

The recent crisis in the banking sector (Silicon Valley and Credit Suisse) can significantly affect international markets and economies, e.g. widening of credit margins. According to analysis by international credit agencies and a relevant recent report by the Governor of the Bank of Greece, the possibility of the crisis spreading to the rest of the banks is very small. Banks are adequately capitalized, liquidity ratios are very high and therefore Greek and European bank systems are not facing problems currently.

### (c) Liquidity risk

Existing or future risk for profits and capital arising from the Group's inability to either collect overdue debts without incurring significant losses or to meet its obligations when payable, since cash outflows may not be fully covered by cash inflows. The Group ensures the required liquidity in time to meet its obligations in a timely manner, through the regular monitoring of liquidity needs and debt collection from tenants, maintaining overdraft accounts with systemic banking institutions and the prudent management of cash.

The liquidity of the Group is monitored by the Management at regular intervals. Table presented below containing the analysis of the maturity of financial liabilities for which future cash outflows will be required:

*Amounts in € thousands*

<b>31 December 2022</b>	<b>GROUP</b>				
	<b>0-1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Borrowings <sup>1</sup>	434.291	46.586	561.230	314.321	1.356.428
Derivative financial instruments	(3.137)	(3.162)	(3.187)	-	(9.486)
Consideration payable for the acquisition of HELLINIKON S.M.S.A. <sup>2</sup>	166.650	-	8.350	440.000	615.000
Trade and other payables <sup>3</sup>	100.833	6.402	-	-	107.235
Lease liabilities <sup>4</sup>	11.813	12.285	34.570	306.176	364.844
	<b>710.450</b>	<b>62.111</b>	<b>600.963</b>	<b>1.060.497</b>	<b>2.434.021</b>

<b>31 December 2021</b>	<b>GROUP</b>				
	<b>0-1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Borrowings <sup>1</sup>	67.023	34.207	234.364	511.846	847.440
Derivative financial instruments	504	27	(1.115)	65	(519)
Consideration payable for the acquisition of HELLINIKON S.M.S.A. <sup>2</sup>	-	166.650	-	448.350	615.000
Trade and other payables <sup>3</sup>	51.991	21.378	-	-	73.369
Lease liabilities <sup>4</sup>	11.922	11.917	35.203	307.084	366.126
	<b>131.440</b>	<b>234.179</b>	<b>268.452</b>	<b>1.267.345</b>	<b>1.901.416</b>

<b>31 December 2022</b>	<b>COMPANY</b>				
	<b>0-1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Borrowings <sup>1</sup>	19.006	11.092	353.063	230.000	613.161
Trade and other payables <sup>3</sup>	29.804	-	-	-	29.804
Lease liabilities <sup>4</sup>	1.987	1.269	2.765	1.676	7.697
	<b>50.797</b>	<b>12.361</b>	<b>355.828</b>	<b>231.676</b>	<b>650.662</b>

## Annual financial report for the year ended 31 December 2022

31 December 2021	COMPANY				Total
	0-1 year	1-2 years	2-5 years	> 5 years	
Borrowings <sup>1</sup>	11.031	11.031	33.124	331.031	386.217
Trade and other payables <sup>3</sup>	27.581	-	-	-	27.581
Lease liabilities <sup>4</sup>	2.002	2.002	2.869	2.620	9.493
	<b>40.614</b>	<b>13.033</b>	<b>35.993</b>	<b>333.651</b>	<b>423.291</b>

<sup>1</sup> "Borrowings" includes the balances of borrowings (outstanding capital) including future contractual interest at maturity, at unpaid values, which differ from the corresponding book values in the Statement of Financial Position valued at amortized cost under IFRS 9. Since the amount of contractual non-discounted cash flows is related to both floating and non-fixed interest rate loans, the amount presented is determined by the conditions prevailing at the reporting date - hence, for the determination of the actual discounted cash flows, actual interest rates valid on 31 December 2022 and 31 December 2021 were used, respectively.

<sup>2</sup> "Consideration payable for the acquisition of HELLINIKON S.M.S.A." presented in non-discounted values, which differ from the corresponding book values in the Statement of Financial Position that are valued at amortized cost under IFRS 9.

<sup>3</sup> Those relate to liabilities as at 31.12.2022 and 31.12.2021 as recognized in the respective Statement of Financial Position valued at amortized cost. The item "Trade and other payables" does not include the "Unearned income (contract liabilities)", the "Unearned income (contract liabilities) HELLINIKON S.M.S.A.", the "Pre-sales property of HELLINIKON S.M.S.A." and the "Payment in advance related to sale of joint venture" of note [21](#).

<sup>4</sup> "Lease liabilities" include future contractual leases at nominal values, which differ from the corresponding carrying amounts in the Statement of Financial Position which are valued at present value under IFRS 16.

As at 31.12.2022, the short-term bank bond loans mainly include the bank bond loan of the subsidiary L.O.V. S.M.S.A. ("LOV") signed on 29.07.2022 with the credit institutions under the name Eurobank and Piraeus Bank new program of common bond loan for amount up to €365m, consisting of three distinct series with interest rate of 2,70% plus 3-month Euribor. Until 31.12.2022, an amount of €361 million has been disbursed, which is classified in the short-term part of the Group's borrowings. The Group in cooperation with the banks, is planning to refinance the said loan, as well as the bank loans of the rest of Shopping Malls, in the context of planned restructure withing 2023.

The short-term bank borrowings include also the Credit Agreement with open account of the Company with Piraeus Bank for amount up to €10 million, which was signed on 06.06.2022. As at 31.12.2022, the amount of said loan amounted to €7,98 million.

### **Financing for the development of the Property of Ellinikon**

The Company, on 27.01.2020 signed with "Eurobank S.A." and "Piraeus Bank S.A." the "Heads of Terms" regarding the bank financing intended to cover part of the capital to be invested by the Group during the first five years of the Ellinikon project development.

On 07.04.2021, the Company signed with the aforementioned banks an agreement for the update of the "Head of Terms". This update emanated from the gradual evolution and maturity of the Company's plans regarding the envisaged projects and investments during the first five years of the Project. The aforementioned bank financing agreement includes:

(a) the financing of infrastructure and other developments' works during the first five years of the Project (Phase A), as well as the financing of V.A.T., with a bond loan of up to €442m to be issued by HELLINIKON S.M.S.A. (plus an amount of up to €100m for financing of recoverable V.A.T. cost), with a duration of 10 years from the Transfer Date,

(b) the financing of the commercial development on Vouliagmenis Avenue (Vouliagmenis Mall), as well as the financing of V.A.T., with a bond loan of up to €415m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an amount of up to €86m for financing recoverable V.A.T. cost), with a duration of 6 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 5 years, reaching 11 years in total from first loan drawdown),

(c) the financing of the commercial development within the Aghios Kosmas Marina (Riviera Galleria), as well as the financing of V.A.T., with the issuance of a bond loan of up to €102m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an additional amount of up to €19m for financing of recoverable V.A.T. cost), with a duration of 5 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 6 years, reaching 11 years in total from the loan first drawdown) and in conjunction with the financing mentioned in points (a) and (b) above,

(d) the issuance of a letter of guarantee of €175m, to secure the fulfillment of LAMDA DEVELOPMENT S.A. obligations to cover any cost overruns of Phase A of the Project, as well as to cover any shortfall in sales and/or assets exploitation intended to finance Phase A of the Project budget I. Following the written agreement dated 29.06.2022 with the Representative of the Bondholders, the amount of the aforementioned Letter of Guarantee was reduced from €175 million to €160 million.

Regarding the (a) above, HELLINIKON S.M.S.A. signed on 06.04.2022 with the banks "Eurobank S.A." and "Piraeus Bank S.A." the bond program and subscription agreement for the financing of infrastructure and other developments' works of Phase A of up to €394m, as well as for the financing of V.A.T. (additional amount up to €100m), with a duration until the completion of 10 years from the Date of Transfer, a fact that covers its revised needs. Regarding, (d) above, LAMDA DEVELOPMENT S.A. signed on 06.04.2022 the relevant contractual documents.

Regarding the (b) and (c) above the Company is still in progress to finalize the contractual agreements with the mandated lead arranger banks.

### Advances from customers for the future acquisition of properties in Residential Developments of the Ellinikon project

- **Villa land plots (The Cove Villas):** the sale (signing of a notarial deed) has been completed for 19 plots of land (15 plots on 31.12.2022) out of the total of 28 available plots, with the total proceeds from said sales amounting to approximately €77 million (approximately €55 million on 31.12.2022) (concerns the payment of 50% of the value of the plot as well as 100% of the value of the infrastructures attributable to them). In addition, customer advances have already been deposited for 8 plots, with the total amount of advances amounting to approximately €1.4 million. Completion of the purchase and sale for these 8 plots is expected in Q2 2023. The estimated total gross revenue from the sale of all plots, during the first five years (Phase A'), is estimated at approximately **€214 million** including revenue from construction management. The construction costs are assumed by the buyers, while the management of the design and partly of the construction by HELLINIKON S.M.S.A.
- **Riviera Tower:** the sale (signing of a notarial deed) has been completed for 133 apartments (122 apartments on 31.12.2022) out of the total of 170 apartments (78% of the total), with the total proceeds from said sales amounting to approximately €75 million. (approx. €69 million on 31.12.2022) (concerns the payment of 20% of the price). In addition, customer advances have already been deposited for 22 apartments (13% of the total), with the total amount of advances amounting to approximately €7 million (approximately €8 million on 31.12.2022). The completion of the sale for the said 22 apartments as well as for the remaining 15 apartments (for which until now there are negotiations with interested buyers but no advances have been deposited) is expected within the Q2 2023. The estimated total gross income for the total of apartments, during the first five years (Phase A'), amount to approximately **€625 million**.
- **The Cove Residences (Condos):** Regarding the reservations for the future purchase of the said apartments, customer advances have already been deposited, which correspond to approximately 90% of the total (approximately 87% of the total on 31.12.2022), amounting to approximately €26 million (approximately €26 million on 31.12.2022). It is estimated that the signing of the notarial acts for the completion of sales will begin in the Q2 2023, where 25% of the total price will be collected. The estimated total gross income for all the condos, during the first five years (Phase A'), amounts to approximately **€279 million**, upon completion of the respective sales.
- **Sale of properties in the context of the of the strategic cooperation between the Company and TEMES S.A.:** on 06.03.2023 the first installment of a total amount of approximately €30 million was collected regarding the sale by HELLINIKON S.M.S.A. of the two properties on which the two modern, luxurious 5-star hotels and the corresponding tourist-residential complexes (branded residences) will be developed jointly with TEMES on the Coastal Front of Ellinikon.

### Issuance of Green Common Bond Loan

In July 2022, in the midst of adverse market conditions (intense inflationary pressures and rising interest rates, geopolitical and energy crisis), the Company completed, through a Public Offer, the issuance of the first Green Common Bond Loan (CBL) amount of €230 million (7-year duration with interest rate 4.70%), with the participation of more than 14.000 Greek investors, recording a new record of investor participation in a bond issue and with a significant over-coverage (3,12 times). The raised funds of the Green Bond will be allocated exclusively to eligible Green investment categories such as the development of Sustainable Buildings and sustainable urban outdoor spaces, Green Energy and Smart Cities. On 13.07.2022 the trading of the 230.000 bonds in the Fixed Income Securities category of Athens Stock Exchange began (trading code: "LAMDAO2"/"LAMDAB2").

## Annual financial report for the year ended 31 December 2022

The above developments regarding the debt will significantly enhance the liquidity of the Group.

Management based on the current levels of cash and forecasts for future cash flows is convinced that the Group and the Company will generate sufficient cash flows from their ongoing activities as well as from their financing activities to adequately meet future working capital and other cash needs. The Group and the Company have a good reputation, significant creditworthiness and an excellent and constructive relationship with the financial institutions that finance them, events that facilitate the negotiations regarding the refinancing and the provision of additional funds to fulfill seamlessly their investment plan, as evidenced by recent developments regarding the financing of the development of the investment in Ellinikon and the issuance of Green Common Bond Loan (note [18](#)).

Surplus cash held by the Group over and above balance required for working capital needs, are managed by the Group Treasury Department. Group Treasury Department 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 headroom 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. No losses are expected due to the creditworthiness of the banks in which the Group maintains the various bank accounts.

Further to the above, the Group and the Company have contingencies in respect of guarantees and other matters arising in the ordinary course of business, for which no significant additional burdens are expected to arise as described in note [33](#).

### 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 dividends' amounts paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with industry practices, the Company and the Group 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" (non-current and current portion), plus "Lease liabilities" (non-current and current portion), plus "Consideration payable for the acquisition of HELLINIKON S.M.S.A.". Total equity as shown in the Statement of Financial Position.

In 2022, as well as in 2021, the Company's and Group strategy was to maintain the gearing ratio at optimum level.

#### **Gearing ratio:**

Amounts in € thousands	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Borrowings	1.162.661	721.420	598.648	359.026
Lease liabilities	181.336	182.912	6.641	8.374
Consideration payable for the acquisition of HELLINIKON S.M.S.A.	518.528	501.245	-	-
<b>Total borrowings</b>	<b>1.862.525</b>	<b>1.405.577</b>	<b>605.289</b>	<b>367.400</b>
<b>Total equity</b>	<b>1.167.642</b>	<b>1.301.243</b>	<b>774.454</b>	<b>818.024</b>
<b>Total borrowings &amp; Total equity</b>	<b>3.030.167</b>	<b>2.706.820</b>	<b>1.379.743</b>	<b>1.185.424</b>
<b>Gearing ratio</b>	<b>61,5%</b>	<b>51,9%</b>	<b>43,9%</b>	<b>30,9%</b>

### 3.3 Risk Management Unit

The Company has a RMU (Risk Management Unit). The aim of the RMU is to strengthen the risk management culture, while its mission is to make a substantial contribution to the development of a modern operating framework at all organizational levels, to identify, assess and manage the risks faced by the Company. RMU ensures that the risks taken by the Company's units comply with the risk appetite and tolerance limits set and shaped by Board of Directors and senior management. RMU has an operational reference line to the four-member Audit Committee, out of which three of them are also members of BoD, while administratively reports

to the Operations Division. The role and responsibilities of the RMU are reflected in its operating policy, which was drafted and approved in July 2021.

The RMU responsibility is to oversee the practice and development of risk management throughout the organization. The RMU is not intended to take the responsibility of managing risks away from management, but to facilitate the development of risk management. The RMU contribution is around the risk management processes, rather than “inside” them.

The responsibilities of the RMU are defined by the Audit Committee and approved by the BoD, which has the final responsibility of overseeing the risk management framework of the Company. Analytically, with regards to the risk management framework, the responsibilities of the RMU include the following:

- Introduction, operation and coordination of an integrated risk management system across all levels and activities of the Company.
- Suitable training of the Company staff on the key values of risk management and on developing a relevant culture across all levels of the organizational structure.
- Introduction and use of a common language with respect to risk management by all components of the risk management system and all operations of the Company.
- Contribution in defining the risk management strategy.
- Development and update of the policies and procedures of risk management.
- Development of methodologies for identification, recording, assessment, monitoring and managing risks.
- Oversight of the implementation of general principles of risk management and the proper functioning of the system.
- Definition and provision of know-how in developing KRIs (Key Risk Indicators).
- Development of an integrated risk assessment system based on the objectives and the level of risk appetite set by the senior management.
- Ensure that responsibilities related to risk management are clearly defined.
- Collaboration with other departments and functions in order to achieve corporate goals.
- Contribution to ensuring that the responsibilities of the BoD and the BoD Committees are clearly defined in terms of overseeing the Company's risks.

With regards to the risk management, other responsibilities of the RMU include the following:

- Provision of independent advice on issues related to risk management, controls and mitigations, as well as reports.
- Contribution in categorizing the risks aiming at their more efficient monitoring.
- Maintaining an up-to-date risk register.
- Monitoring of identified risks and changes with respect to the exposure on them.
- Contribution to the assessment of inherent risks, i.e., the likelihood and the impact, for every risk included in risk register.
- Contribution to the provision of independent advisory services regarding the evaluation of the adequacy and effectiveness of controls that the Company has adopted and implements for mitigating the risks.
- Contribution to the assessment of the residual risk.
- Review and provision of independent advisory services regarding the development of risk management plans (acceptance, transfer, reinforcing of existing controls for further reduction / mitigation).
- Development of a monitoring system for management actions, in terms of their timely implementation and the impact these actions have on reducing risk exposure or achieving business opportunities.

With regards to reporting, the responsibilities of the RMU include the following:

- Preparing and submitting regular reports according to the information needs of different recipients inside and outside the organization, regarding the risks that have been undertaken, and the actions that have been launched to manage them.
- Informing the BoD, through the Committee, about significant risks and highlighting points that require action.

RMU is a single point of reference for risk management with contracted partners, third parties and contractors and for the use of common tools to manage operational, commercial, financial, internal and external risks.



### 3.4 Fair value measurement

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 instruments that are not traded in active markets whose fair value is determined using valuation techniques and assumptions based either directly or indirectly on market data at the reporting 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 items in the Statement of Financial Position that are measured and presented at fair value are investment property (note 6), derivative financial products (note 23), and Other financial instruments (note 14).

## 4. Significant accounting estimates and Management 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 Significant accounting estimates and assumptions

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 terms), 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, deriving 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.

Estimates of the fair value of investment properties under development involve a greater degree of uncertainty than those of investment properties in operation, as the latter have leases in force.

The disclosures for the fair value estimations of the investment property are presented in note 6.

#### (b) Estimate of the recoverable value of the investment in subsidiaries, associates and joint-ventures

The Management on an annual basis, evaluates if there are indications for impairment regarding its investments in subsidiaries, associates and joint ventures. When there are indications for impairment the Management evaluates the recoverable value of the investments and compares it with the carrying amount 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 value in use and the fair value minus any disposal costs. Fair value is determined mainly by the fair value of the investment property that each entity owns as at December 31st each year, as this is the most significant amount of its assets.

Disclosures regarding the estimation of the carrying value of investments in subsidiaries, associates and joint ventures are presented in note [9](#).

**(c) Provisions related to contingent liabilities and legal issues**

The Group's companies are currently involved in various disputes and legal cases, for which the Management periodically review the status of each significant case and assess probability of financial outflow, based in part on the advice of legal counsels. In case the contingent financial outflow from any dispute or legal case is considered probable and the amount can be reliably estimated, the Group companies recognize a provision in financial statements. Significant Management judgment is required in both the determination of probability and the determination as to whether the amount can be estimated reliably. As additional information becomes available, the Management reassess the potential liability and may revise assessments of the probability of an unfavorable outcome as well as the related estimate of potential outflow. Such revisions in the estimates may have a material impact on the Group's or the Company's financial position and results of operations. In note [33](#) all significant disputes and legal cases are disclosed in detail, as well as the Management's estimation over them.

**(d) Estimation of net realizable value of inventories – property under development**

The Management of the Group at each reporting date estimates the carrying amount of inventories for sale and those held for development and subsequent sale based on their net realizable value. The net realizable value of each property is based on the estimated by the Management selling price within the normal operating cycle, reduced by the estimated completion costs and the costs associated with the eventual sale. The estimates of the Management of the Group for both future sales values and the cost of completion constitute an area with increased estimation uncertainty, since such kind of estimates take into account the market conditions that affect each property as well as its sale strategy. The Group according to the estimates of the Management (including valuations by external independent valuers) proceeded to an impairment test of the inventories held on 31 December 2022 and there was need to reduce the carrying amount of the inventories – property under development to their net realizable value. As at 31 December 2022, impairment losses were recognized amounting to €11m for inventories of property under development and €0,7m for inventories of land for sale.

**(e) Estimation for adjustment to the transaction consideration for the acquisition of the shares of HELLINIKON S.M.S.A.**

Regarding the determination of the variable consideration for the acquisition of the shares of HELLINIKON S.M.S.A. as described in note [9](#), significant judgment is required from the Management due to the risks that may arise for the development projects and the long-term duration of the project.

**(f) Estimation for the additional consideration of usufruct in the right for exploitation of Golden Hall Shopping Mall**

Regarding the determination of the additional consideration for the establishment of a usufruct over the right to exploit Golden Hall Shopping Mall for 90 years, as described in note [33](#), significant judgment is required by the Management as the obligation to pay it depends on the condition of Greek Economy and the relevant credit ratings of Greece by international rating agencies.

**4.2 Decisive judgements of the management for the application of the accounting principles**

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

## 5. Segment information

The Group is operating into the business segment of real estate in Greece and Balkan countries. The Board of Directors (which is responsible for the decision making) defines the segments according to the use and of the investment property and their geographical location.

The Board of Directors monitors the operating results of each segment separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue and EBITDA (Earnings before interest, tax, depreciation and amortization). It is noted that the Group applies the same accounting policies as those in the financial statements in order to measure the performance of the operating segment.

### A) Group's operating segments

Results per segment for the period 1.1.2022-31.12.2022 was as per below:

<i>Amounts in € thousands</i>	GREECE				BALKANS	Administrative and Management Services	Eliminations among segments	Total
	Hellinikon	Shopping centers	Investments in Marinas <sup>1</sup>	Other investment property	Other investment property			
Revenue from third parties	25.567	87.518	27.930	1.306	9	37.391	(38.025)	<b>141.696</b>
Net gains/(losses) from fair value adjustment on investment property and impairment provisions on inventories	105.609	38.806	-	1.617	(11.736)	-	-	<b>134.296</b>
Cost of sales of inventories	(19.361)	-	-	65	-	-	-	<b>(19.296)</b>
Expenses related to investment property	-	(18.168)	-	(433)	-	-	3.930	<b>(14.671)</b>
Expenses related to the development of the Ellinikon site	(73.617)	-	-	-	-	-	-	<b>(73.617)</b>
Gain on disposal of subsidiary	-	-	-	30	-	-	-	<b>30</b>
Employee benefits expense	-	-	(2.614)	-	(176)	(23.234)	2.700	<b>(23.324)</b>
Other	(347)	(537)	(8.743)	(291)	(1.791)	(43.269)	31.395	<b>(23.583)</b>
Share of net profit of investments accounted for by the equity method	-	-	-	-	237	-	-	<b>237</b>
<b>EBITDA</b>	<b>37.851</b>	<b>107.619</b>	<b>16.573</b>	<b>2.294</b>	<b>(13.457)</b>	<b>(29.112)</b>	-	<b>121.768</b>

<sup>1</sup> The results of Ag. Kosma Marina are included above in the "Investments in Marinas".

Results per segment for the period 1.1.2021-31.12.2021 was as per below:

<i>Amounts in € thousands</i>	GREECE				BALKANS	Administrative and Management Services	Eliminations among segments	Total
	Hellinikon	Shopping centers	Investments in Marinas	Other investment property	Other investment property			
Revenue from third parties	378	60.234	18.611	2.528	10	6.361	(9.032)	<b>79.090</b>
Net gains/(losses) from fair value adjustment on investment property and impairment provisions on inventories	315.521	9.424	-	301	(219)	-	-	<b>325.027</b>
Cost of sales of inventories	-	-	-	880	-	-	-	<b>880</b>
Expenses related to investment property	-	(14.210)	-	(972)	-	-	3.299	<b>(11.883)</b>
Expenses related to the development of the Ellinikon site	(31.979)	-	-	-	-	-	-	<b>(31.979)</b>
Gain on disposal of subsidiary	-	-	-	1.212	-	-	-	<b>1.212</b>
Employee benefits expense	(337)	-	(1.815)	-	(149)	(21.350)	2.629	<b>(21.022)</b>
Other	(336)	(638)	(2.955)	(129)	(161)	(5.390)	3.707	<b>(5.902)</b>
Share of net profit of investments accounted for by the equity method	-	-	-	-	(349)	-	-	<b>(349)</b>
<b>EBITDA</b>	<b>283.247</b>	<b>54.810</b>	<b>13.841</b>	<b>3.820</b>	<b>(868)</b>	<b>(20.379)</b>	<b>603</b>	<b>335.074</b>

The total amount of government compensation from discounts on rents related to the shopping centers segment (€16,6m) and other investment property (€0,1m), which were granted for the period from January to July 2021, are included in the line of Revenue from third parties (note [10](#)). Also, EBITDA of Investments in Marinas includes the positive effect from the discount of the rent in Flisvos Marina amounting to €3,4m.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

## Annual financial report for the year ended 31 December 2022

Amounts in € thousands

31 December 2022	GREECE				BALKANS	Administrative and Management Services	Total
	Hellinikon <sup>1</sup>	Shopping centers	Investments in Marinas	Other investment property	Other investment property		
Assets per segment	1.957.975	1.247.961	159.628	26.772	67.100	723.819	<b>4.183.255</b>
Capital expenditures (CAPEX)	72.419	1.290	269	-	-	1.845	<b>75.823</b>
Liabilities per segment	1.502.091	752.324	121.484	6.359	17.612	615.742	<b>3.015.613</b>

<sup>1</sup> Assets, liabilities and CAPEX of Marina Ag. Kosma are included in the operational segment «Hellinikon».

Amounts in € thousands

31 December 2021	GREECE				BALKANS	Administrative and Management Services	Total
	Hellinikon <sup>1</sup>	Shopping centers	Investments in Marinas	Other investment property	Other investment property		
Assets per segment	1.851.510	1.069.302	164.415	55.364	79.546	450.800	<b>3.670.937</b>
Capital expenditures (CAPEX)	18.431	6.229	555	-	-	2.607	<b>27.822</b>
Liabilities per segment	1.369.678	563.414	126.969	35.703	42.302	231.628	<b>2.369.694</b>

<sup>1</sup> Assets, liabilities and CAPEX of Marina Ag. Kosma are included in the operational segment «Hellinikon».

Reconciliation of the Group segmental operating EBITDA to total profit/(loss) after income tax is provided as follows:

Amounts in € thousands

	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<b>EBITDA</b>	<b>121.768</b>	<b>335.074</b>
Depreciation of tangible, intangible and right-of-use assets	(8.982)	(8.602)
Finance income	5.289	283
Finance costs	(94.509)	(58.892)
<b>Profit / (loss) before income tax</b>	<b>23.566</b>	<b>267.863</b>
Income tax	(47.522)	(68.094)
<b>Profit / (loss) for the year</b>	<b>(23.956)</b>	<b>199.769</b>

## B) Geographical segments

	Total revenue		Non-current assets	
	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<i>Amounts in € thousands</i>				
<b>Greece</b>	141.687	79.085	3.147.721	2.869.329
<b>Balkans</b>	9	5	1.291	3.952
	<b>141.696</b>	<b>79.090</b>	<b>3.149.012</b>	<b>2.873.281</b>

## 6. Investment property

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<i>Amounts in € thousands</i>				
<b>Opening balance</b>	<b>973.536</b>	<b>1.002.228</b>	<b>1.840</b>	<b>1.840</b>
Right of use assets – Investment property	1.158	-	-	-
Net gain / (loss) from fair value adjustment	40.423	9.778	-	-
Disposal of investment property	(206)	(13.120)	-	-
Capital expenditures on investment property	7.733	4.649	-	-
Acquisition of subsidiary	113.500	-	-	-
IFRS 5 – Assets held for sale (note 9)	-	(30.000)	-	-
<b>Investment property – in operation</b>	<b>1.136.144</b>	<b>973.536</b>	<b>1.840</b>	<b>1.840</b>
<b>Opening balance</b>	<b>873.384</b>	-	-	-
Additions due to HELLINIKON S.M.S.A. (note 9)	-	540.344	-	-
Net gain / (loss) from fair value adjustment	105.609	315.521	-	-
Transfers to inventories – at fair value (note 10)	(118.796)	(6.493)	-	-
Transfers from inventories – at cost (note 10)	4.803	(14.431)	-	-
Transfers to right of use assets – at fair value (note 19)	(23.370)	-	-	-
Transfers from right of use assets – at cost (note 19)	3.859	-	-	-
Capital expenditures on investment property	29.441	19.374	-	-
Changes in infrastructure costs (note 22)	(460)	19.069	-	-
<b>Investment property – under development</b>	<b>874.470</b>	<b>873.384</b>	-	-
<b>Closing balance</b>	<b>2.010.614</b>	<b>1.846.920</b>	<b>1.840</b>	<b>1.840</b>

Investment property includes property which is leased on the basis of operating leases with a fair value of €191,1m and concerns the Mediterranean Cosmos shopping center. The rights-of-use asset of the that property according to IFRS 16 "Leases" as at 31.12.2022 amounts to €78,4m (31.12.2021: €77,7m) and is included above in the "Investment property - in operation" (note 19).

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 on each semester or more often, in case that the market conditions meaning the terms of any existing lease and other contracts or the levels of selling prices, differ significantly from those in the previous reporting period. The valuations are prepared by independent qualified valuers mainly using the Discounted Cash Flows (DCF) for the operating properties, that are based on reliable estimates of future cash flows, deriving by the terms of any existing leases and other contracts and (where possible) by external evidence such as current market rents for similar properties in the same location and condition, using discount rates of the investment property, the designation of an exit value, as well as the current market assessments regarding the uncertainty in the amount and timing of these cash flows. For the investment properties under development a combination of residual value method and the above income approach is applied. In some cases where necessary the valuation is based on comparable approach. The aforementioned valuation methods come under hierarchy level 3 as described in note 3.4.

The main valuation assumptions as at 31.12.2022 in relation to the ones at 31.12.2021 are presented below.

## Annual financial report for the year ended 31 December 2022

### A. Investment properties – In operation

The fair value of both shopping malls and offices has been measured using the Discounted Future Cash Flow (DCF) method following the main assumptions:

- In respect with the Shopping Centres, The Mall Athens and Designer Outlet Athens have a free-hold status, Mediterranean Cosmos is held under a lease that expires in 2065 and Golden Hall is held under a lease that expires in 2103. As far as the office buildings are concerned, they are owned by the Group.
- In short, the discount rates and exit yields according to the latest valuations as at reporting date are as follows:

	Discount rates		Exit yields	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>Shopping Centers</b>				
The Mall Athens	8,50%	8,30%	7,00%	6,80%
Mediterranean Cosmos	9,55%	9,35%	8,80%	8,60%
Golden Hall	9,20%	9,00%	7,70%	7,50%
Designer Outlet Athens	9,15%	-	7,15%	-
<b>Offices</b>				
Cecil, Kefalari	8,25%	8,50%	7,00%	7,25%

- 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 (CPI) used for the entire calculation period is based on escalating average inflation in a sequence of forecasts for the period 2022-2030+, with a range from +0,95% to +9,85%.
- Regarding shopping centers, the discount rates and exit yields are slightly increased compared to 31.12.2021, as the malls tend to their maturity.

At the reporting date, based on the estimated fair values of investment properties in operation, fair value gains of €40,4 million arose, mainly taking into account the contractual rent adjustments due to increase in inflation, the increase in commercial revenues of shopping malls and the lowest costs of protective measures after the recession of the COVID-19 pandemic.

### Sensitivity analysis

The most important valuation variables of investment properties are the assumptions regarding the future EBITDA (including the estimates regarding the future monthly rents) of each investment property as well as the discount rates applied at the valuation of the investment property. Therefore, the following table presents 4 basic scenarios regarding the impact that will have on the valuations of the following investment properties an increase/decrease of the discount rate by +/- 25 basis points (+/- 0.25%) per shopping center and office building, as well as an increase / decrease of exit yields by +/- 25 basis points (+/- 0.25%).

<i>Amounts in € thousands</i>	Discount rates		Exit yields	
	+0,25%	-0,25%	+0,25%	-0,25%
The Mall Athens	(7,3)	7,5	(7,5)	8,1
Mediterranean Cosmos	(2,8)	2,9	(1,7)	1,8
Golden Hall	(4,3)	4,5	(3,8)	4,1
Designer Outlet Athens	(1,9)	1,9	(1,9)	2,1
<b>Shopping Centers</b>	<b>(16,3)</b>	<b>16,8</b>	<b>(14,9)</b>	<b>16,1</b>
Cecil, Kefalari	(0,3)	0,3	(0,3)	0,3
<b>Offices</b>	<b>(0,3)</b>	<b>0,3</b>	<b>(0,3)</b>	<b>0,3</b>
<b>Total</b>	<b>(16,6)</b>	<b>17,1</b>	<b>(15,2)</b>	<b>16,4</b>

There are real estate liens and pre-notices over the total investment properties – in operation of the Group on 31.12.2022.

**B. Investment properties – Under development**

Investment properties under development relate to projects under construction with ownership status as well as with a right for use of 99 years, which was acquired with the completion of the transfer of shares of Hellinikon S.M.S.A., intended for the following mentioned uses according to the Integrated Development Plan of the Metropolitan Pole of Hellinikon - Agios Kosmas, in accordance with the provisions of article 2 of law 4062/2012 as amended:

- a) Retail and service shops, including shopping malls (Vouliagmeni Mall) and the commercial development of the Riviera Galleria within the Marina of Agios Kosmas as well as parking lots.
- b) Tourist and hotel facilities as well as recreation areas, resorts and sports facilities.
- c) Education and research offices and facilities, such as schools, universities, research centers and other related facilities.
- d) Areas of recreation and greenery, catering and refreshments, sports facilities and other cultural activities, public services and standard urban infrastructure.

At the reporting date, based on the estimated fair values of investment property, profits of a fair value of €105,6m arose, taking into account the revised budget of Hellinikon’s project which was recently approved by the Company’s Board of Directors, maturation of individual projects, strong interest from tenants in commercial developments and signing/agreement of significant number of Heads of Terms (HoT), contractualization of revenue agreements on more favorable terms than those foreseen in previous valuations by independent appraisers, as well as the positive impact of the timing from the planning of earlier implementation of projects in order to cover the ever-increasing demand. In addition, the previous estimates were prepared on the basis of greater conservatism due to greater estimation uncertainty. However, the above favorable factors were partially offset by higher construction costs.

	Discount rates		Exit yields	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Investment properties – under development	6,50%-11,84%	6,75%-11,42%	4,25%-8,50%	4,50%-9,00%

**Sensitivity analysis**

The most important valuation variables of investment properties are the assumptions regarding a) discount rates by +/- 50 basis points (+/- 0,50%), b) exit yields by +/- 50 basis points (+/- 0,50%), c) the impact of timing by 12 months delay and d) change in construction costs by 15% (including infrastructure costs). Therefore, the following table presents the basic scenarios regarding the impact that the above variables will have on the valuations:

Amounts in € thousands	Discount rates		Exit yields		Timing Impact <sup>1</sup>	Change in construction costs <sup>2</sup>	
	-0,50%	+0,50%	-0,50%	+0,50%	+12 months <sup>1</sup>	-15%	+15%
Fair Value Impact	99,5	-91,3	73,1	-62,9	-98,6	52,2	-52,1

<sup>1</sup>The timing impact is mainly related to the possible delay in the scheduled time of issuance of building permits for the investment properties of Phase A, which includes majority of these properties.

<sup>2</sup>Based on the report of the independent appraiser, the construction costs that have been supported by the above impact from the change of +/- 15% are based on the Group’s business plan, which incorporates specific assumptions of construction costs and inflation assumptions, as the latter were disclosed to the independent appraiser.

There are real estate liens and pre-notices over the total investment properties – under development of the Group on 31.12.2022.

The above-mentioned assessments of investment property have considered the financial situation in Greece as described in note [2.1](#), and the outcome is the best, based on the circumstances, assessment of the Group’s investment properties. The changes in the fair value of the investment properties and mainly of the operating shopping centers, in relation to those of the comparative period, differ as they incorporate the effect in the shopping centers of the spread of the coronavirus COVID-19, geopolitical risks arising from the war in Ukraine, supply chain disruptions, the energy crisis, as well as inflationary pressures.

The Group’s total property portfolio was valued by external valuers at fair value, according to RICS Valuation - Global Standards (Red Book) issued by the Royal Institution of Chartered Surveyors (RICS), which are effective from 31 January 2022, incorporating International Valuation Standards (IVS).

At the valuation date, the external valuers point out that while the volatile economic environment due to geopolitical risks arising from the war in Ukraine combined with the problems faced by the supply chain which have led to revaluations in the cost of goods, energy and services, globally affects the markets to some extent and creates inflationary pressures, they note that, at the assessment date, real estate markets are mostly



operating normally showing satisfactory activity, with several transactions taking place leading to a sufficient volume of comparative data and consequently they help supporting their decisions in forming opinions about the value of real estate. The country's government cost of debt is improving but remains higher than other European economies. Greek banks have resolved important issues in relation to non-performing loans (NPLs) which until now created significant management and potential risk issues. In this context, given the circumstances, the external valuers state that they have formulated the best possible valuation approach. However, as the situation continues to change in respect with the international economic environment and the operation of the markets, they point out that they will continue monitoring the trends that will develop in the upcoming months.

Therefore, and for the avoidance of doubt, their valuation is not stated to be subject to "valuation uncertainty" as defined in VPS 3: Valuation reports and VPGA 10: Valuations in markets susceptible to change: certainty and uncertainty, issued by the British Royal Institute of Chartered Accountants (RICS).

This explanatory note has been included to ensure transparency and to provide information about the market context on which the valuation process was based. Recognizing the potential for market conditions to move quickly in response to changes due to geopolitical risks arising from the war conflict in Ukraine along with supply disruptions, the energy crisis and inflationary pressures, external valuers point to the importance of the valuation date.

Finally, due to the above volatile factors, the external valuers have integrated into the estimation approach the assumptions regarding revenue losses due to the COVID-19 pandemic as well as expense increases in terms of individual categories of operating/capital costs (common charges contribution & energy cost).

There was no change in the valuation methodology used for real estate investments as a result of Covid-19, geopolitical risks related to the war in Ukraine, supply chain disruptions, the energy crisis, as well as inflationary pressures. Management and external valuers are of the opinion that discount rates and exit yields are reasonable based on current market conditions and returns expected by investors for these shopping centers, which are considered among the top shopping centers in Greece.

The information provided to the valuers and the assumptions and valuation models used by valuers are reviewed by the investment property management team, the investment property manager and the CFO. The valuers discuss and are present directly to the Audit Committee for an overview of the interim and annual results.

Management will observe the trends that will be formed in the investment property market in the next few months since the complete impact of the consequences of the economic situation in Greece may affect the value of the Group's investment property in the future. In this context, the Management carefully monitors the events regarding the spread of coronavirus, geopolitical risks related to the war in Ukraine, supply chain disruptions and impact of inflationary pressures and energy crisis, as the short-term impact on the Group's investment property that are directly connected to the Group's net asset value, remain currently unknown.

#### Land for sale in Spata, Athens

The subsidiary, LAMDA Estate Development S.M.S.A., on 17.05.2021 signed a purchase agreement based on which two plots of land of a total area of approximately 85 acres in Spata, Athens, were sold for a total consideration of €14,0m which is approximately to the fair value of acquisition cost.

## 7. Tangible assets

## GROUP

Amounts in € thousands

	Land	Buildings	Vehicles and machinery	Furniture, fittings and equipment	Assets under construction <sup>1</sup>	Total
<b>Acquisition cost</b>						
<b>1 January 2021</b>	-	<b>37.324</b>	<b>13.576</b>	<b>11.224</b>	<b>4.347</b>	<b>66.471</b>
Additions	-	379	409	1.219	1.836	3.843
Changes in infrastructure costs (note 22)	397	-	-	-	-	397
Disposals / Write-offs	-	-	(6)	-	-	(6)
Additions due to acquisition of HELLINIKON S.M.S.A.	8.044	-	1	326	-	8.371
Reclassifications	-	2.795	-	1.075	(3.870)	-
Transfer to intangible assets	-	-	-	-	(2.147)	(2.147)
<b>31 December 2021</b>	<b>8.441</b>	<b>40.498</b>	<b>13.980</b>	<b>13.844</b>	<b>166</b>	<b>76.929</b>
<b>1 January 2022</b>	<b>8.441</b>	<b>40.498</b>	<b>13.980</b>	<b>13.844</b>	<b>166</b>	<b>76.929</b>
Additions	-	125	72	1.764	17.256	19.217
Changes in infrastructure costs (note 22)	-	-	-	-	(12)	(12)
Transfer from right-to-use assets (note 19)	-	-	-	-	15.637	15.637
Transfer to inventories (note 10)	-	-	-	-	(1.942)	(1.942)
Additions due to acquisition of subsidiary (note 9)	-	-	-	2.312	144	2.456
Reclassifications	(8.441)	-	-	-	8.441	-
Reclassification of depreciation from acquisition cost to accumulated depreciation	-	98	32	167	-	297
<b>31 December 2022</b>	<b>-</b>	<b>40.721</b>	<b>14.084</b>	<b>18.087</b>	<b>39.690</b>	<b>112.582</b>
<b>Accumulated depreciation</b>						
<b>1 January 2021</b>	-	<b>(1.713)</b>	<b>(6.304)</b>	<b>(7.748)</b>	-	<b>(15.765)</b>
Depreciation for the year	-	(1.729)	(595)	(719)	-	(3.043)
Disposals / Write-offs	-	-	5	20	-	25
<b>31 December 2021</b>	<b>-</b>	<b>(3.442)</b>	<b>(6.894)</b>	<b>(8.447)</b>	<b>-</b>	<b>(18.783)</b>
<b>1 January 2022</b>	<b>-</b>	<b>(3.442)</b>	<b>(6.894)</b>	<b>(8.447)</b>	<b>-</b>	<b>(18.783)</b>
Accumulated depreciation due to acquisition of subsidiary (note 9)	-	-	-	(2.100)	-	(2.100)
Depreciation for the year	-	(1.598)	(361)	(1.070)	-	(3.029)
Disposals / Write-offs	-	-	-	56	-	56
Reclassification of depreciation from acquisition cost to accumulated depreciation	-	(98)	(32)	(167)	-	(297)
<b>31 December 2022</b>	<b>-</b>	<b>(5.138)</b>	<b>(7.287)</b>	<b>(11.728)</b>	<b>-</b>	<b>(24.153)</b>
<b>Net book value as at 31 December 2021</b>	<b>8.441</b>	<b>37.056</b>	<b>7.086</b>	<b>5.397</b>	<b>166</b>	<b>58.146</b>
<b>Net book value as at 31 December 2022</b>	<b>-</b>	<b>35.967</b>	<b>6.797</b>	<b>6.379</b>	<b>39.286</b>	<b>88.429</b>

<sup>1</sup> Asset under construction are mainly related to projects of HELLINIKON S.M.S.A. which are at construction phase.

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<b>COMPANY</b>	<b>Buildings</b>	<b>Vehicles and machinery</b>	<b>Furniture, fittings and equipment</b>	<b>Assets under construction</b>	<b>Total</b>
<i>Amounts in € thousands</i>					
<b>Acquisition cost</b>					
<b>1 January 2021</b>	<b>368</b>	<b>302</b>	<b>2.397</b>	<b>3.809</b>	<b>6.876</b>
Additions	2	-	77	2.208	2.287
Disposals / Write-offs	-	(5)	-	-	(5)
Reclassifications	2.795	-	1.075	(3.870)	-
Transfer to intangible assets	-	-	-	(2.147)	(2.147)
<b>31 December 2021</b>	<b>3.165</b>	<b>297</b>	<b>3.549</b>	<b>-</b>	<b>7.011</b>
<b>1 January 2022</b>	<b>3.165</b>	<b>297</b>	<b>3.549</b>	<b>-</b>	<b>7.011</b>
Additions	-	-	293	-	293
<b>31 December 2022</b>	<b>3.165</b>	<b>297</b>	<b>3.842</b>	<b>-</b>	<b>7.304</b>
<b>Accumulated depreciation</b>					
<b>1 January 2021</b>	<b>(287)</b>	<b>(135)</b>	<b>(1.394)</b>	<b>-</b>	<b>(1.816)</b>
Depreciation for the year	(259)	(35)	(279)	-	(573)
Disposals / Write-offs	-	3	-	-	3
<b>31 December 2021</b>	<b>(546)</b>	<b>(167)</b>	<b>(1.673)</b>	<b>-</b>	<b>(2.386)</b>
<b>1 January 2022</b>	<b>(546)</b>	<b>(167)</b>	<b>(1.673)</b>	<b>-</b>	<b>(2.386)</b>
Depreciation for the year	(331)	(34)	(355)	-	(720)
<b>31 December 2022</b>	<b>(877)</b>	<b>(201)</b>	<b>(2.028)</b>	<b>-</b>	<b>(3.106)</b>
<b>Net book value as at 31 December 2021</b>	<b>2.619</b>	<b>130</b>	<b>1.876</b>	<b>-</b>	<b>4.625</b>
<b>Net book value as at 31 December 2022</b>	<b>2.288</b>	<b>96</b>	<b>1.814</b>	<b>-</b>	<b>4.198</b>

Tangible assets are not secured by liens and pre-notice on 31.12.2022.

## 8. Intangible assets

<b>GROUP</b>	<b>Goodwill</b>	<b>Software</b>	<b>Other intangible assets</b>	<b>Total</b>
<i>Amounts in € thousands</i>				
<b>Acquisition cost</b>				
<b>1 January 2021</b>	<b>9.587</b>	<b>3.061</b>	<b>8.602</b>	<b>21.250</b>
Additions	-	509	-	509
Additions due to acquisition of HELLINIKON S.M.S.A.	-	23	1.668	1.691
Transfer from tangible assets	-	2.147	-	2.147
<b>31 December 2021</b>	<b>9.587</b>	<b>5.740</b>	<b>10.270</b>	<b>25.597</b>
<b>1 January 2022</b>	<b>9.587</b>	<b>5.740</b>	<b>10.270</b>	<b>25.597</b>
Additions	-	800	-	800
Additions due to acquisition of subsidiary (note 9)	7.354	-	615	7.969
Reclassification of depreciation from acquisition cost to accumulated depreciation	-	57	-	57
<b>31 December 2022</b>	<b>16.941</b>	<b>6.597</b>	<b>10.885</b>	<b>34.423</b>
<b>Accumulated depreciation</b>				
<b>1 January 2021</b>	<b>-</b>	<b>(2.898)</b>	<b>(1.544)</b>	<b>(4.442)</b>
Depreciation for the year	-	(260)	(511)	(771)
<b>31 December 2021</b>	<b>-</b>	<b>(3.158)</b>	<b>(2.055)</b>	<b>(5.213)</b>
<b>1 January 2022</b>	<b>-</b>	<b>(3.158)</b>	<b>(2.055)</b>	<b>(5.213)</b>
Depreciation for the year	-	(684)	(549)	(1.233)
Reclassification of depreciation from acquisition cost to accumulated depreciation	-	(57)	-	(57)
<b>31 December 2022</b>	<b>-</b>	<b>(3.899)</b>	<b>(2.604)</b>	<b>(6.503)</b>
<b>Net book value as at 31 December 2021</b>	<b>9.587</b>	<b>2.582</b>	<b>8.215</b>	<b>20.384</b>
<b>Net book value as at 31 December 2022</b>	<b>16.941</b>	<b>3.313</b>	<b>7.666</b>	<b>27.920</b>

During the acquisition of Hellinikon S.M.S.A., there were additions amounting €1,7m due to the recognition of the operating license as well as the existing clientele of the existing marina of Agios Kosmas (Note 9).

At Group and Company level, the "Reclassifications" are related to the Company's investment in upgrading the SAP 4/HANA operating system, the implementation of which was completed in 2021.

## Annual financial report for the year ended 31 December 2022

<b>COMPANY</b>	<b>Software</b>	<b>Total</b>
<i>Amounts in € thousands</i>		
<b><u>Acquisition cost</u></b>		
<b>1 January 2021</b>	<b>2.862</b>	<b>2.862</b>
Additions	333	333
Reclassifications	2.147	2.147
<b>31 December 2021</b>	<b>5.342</b>	<b>5.342</b>
<b>1 January 2022</b>	<b>5.342</b>	<b>5.342</b>
Additions	233	233
<b>31 December 2022</b>	<b>5.575</b>	<b>5.575</b>
<b><u>Accumulated depreciation</u></b>		
<b>1 January 2021</b>	<b>(2.747)</b>	<b>(2.747)</b>
Depreciation for the year	(242)	(242)
<b>31 December 2021</b>	<b>(2.989)</b>	<b>(2.989)</b>
<b>1 January 2022</b>	<b>(2.989)</b>	<b>(2.989)</b>
Depreciation for the year	(566)	(566)
<b>31 December 2022</b>	<b>(3.555)</b>	<b>(3.555)</b>
<b>Net book value as at 31 December 2021</b>	<b>2.353</b>	<b>2.353</b>
<b>Net book value as at 31 December 2022</b>	<b>2.020</b>	<b>2.020</b>

### Impairment test for goodwill

As at 31 December 2022 the Group carried out an impairment test for goodwill that arose during the acquisition of control in the company LAMDA MARINAS INVESTMENTS S.M.S.A. on February 2020. Intangible assets relate to goodwill on acquisition, as well as the fair value of other intangible assets: a) license of the tourist port until 2049, b) favorable relationship with the ETAD lasting until 2020 and c) Marina client relationships lasting until 2031. The impairment test performed was based on expected future cash flows, taking into account the following key assumptions:

- Right of use asset Marina Flisvos till 2049.
- Average revenue growth equal to 1,8% by 2026 and 2,4% afterwards.
- Average increase in operating expenses equal to 3,9% until 2026 and 1,8% afterwards.
- Discount rate after taxes equal to 10,1%.

Following the completion of the work mentioned above, the Management estimates that the net value of the intangible assets are fully recoverable based on current conditions.

On 31.12.2022, the Group analyzed the sensitivity of recoverable amounts to a reasonable and possible change in some of the key assumptions (indicatively the change of half (0.5) percentage point in the discount rate is mentioned). This analysis does not indicate a situation in which the carrying amount of the above intangible assets exceeds their recoverable amount.

The Group in accordance with its accounting policy (note [2.8](#)) will examine within 2023 for impairment of goodwill resulting from the recent (05.08.2022) acquisition of the shares of the subsidiary DESIGNER OUTLET ATHENS S.M.L.L.C.

## 9. Investments in subsidiaries, joint ventures and associates

The Group's structure on 31.12.2022 is as per below:

Company	Country of incorporation	% direct interest	% in-direct interest	% Total interest
LAMDA DEVELOPMENT S.A. – Parent company	Greece			
<b>Subsidiaries:</b>				
HELLINIKON GLOBAL I S.A.	Luxembourg	100%		100%
HELLINIKON S.M.S.A.	Greece		100%	100%
LAMDA MALLS S.A.	Greece	54,57%	45,43%	100%
PYLAIA S.M.S.A.	Greece		100%	100%
LAMDA DOMI S.M.S.A.	Greece		100%	100%
L.O.V. S.M.S.A.	Greece	100%		100%
LOV LUXEMBOURG S.à R.L.	Luxembourg	50%	50%	100%
DESIGNER OUTLET ATHENS S.M.L.L.C.	Greece		100%	100%
LAMDA ESTATE DEVELOPMENT S.M.S.A.	Greece	100%		100%
KRONOS PARKING S.M.S.A.	Greece		100%	100%
LAMDA PRIME PROPERTIES S.M.S.A.	Greece	100%		100%
MALLS MANAGEMENT SERVICES S.M.S.A.	Greece	100%		100%
ATHENS OLYMPIC MUSEUM A.M.K.E.	Greece	99%	1%	100%
MC PROPERTY MANAGEMENT S.M.S.A.	Greece	100%		100%
LAMDA DEVELOPMENT WORKS S.M.S.A.	Greece	100%		100%
LAMDA LEISURE S.M.S.A.	Greece	100%		100%
GEAKAT S.M.S.A.	Greece	100%		100%
LAMDA ENERGY INVESTMENTS S.M.S.A (ex. DEVELOPMENTAL DYNAMIC HOLDINGS S.M.S.A.)	Greece	100%		100%
EVROWIND HOLDINGS S.M.S.A.	Greece		100%	100%
GREEN VOLT P.C.	Greece		67,71%	67,71%
LAMDA MARINAS INVESTMENTS S.M.S.A.	Greece	100%		100%
LAMDA FLISVOS HOLDING S.A.	Greece		83,39%	83,39%
LAMDA FLISVOS MARINA S.A.	Greece		64,40%	64,40%
LAMDA ELLINIKON MALLS HOLDING S.M.S.A.	Greece	100%		100%
LAMDA VOULIAGMENIS S.M.S.A.	Greece		100%	100%
LAMDA RIVIERA S.M.S.A.	Greece		100%	100%
LAMDA INNOVATIVE S.M.S.A.	Greece	100%		100%
LAMDA DEVELOPMENT (NETHERLANDS) B.V.	Netherlands	100%		100%
SINGIDUNUM - BUILDINGS D.O.O.	Serbia		100%	100%
TIHI E.O.O.D.	Bulgaria		100%	100%
LAMDA DEVELOPMENT MONTENEGRO D.O.O.	Montenegro	100%		100%
PROPERTY DEVELOPMENT D.O.O.	Serbia	100%		100%
LAMDA DEVELOPMENT SOFIA E.O.O.D.	Bulgaria	100%		100%
ROBIES SERVICES LTD	Cyprus	90%		90%
ROBIES PROPRIETATI IMOBILIARE S.R.L.	Romania		90%	90%
LAMDA DEVELOPMENT ROMANIA S.R.L.	Romania	100%		100%
<b>Joint ventures:</b>				
LAMDA AKINITA S.A.	Greece	50%		50%
<b>Associates:</b>				
SC LAMDA MED S.R.L.	Romania		40%	40%
ATHENS METROPOLITAN EXPO S.A.	Greece	11,67%		11,67%
METROPOLITAN EVENTS	Greece		11,67%	11,67%
STOFERNO S.A.	Greece	29,76%		29,76%
LIMAR MACEDONIA REAL ESTATE COMPANY S.M.S.A.	Greece	20%		20%

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.
- Investments in joint ventures relates to strategic investments of the Group mainly for utilization and exploitation of investment properties. The Group sold the joint venture LAMDA AKINITA S.A. in February 2022.
- The investments in associates do not have significant impact to the Group's operations and results however they are consolidated with the equity method since the Group has significant influence over their operations.
- The Group provides guarantees to banks including pledged shares deriving from its borrowings.
- The subsidiary LAMDA DEVELOPMENT SOFIA EOOD is under liquidation.
- The Group completed the liquidation and termination of the subsidiaries PROPERTY DEVELOPMENT DOO (December 2021) and TIHI EOOD (February 2022).
- The Group sold the subsidiary LAMDA ILIDA OFFICE S.M.S.A. in December 2021.
- The Group acquired on 25.06.2021 100% of shares of HELLINIKON S.M.S.A.
- On 16.03.2021 the Group acquired 100% of shares of SINGIDUNUM - BUILDINGS D.O.O. which is now consolidated through the full consolidation method, compared to the equity method previously (joint venture).
- The Group increased in February 2022 its participation share in associate STOFERNO S.A. from 25% to 29,76%, through participation in a share capital increase.
- The Group incorporated in February 2022 the 100% subsidiary EVROWIND HOLDINGS S.M.S.A., in May 2022 the 100% subsidiaries LAMDA ELLINIKON MALLS S.M.S.A., LAMDA VOULIAGMENIS S.M.S.A. and LAMDA RIVIERA S.M.S.A., and in July 2022 the 100% subsidiary LAMDA INNOVATIVE S.M.S.A..
- The Group acquired in June 2022 the 67,71% subsidiary GREEN VOLT P.C. through a participation in a share capital increase amounting to €1,65 million. This subsidiary will operate in renewable energy sector.
- The Group acquired in June 2022 the 20% of the associate LIMAR MACEDONIA REAL ESTATE COMPANY S.M.S.A. for a consideration of €1,5 million. This associate owns land plots of 72,121 sqm, strategically located next to the Mediterranean Cosmos Shopping Mall, in eastern Thessaloniki.
- The Group in July 2022 increased its share from 68,30% to 100% in subsidiaries LAMDA MALLS S.A., PYLAIA S.M.S.A. and LAMDA DOMI S.M.S.A. acquiring a minority stake (31,7%) held by Wert Blue Sàrl, 100% subsidiary of Värde Partners, for a cash consideration of €109 million.
- The Group in August 2022 acquired 100% of the company DESIGNER OUTLET ATHENS S.M.L.L.C. (former MCARTHURGLEN HELLAS S.M.L.L.C.), owner of the Designer Outlet Athens in Spata, in the Attica prefecture, from the company MGE Hellenic Investments Sàrl. The transaction consideration amounts approximately to €43,8 million, including the repayment of existing loans granted by the company's previous partners.
- During October 2022, the subsidiary LAMDA ENERGY INVESTMENTS S.M.S.A. signed a share transfer agreement regarding the purchase of 20% of the share capital of R Energy 1 Holding for a cash consideration of €5m. At the same time, R Energy 1 Holding proceeded to the issuance of a €10m, 3-year Convertible Bond Loan, which has been fully covered by LAMDA ENERGY INVESTMENTS S.M.S.A. in October 2022. Upon conversion of the aforesaid Convertible Bond Loan, LAMDA ENERGY INVESTMENTS S.M.S.A. will have the right to acquire 50.1% of the share capital of R Energy 1 Holding. Acquisition of 20% percentage of R Energy 1 Holdings' share capital was completed during January 2023 and the company will be Group's joint venture (joint control), consolidated through the equity method.

**(a) Investments of the Company in subsidiaries**

The Company's investment in subsidiaries is as follows:

Amounts in € thousands

Name	Country of incorporation	% Interest held	31.12.2022		
			Cost	Impairment	Carrying amount
HELLINIKON GLOBAL I S.A.	Luxembourg	100%	300.131	-	300.131
LAMDA MALLS S.A.	Greece	54,57%	51.496	-	51.496
L.O.V. S.M.S.A.	Greece	100%	133.367	-	133.367
LOV LUXEMBOURG SARL	Luxembourg	50%	448	-	448
LAMDA ESTATE DEVELOPMENT S.M.S.A.	Greece	100%	31.420	(27.599)	3.821
LAMDA PRIME PROPERTIES S.M.S.A.	Greece	100%	9.272	-	9.272
MALLS MANAGEMENT SERVICES S.M.S.A.	Greece	100%	1.224	(700)	524
ATHENS OLYMPIC MUSEUM AMKE	Greece	100%	1.554	(1.554)	-
MC PROPERTY MANAGEMENT S.M.S.A.	Greece	100%	745	-	745
LAMDA DEVELOPMENT WORKS S.M.S.A.	Greece	100%	9.070	(3.130)	5.940
LAMDA LEISURE S.M.S.A.	Greece	100%	4.400	(4.400)	-
GEAKAT S.M.S.A.	Greece	100%	15.173	(10.030)	5.143
LAMDA ENERGY INVESTMENTS S.M.S.A (ex. DEVELOPMENTAL DYNAMIC HOLDINGS S.M.S.A.)	Greece	100%	19.710	(1.310)	18.400
LAMDA MARINAS INVESTMENTS S.M.S.A.	Greece	100%	16.665	-	16.665
LAMDA ELLINIKON MALLS HOLDING S.M.S.A.	Greece	100%	247.000	-	247.000
LAMDA INNOVATIVE S.M.S.A.	Greece	100%	5.000	-	5.000
LAMDA DEVELOPMENT (NETHERLANDS) B.V.	Netherlands	100%	110.028	(27.200)	82.828
LAMDA DEVELOPMENT MONTENEGRO D.O.O.	Montenegro	100%	800	(800)	-
LAMDA DEVELOPMENT SOFIA E.O.O.D.	Bulgaria	100%	363	(363)	-
ROBIES SERVICES LTD	Cyprus	90%	1.868	(1.868)	-
LAMDA DEVELOPMENT ROMANIA S.R.L.	Romania	100%	741	(741)	-
<b>Total</b>			<b>960.475</b>	<b>(79.695)</b>	<b>880.780</b>

Amounts in € thousands

Name	Country of incorporation	% Interest held	31.12.2021		
			Cost	Impairment	Carrying amount
HELLINIKON GLOBAL I S.A.	Luxembourg	100%	300.131	-	300.131
LAMDA MALLS S.A.	Greece	54,57%	51.496	-	51.496
L.O.V. S.M.S.A.	Greece	100%	133.367	-	133.367
LOV LUXEMBOURG SARL	Luxembourg	50%	368	-	368
LAMDA ESTATE DEVELOPMENT S.M.S.A.	Greece	100%	31.420	(27.600)	3.820
LAMDA PRIME PROPERTIES S.M.S.A.	Greece	100%	9.272	-	9.272
MALLS MANAGEMENT SERVICES S.M.S.A.	Greece	100%	1.224	(700)	524
ATHENS OLYMPIC MUSEUM AMKE	Greece	100%	1.109	-	1.109
MC PROPERTY MANAGEMENT S.M.S.A.	Greece	100%	745	-	745
LAMDA DEVELOPMENT WORKS S.M.S.A.	Greece	100%	9.070	(3.130)	5.940
LAMDA LEISURE S.M.S.A.	Greece	100%	3.750	(3.050)	700
GEAKAT S.M.S.A.	Greece	100%	15.073	(10.030)	5.043
LAMDA ENERGY INVESTMENTS S.M.S.A (ex. DEVELOPMENTAL DYNAMIC HOLDINGS S.M.S.A.)	Greece	100%	1.410	(1.310)	100
LAMDA MARINAS INVESTMENTS S.M.S.A.	Greece	100%	16.665	-	16.665
LAMDA DEVELOPMENT (NETHERLANDS) B.V.	Netherlands	100%	104.678	(27.200)	77.478
LAMDA DEVELOPMENT MONTENEGRO D.O.O.	Montenegro	100%	800	(800)	-
LAMDA DEVELOPMENT SOFIA E.O.O.D.	Bulgaria	100%	363	(363)	-
ROBIES SERVICES LTD	Cyprus	90%	1.823	(1.823)	-
LAMDA DEVELOPMENT ROMANIA S.R.L.	Romania	100%	741	(741)	-
<b>Total</b>			<b>683.505</b>	<b>(76.747)</b>	<b>606.758</b>

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The movement in investment in subsidiaries is as follows:

<i>Amounts in € thousands</i>	<b>31.12.2022</b>	<b>31.12.2021</b>
<b>Opening balance</b>	<b>606.758</b>	<b>310.562</b>
Increase / (Decrease) in share capital	37.971	301.086
Provision for impairment	(2.949)	(3.590)
Establishment of new subsidiaries	239.000	-
Sale of subsidiary	-	(1.300)
<b>Closing balance</b>	<b>880.780</b>	<b>606.758</b>

### **Increase / (Decrease) in share capital**

The Company, within 2022, proceeded to share capital increase in subsidiaries LAMDA LEISURE S.M.S.A. with an amount of €0,65m, GEAKAT S.M.S.A. with an amount of €0,1m, LAMDA ENERGY INVESTMENTS S.M.S.A. with an amount of €18,3m, LAMDA DEVELOPMENT (NETHERLANDS) BV with an amount of €5,35m, LAMDA ELLINIKON MALLS HOLDING S.M.S.A. with an amount of €13m, ATHENS OLYMPIC MUSEUM AMKE with an amount of €0,45m, LOV LUXEMBOURG S.A. R.L. with an amount of €80 thousands and ROBIES SERVICES Ltd with an amount of €45 thousands.

### **Establishment of new subsidiaries**

During 2022, the Company has established a new subsidiary named LAMDA ELLINIKON MALLS HOLDING S.M.S.A. with a total initial share capital of €234,0 million, which has been fully paid by 31.12.2022. Additionally, the Company established the subsidiary LAMDA INNOVATIVE S.M.S.A., with a total initial share capital of €5,0 million, out of which until 31.12.2022 has partially paid amount of €1.25 million (due capital 31.12.2022: €3,75 million).

### **Provision of impairment**

During 2022, impairment losses of €2.9 million were recognized for Investments in subsidiary companies, as analyzed in detail below:

ATHENS OLYMPIC MUSEUM A.M.K.E.	(1.554)
LAMDA LEISURE S.M.S.A.	(1.350)
ROBIES SERVICES Ltd	(45)
<b>Total</b>	<b>(2.949)</b>

### **Acquisition held in participation – Business combination**

Acquisitions of businesses within the scope of IFRS 3 are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the income statement as incurred.

Goodwill is measured as the excess of (a) the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over (b) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in the income statement.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

The Group, through the subsidiary company L.O.V. S.M.S.A., acquired on 05.08.2022 100% of the shares of the company DESIGNER OUTLET ATHENS S.M.L.L.C. (former MCARTHURGLEN HELLAS S.M.L.L.C.), owner of the retail park Designer Outlet Athens in Spata, region of Attica, from the company MGE Hellenic Investments S.à.r.l.. Designer Outlet Athens is one of the leading retail parks in Greece with a total leasable area of approximately 21,200 sq.m. and more than 100 shops, café and restaurants. The said transaction forms part



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of the Company's existing strategy to further develop the activities as well as the portfolio of the Shopping Malls.

The base consideration paid on 05.08.2022 was €35.807 thousand, including repayment of pre-existing loans which were granted by the previous partners of the company totaling €17.805 thousand. In addition, the agreement provides for a contingent consideration (adjusted base consideration based on the net assets as of 05.08.2022 and the collections on the company's receivables from the shopkeepers). According to the Management's estimates, the contingent payment may amount up to €8.001 thousand.

The acquisition was accounted as a business combination. Therefore, all of the acquired assets, as well as all of the liabilities of DESIGNER OUTLET ATHENS S.M.L.L.C. (former MCARTHURGLEN HELLAS S.M.L.L.C.) were valued at fair value with assistance of an independent valuator. The estimated value of the acquired assets was calculated at approximately €18,6 million and the purchase price amounted to approximately €43,8 million, including the repayment of existing loans granted by the company's previous partners. The goodwill resulting from the acquisition amounts to €7,4 million and has been recognized in the consolidated Statement of Financial Position under the line "Intangible assets" (note [8](#)).

The following table summarizes the fair value of the assets and liabilities of DESIGNER OUTLET ATHENS S.M.L.L.C. (former MCARTHURGLEN HELLAS S.M.L.L.C.) on the date of acquisition 05.08.2022:

### Statement of financial position

Amounts in € thousands

Investment property	113.500
Tangible assets	213
Trade and other receivables	5.528
Cash and cash equivalents	3.944
<b>Total assets</b>	<b>123.185</b>
Borrowings	(86.018)
Current tax payable	(447)
Deferred tax liabilities	(12.953)
Trade and other payables	(5.118)
<b>Total liabilities</b>	<b>(104.536)</b>
<b>Fair value of acquired assets</b>	<b>18.649</b>
Repayment of existing loans granted by previous partners	17.805
Goodwill	7.354
<b>Total purchase consideration</b>	<b>43.808</b>

From the total purchase consideration of €43.8 million, an amount of €8 million has been recognized as a short-term deferred consideration for the acquisition to the previous partners based on the agreement and is classified within the line of the consolidated Statement of Financial Position "Trade and other payables" (note [21](#)).

The above fair values of the net assets of DESIGNER OUTLET ATHENS S.M.L.L.C. (former MCARTHURGLEN HELLAS S.M.L.L.C.), as well as the acquisition price, are provisional and the Group, pursuant to IFRS 3 par. 45, will calculate the final values within the measurement period (12 months from the date of acquisition)

### Non-controlling interests

The Group's non-controlling interests on 31.12.2022 amount to €13,9 million (31.12.2021: €99,0 million), out of which €13,4 million (31.12.2021: €13,4 million) derive from the sub-group LAMDA MARINAS INVESTMENTS S.M.S.A. and represent 35,6% of its equity. Compared to the year ended 31.12.2021, the significant reduction of minority rights in the Group's equity is due to the acquisition of the minority percentage (31,7%) of the subsidiary company LAMDA MALLS S.A., through the subsidiary company L.O.V. S.M.S.A., which was held during July 2022. The subsidiary LAMDA MALLS S.A. owns the companies LAMDA DOMI S.M.S.A. and PYLAIA S.M.S.A., owners of Golden Hall and Mediterranean Cosmos shopping centers respectively. The minority interest was previously owned by the company Wert Blue SarL, a 100% subsidiary of Värde Partners and the price amounted to €109 million, which was paid in cash. As at 31.12.2021, the non-controlling interests of the Group that were related to the sub-group LAMDA MALLS S.A. amounted to €85.8 million.

## Annual financial report for the year ended 31 December 2022

The main financial statements of LAMDA MALLS SA's sub-Group are presented below:

### Statement of financial position

*Amounts in € thousands*

	<b>31.12.2021</b>
Investment property	514.609
Other non-current assets	11.594
Receivables	9.609
Cash and cash equivalents	42.341
	<b>578.153</b>
Deferred income tax liabilities	47.492
Long-term borrowings	148.196
Long-term lease liabilities	77.289
Other non-current liabilities	1.225
Short-term borrowings	3.920
Short-term lease liabilities	420
Trade and other payables	28.832
	<b>307.374</b>
<b>Equity</b>	<b>270.779</b>
Profit/(loss) attributable to:	
Equity holders of the parent	184.942
Non-controlling interests	85.837

### Income statement and other comprehensive income

*Amounts in € thousands*

	<b>01.01.2022 to 15.07.2022</b>	<b>01.01.2021 to 31.12.2021</b>
Revenue	34.155	35.720
Net gain / (loss) from fair value adjustment on investment property	12.916	10.822
Other operating income / (expenses) - net	(12.410)	(10.914)
Finance costs - net	(5.310)	(9.338)
<b>Profit/(loss) before income tax</b>	<b>29.351</b>	<b>26.290</b>
Income tax expense	(6.761)	(181)
<b>Profit/(loss)</b>	<b>22.590</b>	<b>26.109</b>
Other comprehensive income for the year	1.883	338
<b>Total comprehensive income for the year</b>	<b>24.473</b>	<b>26.447</b>
Attributable to non-controlling interests	-	8.384
Dividends paid to non-controlling interests	4.602	-

### Cash flow statement

*Amounts in € thousands*

	<b>01.01.2022 to 15.07.2022</b>	<b>01.01.2021 to 31.12.2021</b>
Cash inflow from operating activities	14.017	20.467
Cash (outflow) / inflow from investing activities	(743)	(2.238)
Cash (outflow) / inflow from financing activities	(17.268)	(8.912)
<b>Net decrease in cash and cash equivalents</b>	<b>3.994</b>	<b>9.317</b>

The main financial statements of LAMDA MARINAS INVESTMENTS S.M.S.A.'s sub-Group are presented below:

### Statement of financial position

*Amounts in € thousands*

	<b>31.12.2022</b>	<b>31.12.2021</b>
Tangible assets	39.700	40.981
Right-of-use assets	90.109	93.118
Intangible assets	15.711	16.175
Trade and other receivables	3.647	2.328
Cash and cash equivalents	10.455	11.813
	<b>159.622</b>	<b>164.415</b>

## Annual financial report for the year ended 31 December 2022

Borrowings	-	4.673
Lease liabilities	96.717	98.461
Net employee defined benefit liabilities	77	101
Deferred tax liabilities	940	1.718
Trade and other payables	23.751	22.016
	<b>121.485</b>	<b>126.969</b>
<b>Equity</b>	<b>38.137</b>	<b>37.446</b>
Profit/(loss) attributable to:		
Equity holders of the parent	24.677	24.084
Non-controlling interests	13.460	13.362

### Income statement and other comprehensive income

<i>Amounts in € thousands</i>	<b>01.01.2022 to 31.12.2022</b>	<b>01.01.2021 to 31.12.2021</b>
Revenue	20.613	16.108
Employee benefits expense	(1.882)	(1.716)
Depreciation	(5.493)	(6.123)
Other operating income / (expenses) - net	(5.850)	(1.376)
Finance income/(costs) net	(5.464)	(5.740)
<b>Profit before income tax</b>	<b>1.925</b>	<b>1.153</b>
Income tax expense	(893)	(454)
<b>Profit</b>	<b>1.032</b>	<b>699</b>
Other comprehensive income for the year	202	389
<b>Total comprehensive income for the year</b>	<b>1.234</b>	<b>1.088</b>
Attributable to non-controlling interests	439	400
Dividends paid to non-controlling interests	-	-

### Cash flow statement

<i>Amounts in € thousands</i>	<b>01.01.2022 to 31.12.2022</b>	<b>01.01.2021 to 31.12.2021</b>
Cash inflow from operating activities	10.916	10.216
Cash (outflow) / inflow from investing activities	(269)	-
Cash (outflow) / inflow from financing activities	(12.005)	(4.046)
<b>Net decrease in cash and cash equivalents</b>	<b>(1.358)</b>	<b>6.170</b>

## (b) Investments of the Group and the Company in joint ventures

The Company participates in the following joint ventures:

*Amounts in € thousands*

<b>Company</b>	<b>Country of incorporation</b>	<b>% interest held</b>	<b>31.12.2021</b>		
			<b>Cost</b>	<b>Impairment</b>	<b>Carrying amount</b>
LAMDA AKINITA S.A.	Greece	50%	4.454	(1.884)	2.570
<b>Total</b>			<b>4.454</b>	<b>(1.884)</b>	<b>2.570</b>

The Group participates in the following joint ventures:

*Amounts in € thousands*

<b>Company</b>	<b>Country of incorporation</b>	<b>% interest held</b>	<b>31.12.2021</b>		
			<b>Cost</b>	<b>Impairment</b>	<b>Carrying amount</b>
LAMDA AKINITA S.A.	Greece	50%	4.454	(1.916)	2.538
<b>Total</b>			<b>4.454</b>	<b>(1.916)</b>	<b>2.538</b>

## Annual financial report for the year ended 31 December 2022

The movement of the joint ventures of the Group and the Company is analyzed as follows:

<i>Amounts in € thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
<b>Opening balance</b>	-	<b>31.619</b>	-	<b>2.570</b>
Share in profit / (loss)	-	(429)	-	-
Acquisition of interest held in participation / Change in the consolidation method	-	(28.652)	-	-
Assets held for sale	-	(2.538)	-	(2.570)
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Notes on the above-mentioned **joint ventures**:

- Joint ventures are structured through separate companies that provide the Group with rights to their net assets.
- The investment of the joint venture LAMDA AKINITA S.A. is presented in the Statement of Financial Position 31.12.2021 under "Assets held for sale"». In December 2021 the Company agreed to sell the percentage (50%) of the shares held in the joint venture LAMDA AKINITA S.A. The transaction was completed on 01.02.2022. Consideration was €2.575 thousand. Gain recognized from the aforementioned sale was €5 thousand at Company level and €30 thousand at Group level which are included in the Income Statement under "Gain on entities disposal".
- On March 16, 2021, the Group acquired from IMO Property Investments AD Beograd the remaining 20.01% of the shares of SINGIDUNUM-BUILDINGS DOO. Until now, the Group owned 79.99% of the shares of SINGIDUNUM-BUILDINGS DOO through the subsidiary LAMDA DEVELOPMENT (NETHERLANDS) B.V. . With the completion of the transaction on 16.03.2021, LAMDA DEVELOPMENT S.A. becomes the sole shareholder and acquires the control of SINGIDUNUM-BUILDINGS DOO, controlling the subsidiary LAMDA DEVELOPMENT (NETHERLANDS) B.V. . Following the above, SINGIDUNUM-BUILDINGS DOO is consolidated by the method of full consolidation in the financial statements.

### (c) Investments of the Group and the Company in associates

The Company participates in the following associates' equity:

<i>Amounts in € thousands</i>	<b>Company</b>	<b>Country of incorporation</b>	<b>% interest held</b>	<b>31.12.2022</b>		
				<b>Cost</b>	<b>Impairment</b>	<b>Carrying amount</b>
	ATHENS METROPOLITAN EXPO S.A.	Greece	11,67%	1.167	-	1.167
	STOFERNO S.A.	Greece	29,76%	529	(529)	-
	LIMAR MACEDONIA REAL ESTATE COMPANY S.M.S.A.	Greece	20%	1.467	-	1.467
	<b>Total</b>			<b>3.163</b>	<b>(529)</b>	<b>2.634</b>

The Company proceeded within first half of 2022 to the increase of share capital with cash in the associate company STOFERNO SA. with an amount of €0,2 million. In June 2022, the Company acquired 20% of the associate company LIMAR REAL ESTATE COMPANY MACEDONIA M.A.E. for a price of €1,5 million. The associate company owns plots of land with a total area of 72.121 sq.m., strategically located next to the Mediterranean Cosmos shopping center, in eastern Thessaloniki.

<i>Amounts in € thousands</i>	<b>Company</b>	<b>Country of incorporation</b>	<b>% interest held</b>	<b>31.12.2021</b>		
				<b>Cost</b>	<b>Impairment</b>	<b>Carrying amount</b>
	ATHENS METROPOLITAN EXPO S.A.	Greece	11,67%	1.167	-	1.167
	STOFERNO S.A.	Greece	25,00%	300	-	300
	<b>Total</b>			<b>1.467</b>	<b>-</b>	<b>1.467</b>

In February 2021 the Company acquired 25% of the shares of STOFERNO S.A. against a total price of €0,3m. STOFERNO S.A. is active in the courier industry.

## Annual financial report for the year ended 31 December 2022

The Group participates in the following associates' equity:

*Amounts in € thousands*

Company	Country of incorporation	% interest held	31.12.2022		
			Cost	Share of interest held	Carrying amount
ATHENS METROPOLITAN EXPO S.A.	Greece	11,67%	1.167	-	1.167
SC LAMDA MED SRL	Romania	40,00%	1	1.290	1.291
STOFERNO S.A.	Greece	29,76%	529	(529)	-
LIMAR MACEDONIA REAL ESTATE COMPANY S.M.S.A.	Greece	20%	1.467	(6)	1.461
<b>Total</b>			<b>3.164</b>	<b>755</b>	<b>3.919</b>

*Amounts in € thousands*

Company	Country of incorporation	% interest held	31.12.2021		
			Cost	Share of interest held	Carrying amount
ATHENS METROPOLITAN EXPO S.A.	Greece	11,67%	1.167	-	1.167
SC LAMDA MED SRL	Romania	40,00%	933	1.173	2.106
STOFERNO S.A.	Greece	25,00%	300	(89)	211
<b>Total</b>			<b>2.400</b>	<b>1.084</b>	<b>3.483</b>

The movement of associates of the Group and the Company is as follows:

<i>Amounts in € thousands</i>	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>Opening balance</b>	<b>3.483</b>	<b>3.239</b>	<b>1.467</b>	<b>1.167</b>
Share capital increase	229	300	229	300
Share in profit / (loss)	114	(56)	-	-
Acquisitions	1.467	-	1.467	-
Decrease in share capital	(934)	-	-	-
Provision for impairment	(440)	-	(529)	-
<b>Closing balance</b>	<b>3.919</b>	<b>3.483</b>	<b>2.634</b>	<b>1.467</b>

### (d) Assets held for sale

#### 1. LAMDA ILIDA OFFICE S.M.S.A

On 05.05.2021 the Company signed a contract with the company "Prodea Investments" for the sale of all the shares held by the Company in its 100% subsidiary LAMDA ILIDA OFFICE S.M.S.A. The sale of the shares was completed on 17.12.2021 and the gross sale price amounted to €10,9m (the net price after repayment of an intragroup loan owed by the Company to LAMDA ILIDA OFFICE S.M.S.A. amounted to €0,3m). LAMDA ILIDA OFFICE S.M.S.A. at the time of the transfer of the shares it had a claim from the subsidiary of the L.O.V. S.M.S.A. amount of €30,0m which is an advance of LAMDA ILIDA OFFICE S.M.S.A for the future purchase of the office building "Ilida Business Center" in the context of a relevant pre-signed agreement. This property (net book value €30m), as well as the Group's liability (€30,0m) to LAMDA ILIDA OFFICE S.M.S.A are presented according to IFRS 5 in the Statement of Financial Position of the Group on 31.12.2021 as "Assets classified as held for sale" and " Liabilities directly associated with assets classified as held for sale" respectively. The final transfer of this property was completed on 11.03.2022. LAMDA ILIDA OFFICE S.M.S.A. is presented in the functional section "GREECE - Other investment property and land" (note 5).

#### 2. LAMDA AKINITA S.A.

In December 2021 the Company agreed to sell the percentage (50%) of the shares held in the joint venture LAMDA AKINITA S.A. for a price of €2,58m. LAMDA AKINITA S.A. owns a plot of land on Viltanioti Street in Kato Kifissia. The transaction was completed on 01.02.2022. Consideration was €2.575 thousand. Gain recognized from the aforementioned sale was €5 thousand at Company level and €30 thousand at Group level which are included in the Income statements under "Gain on entities disposal". The above joint venture is presented in the functional sector "GREECE - Other buildings and land" (note 5). The Investment of the Group and the Company in the affiliated company LAMDA AKINITA S.A. is presented on 31.12.2021 in the line "Assets classified as held for sale" according to IFRS 5.

**(e) Asset acquisition as per IFRS 3 par 2(b)**

Pursuant to paragraph 2 (b) of IFRS 3 "Business combinations", in cases of acquisition of subsidiaries, which do not fall within the definition of business association but constitute the acquisition of assets or group of assets that are not a business, the acquirer recognizes the individual identifiable assets and liabilities at cost, which is allocated to the individual identifiable assets and liabilities based on their relative fair values at the acquisition date. In addition, such transactions do not result in goodwill.

1. HELLINIKON S.M.S.A.

On 14.11.2014 a "share sale and purchase agreement" (the "SPA") was signed between a) the Hellenic Republic Asset Development Fund – (the "HRADF") (as the Seller), b) HELLINIKON GLOBAL I S.A., a wholly owned (100%) subsidiary of the Company (as the Purchaser) and c) the Company (as the Guarantor of the Purchaser) for the acquisition of 100% of the shares of HELLINIKON S.M.S.A. On July 19, 2016 an "amendment agreement" (the "Amendment Agreement") was signed by the same parties. On September 26, 2016, by Law 4422/2016 (Government Gazette A' 181/27.09.2016), the SPA and the Amendment Agreement (together the "Agreement") were ratified by the Hellenic Parliament. On 15.06.2021 the SPA and the Amendment Agreement were also signed by the Hellenic Republic (as a third party undertaking certain obligations). Finally, on 25.06.2021, following the fulfillment of certain conditions precedent that were provided in the SPA, HRADF and HELLINIKON GLOBAL I S.A. signed the Share Transfer Agreement for the acquisition of 100% of the share capital of HELLINIKON S.M.S.A., in accordance with the respective provisions of the SPA. On that date, i.e. on 25 June 2021, which represents the date of acquisition of HELLINIKON S.M.S.A. by the Group, the shares of HELLINIKON S.M.S.A. were also transferred to HELLINIKON GLOBAL I S.A.

Under the Agreement, the Group is committed (a) to procure the development of the Metropolitan Pole of Ellinikon – Agios Kosmas (the "Site") by the Company in compliance with the Business Plan and the Integrated Development Plan (as these are defined in the SPA) and that HELLINIKON S.M.S.A. incurs capital expenditures, for development and infrastructure works and the implementation of the Integrated Development Plan, amounting to €4,6bn within a 15-year period and (b) to ensure i) funding of HELLINIKON S.M.S.A. in accordance with the Business Plan and the SPA for the purposes of implementing the entirety of the Integrated Development Plan ii) that its debt to shareholders contribution ratio does not exceed 3:1 and iii) the provision of bank guarantees for the deferred amount of the consideration paid.

The consideration paid for the acquisition of HELLINIKON S.M.S.A.'s shares, as stated in the Agreement, comprises of a fixed amount of €915m payable in installments over a 10-year period, plus a variable component ("Earn out right") which is contingent upon the achievement of an investment return on the development project above a specified threshold. At the date of the acquisition, the initial installment of €300m was paid. The Group calculated the present value of the consideration paid at the date of the acquisition at the amount of €792,8m, using a discount rate of 3,4%. According to the estimation of the Group Management, at reporting date, no payments of earn out right to the seller are expected. According to the Agreement the variable consideration applies from the seventh anniversary of the acquisition of Ellinikon.

**Analysis for the total purchase price for the share of HELLINIKON S.M.S.A.:**

*Amounts in € thousands*

Conventional payment dates

30.6.2021	300.000
30.6.2023	166.650
30.6.2027	8.350
30.6.2028	220.000
30.6.2031	220.000
<b>Total</b>	<b><u>915.000</u></b>

*Amounts in € thousands*

**Balance as at 31.12.2020**

Acquisition of shares of HELLINIKON S.M.S.A. – Present value	792.752	<b>GROUP</b>
Payment 1 <sup>st</sup> installment	(300.000)	-
Finance costs (note 30)	8.493	
<b>Balance as at 31.12.2021</b>	<b><u>501.245</u></b>	
Finance costs (note 30)	17.283	
<b>Balance as at 31.12.2022</b>	<b><u>518.528</u></b>	

Non-current assets	354.656
Current assets	163.872
<b>Total</b>	<b><u>518.528</u></b>

## Annual financial report for the year ended 31 December 2022

At the date of the acquisition by the Group, HELLINIKON S.M.S.A.'s principal assets comprised of freehold land and 99-year leasehold ("surface rights") on land aggregating 6 million square meters.

Based on the Group's business plan, some land plots of the Site will be sold either as land or after development into properties, some land plots will be leased out to third parties either as land or after development into properties and some others will be used by the Group for the provision of its services or for administrative purposes.

Prior to the acquisition by the Group, HELLINIKON S.M.S.A. had no significant activities; HELLINIKON S.M.S.A.'s activities were related mainly to the operation of Agios Kosmas Marina, which represented the major revenue stream for the company. The acquisition of the shares of HELLINIKON S.M.S.A. has been accounted for as an asset acquisition since the transaction did not satisfy the definition of a business under IFRS 3 «Business combination».

The Group, based on IFRS 3 par.2 (b) and the agenda decision issued by IFRIC in November 2017, recognized the acquisition of HELLINIKON S.M.S.A. as assets acquisition. In this respect, the Group measured the individual identifiable assets acquired and liabilities assumed at the consideration paid based on their relative fair values at the date of acquisition.

The Group recognized the following assets and liabilities upon acquisition of HELLINIKON S.M.S.A.:

<i>Amount in € thousands</i>		
Investment property	540.344	(1)
Right-of-use assets	26.619	(1) & (2)
Tangible assets	8.371	
Intangible assets	1.691	
Inventories	804.738	(1)
Trade and other receivables	1.082	
Cash and cash equivalent	794	
Trade and other payables	(362)	
Provision for infrastructure	(590.528)	(3)
<b>Total present value</b>	<b>792.749</b>	

1. The land of the Site acquired was classified as inventories, investment property and right-of-use assets based on Management's intended use and the Group's rights on land.
2. Right-of-use assets relate to surface right on land. Out of the total amount of €26,6m, the amount of €8,8m relates to leasehold land that meets the definition of property, plant and equipment and the amount of €17,8m relates to leasehold land that meets the definition of inventory. Leasehold land of total amount €190,2m that meets the definition of investment property is presented in the line item "Investment property".
3. Provision for infrastructure relates to the Group's contractual unavoidable obligation, stipulated by the Agreement, to perform, within a specified time period, infrastructure investments of public interest, such as building of roads, utility networks, underpasses and flyovers etc., which will be delivered to the competent organizations and bodies upon completion/construction with no consideration. The amount of €590,5m represents the present value of the Management's best estimate of the expenditure required to construct this infrastructure, using a discount rate of 3,4%. The corresponding liability is included as part of the cost of the assets under development, classified as investment property, tangible assets and inventories.

On the Site, the Group will carry out the "Ellinikon project", a large urban development project which is expected to take 25 years to complete. The Ellinikon project will comprise:

- Total sqm to be built are approximately 2,7m sqm, which will mainly include residential housing, hotels, shopping centers, offices, sports and cultural centers, health and education centers and infrastructure.
- A Metropolitan Park of approximately 2m sqm (including 300.000 sqm of buildable area being part of the total buildable area above), which will be managed by the Group and will generate income through its exploitation.
- The enhancement of the 3,5 km coastal front, including the exploitation of Marina in Agios Kosmas.

## 2. SINGIDUNUM-BUILDINGS DOO

The Company on 16.03.2021 agreed to acquire from IMO Property Investments AD Beograd the remaining 20.01% of the shares of the company SINGIDUNUM-BUILDINGS DOO, which until now owned 79.99% of the shares of SINGIDUNUM-BUILDINGS DOO through of the subsidiary LAMDA DEVELOPMENT (NETHERLANDS) BV..

Upon completion of the transaction on 16.03.2021, LAMDA DEVELOPMENT S.A. becomes the sole shareholder and acquires the control of SINGIDUNUM-BUILDINGS DOO, through subsidiary LAMDA DEVELOPMENT (NETHERLANDS) B.V.. Following the above, SINGIDUNUM-BUILDINGS DOO is consolidated by the method of full consolidation in the financial statements of the Group. Consequently, the transaction constitutes an acquisition of an asset, since the above entity has no operation other than holding land (inventories) and has been recognized based on the scope of IFRS 3 "Business Combinations" par. 2b in the financial statements as at 31.12.2021. Based on the above, the Group recognized the individual acquired identifiable assets and liabilities at cost, which was allocated to the individual identifiable assets and liabilities based on their relative fair values at the acquisition date.

The following table summarizes the provisional value of the assets and liabilities of SINGIDUNUM-BUILDINGS DOO at the acquisition date of the remaining 20,01% on 16.03.2021:

<i>Amount in € thousands</i>	
Tangible assets	60
Inventories	72.945
Trade and other receivables	174
Cash and cash equivalents	5
Borrowings	(37.520)
Trade and other payments	(512)
<b>Net asset value</b>	<b>35.152</b>
Minus: value of current investment in Singidunum - Buildings DOO	(28.652)
<b>Consideration paid 20,01%</b>	<b>6.500</b>

The consideration paid for the acquisition of 20,01% of the company SINGIDUNUM-BUILDINGS DOO amounted to €6,50mil. The consideration was lower than the value of the assets and liabilities acquired by €669k and as a result the resulting difference has been included in the cost of inventories in the consolidated financial statements.

## 3. GREEN VOLT P.C.

The Group, on June 2022, acquired the 67,71% of the company GREEN VOLT P.C. through participation in share capital increase amounting €1,65 million. The company is considered a subsidiary and will be involved in the sector of renewable energy.

The transaction constitutes an acquisition of an asset, since the above entity has no operation other than the possession of electricity production licenses, and has been recognized based on the scope of IFRS 3 "Business Combinations" par. 2(b) in the financial statements as at 31.12.2022. Therefore, the Group recognized the acquired assets and liabilities at cost, which was allocated to the individual identifiable assets and liabilities based on their fair values at the acquisition date.

The table below presents the net asset value of GREEN VOLT P.C. at the date of the acquisition of the 67,71% on 02.02.2022:

<i>Amounts in € thousands</i>	
Tangible assets	144
Intangible assets	615
Trade and other receivables	219
Cash and cash equivalent	1.476
Trade and other payables	(17)
<b>Net asset value</b>	<b>2.437</b>
Minus: Dividends payable	(787)
<b>Consideration paid 67,71%</b>	<b>1.650</b>

The consideration paid for the acquisition of 67,71% of GREEN VOLT P.C. amounted to €1,65 million. The consideration was lower compared to the net asset value acquired by €24 thousand, thus the difference arising has been included in the cost of the intangible assets in the consolidated financial statements.



**10. Inventories**

Amounts in € thousands

	<b>GROUP</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>
Land for sale	25.528	25.528
Property for sale	1.077	1.244
Property under development	1.072.281	940.803
Merchandise	8	8
<b>Total</b>	<b>1.098.893</b>	<b>967.583</b>
<b>Minus:</b> provision for impairment		
Property under development	(11.026)	-
Land for sale	(19.418)	(18.708)
Property for sale	(525)	(678)
	<b>(30.969)</b>	<b>(19.386)</b>
<b>Net realisable value</b>	<b>1.067.924</b>	<b>948.197</b>
Non-current assets	830.613	606.051
Current assets	237.310	342.146
<b>Total</b>	<b>1.067.924</b>	<b>948.197</b>

At the reporting date, inventory include land for sale, property for sale and property under development for the purpose of future sale within the ordinary course of business of the Group and are being measured at the lower of cost and net realizable value (NRV).

<b>Property under development</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
<b>Balance as at 01.01.2022</b>	<b>940.803</b>	-
Additions due to acquisition of HELLINIKON S.M.S.A. (note 9)	-	804.738
Infrastructure cost	27.674	11.962
Transfers from investment property – at fair value (note 6)	118.796	6.493
Transfers from investment property – at cost (note 6)	-	14.431
Transfers to investment property – at cost (note 6)	(4.803)	-
Transfers from tangible assets (note 7)	1.942	-
Transfers from right of use assets (note 19)	8.600	-
Impairment	(11.026)	-
Inventories sales	(19.481)	-
Changes in infrastructure costs (note 22)	(1.250)	30.234
Acquisition of interest held in participation (note 9)	-	72.945
<b>Balance as at 31.12.2022</b>	<b>1.061.255</b>	<b>940.803</b>

Inventories that have been classified as current assets as at 31.12.2022, include land under construction, amounting to €168,6m (31.12.2021: €261,8m), which relate to plots of land in Elliniko, that are expected to be sold directly to third parties within the normal operating cycle of the Group at the initial phase of investment period.

Inventories that have been classified as non-current assets as at 31.12.2022, amounting to €830,6m (31.12.2021: €606,1m) relate to land and property of the area in Elliniko, which the Group intends to keep for their development and sale beyond the usual operating cycle and during the rest of the investment period.

In addition to the above, at the reporting date the Group owns land for sale in Greece in the Perdika area of Aegina with a fair value of €5,85m (31.12.2021: €5,85m), as well as in the Balkans and more specifically in Montenegro at Budva with a fair value of €0,26m (31.12.2021: €0,97m).

The Group according to the estimates of the Management (including valuations by external independent valuers) proceeded to an impairment test of the inventories held on 31 December 2022 and there was need to reduce the carrying amount of the inventories – “property under development” and of the inventories – “land for sale” to their net realizable value. As of 31 December 2022, impairment losses were recognized amounting to €11m for inventories of property under development and €0,7m for inventories of land for sale.

Part of the Group’s inventory has encumbrances and pre-notations on 31.12.2022.

**11. Trade and other receivables**

Amounts in € thousands

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Trade receivables	36.011	20.152	314	708
Minus: provision for impairment of trade receivables	(11.828)	(11.159)	-	-
<b>Trade receivables – net</b>	<b>24.183</b>	<b>8.993</b>	<b>314</b>	<b>708</b>
VAT receivable and other receivables from Public sector <sup>2</sup>	34.483	25.234	5.663	12.535
Receivables from refund of property transfer tax <sup>5</sup>	9.275	16.323	-	-
Government rebate from rent reduction <sup>1</sup>	2.803	4.366	-	-
Undisbursed loan issuance costs	9.405	-	-	-
Advances to suppliers <sup>3</sup>	20.717	892	1.117	1.121
Prepaid land lease	8.955	9.164	-	-
Receivables from related parties <sup>4</sup> (note 34)	456	31	11.428	45.591
Loans to related parties (note 34)	3.429	3.301	90.311	87.533
Deferred expenses	14.362	6.824	8.426	4.679
Dividends receivables from related parties (note 34)	-	-	3.773	24.882
Minus: provision for impairment	(152)	(58)	(51)	(75)
Other receivables	7.810	4.063	467	493
<b>Total</b>	<b>135.726</b>	<b>79.133</b>	<b>121.448</b>	<b>177.467</b>
<b>Receivables analysis:</b>				
Non-current assets	21.842	29.225	4.690	84.594
Current assets	113.884	49.908	116.758	92.873
<b>Total</b>	<b>135.726</b>	<b>79.133</b>	<b>121.448</b>	<b>177.467</b>

<sup>1</sup> State compensation from discounts on rents

According to the Legislative Content Act (GG A' 68) and subsequent ministerial decisions, the associate shopkeepers/tenants were exempted from the obligation to pay their full rent for the months of January to May 2021. Respectively for the same period the Government will compensate the Group by paying 60% of the rents. The government has extended the measure of reduction of professional leases by 40% and 100% with a corresponding compensation of 60%, for the months of June and July of 2021 to specific categories of entrepreneurs. The total amount of state compensation, from discounts on rents, granted for the period from January to June 2021 amounted to €16,7m out of which up to 31.12.2021 an amount of €12,4m has been collected. Within 2022, an additional €2,0m has been collected, while newly acquired subsidiary DESIGNER OUTLET ATHENS S.M.L.L.C. has also a corresponding receivable of €0,5m.

<sup>2</sup> VAT receivable and other receivables from Public sector

The increase in the Group's receivables on 31.12.2022 comparative to 31.12.2021 is mainly due to the VAT receivable from the development of the Ellinikon project.

<sup>3</sup> Advances from suppliers

The increase in advance payments to Group suppliers on 31.12.2022 compared to 31.12.2021 is mainly due to the advance payment of €17,4 million paid in May 2022 by HELLINIKON S.M.S.A. at AVAX S.A. within the framework of the contract for the infrastructure construction projects of Phase I of the Ellinikon project.

<sup>4</sup> Receivables for related parties

The decrease in receivables from related parties of the Company on 31.12.2022 compared to 31.12.2021 is mainly due to the collection of an intra-group receivable from HELLINIKON S.M.S.A..

<sup>5</sup> Receivables from property transfer tax

The subsidiary L.O.V. S.M.S.A. ("L.O.V.") had to pay for the transfer of specific real property in the past (on 2006), property transfer tax of approximately €13,7m, reserving its rights regarding this tax and finally taking recourse to the administrative courts against the silent rejection of its reservations by the competent Tax Authority. In 2013 the said recourse was accepted in part and the re-calculation of the owed property tax was ordered, which led to the returning to LOV of an amount of approximately €9,5m. Further to appeals on points of law filed by both parties, the Council of State rejected LOV's appeal and accepted the Hellenic Republic's appeal. Consequently, the case was referred back to the Administrative Court of Appeals, which initially postponed the issue of a final decision and obliged the parties to adduce evidence for the determination of the market value of the property, after resuming hearing of the case, the Administrative Court of Appeals finally rejected the recourse, determined the taxable value of the property and obliged the competent Tax Authority to re-calculate the transfer tax due upon the new taxable value. Following this decision, LOV had to pay

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transfer tax of approximately €16,3m. Filing of an appeal on points of law is pending and is estimated by the legal counsels of the Company to have high chances of success. In specific, grounds of appeal challenging recalculation of transfer tax upon the market value of the property, to the extent it exceeds the objective value, are expected to succeed with very high probability. The hearing of the appeal was held on 25.5.2022 and on 18.1.2023 Council of State decision No 54/2023 was issued, which remains unclear. According to its published order, the appeal of L.O.V. is accepted and the decision of the Administrative Court of Appeal which calculated the taxable value of the property based on the market value is annulled, to the extent that it exceeds the objective value. Following this, a new tax settlement and return to L.O.V. is expected, equal to the excess amount of approximately €9.3 million (including interest until 31.12.2022).

The classification of the item "Trade and Other Receivables" of the Group and the Company to financial and non-financial assets and the expected credit loss (ECL) allowance for financial assets as at 31 December 2022 and 31 December 2021 is presented below:

### Group

	Simplified approach	General approach			Total
		Stage 1	Stage 2	Stage 3	
<b>Financial assets</b>					
Gross carrying amount 31.12.2022	80.631	-	-	-	<b>80.631</b>
ECL (Expected Credit Loss) allowance	(11.980)	-	-	-	<b>(11.980)</b>
<b>Net carrying amount 31.12.2022</b>	<b>68.651</b>	-	-	-	<b>68.651</b>
Non-financial assets 31.12.2022	67.075	-	-	-	<b>67.075</b>
<b>Total trade and other receivables 31.12.2022</b>	<b>135.726</b>	-	-	-	<b>135.726</b>

### Company

	Simplified approach	General approach			Total
		Stage 1	Stage 2	Stage 3	
<b>Financial assets</b>					
Gross carrying amount 31.12.2022	20.213	-	-	119.945	<b>140.158</b>
ECL (Expected Credit Loss) allowance	(51)	-	-	(32.748)	<b>(32.799)</b>
<b>Net carrying amount 31.12.2022</b>	<b>20.162</b>	-	-	<b>87.197</b>	<b>107.359</b>
Non-financial assets 31.12.2022	14.089	-	-	-	<b>14.089</b>
<b>Total trade and other receivables 31.12.2022</b>	<b>34.251</b>	-	-	<b>87.197</b>	<b>121.448</b>

### Group

	Simplified approach	General approach			Total
		Stage 1	Stage 2	Stage 3	
<b>Financial assets</b>					
Gross carrying amount 31.12.2021	32.805	-	-	-	<b>32.805</b>
ECL (Expected Credit Loss) allowance	(11.217)	-	-	-	<b>(11.217)</b>
<b>Net carrying amount 31.12.2021</b>	<b>21.588</b>	-	-	-	<b>21.588</b>
Non-financial assets 31.12.2021	57.545	-	-	-	<b>57.545</b>
<b>Total trade and other receivables 31.12.2021</b>	<b>79.133</b>	-	-	-	<b>79.133</b>

### Company

	Simplified approach	General approach			Total
		Stage 1	Stage 2	Stage 3	
<b>Financial assets</b>					
Gross carrying amount 31.12.2021	75.793	-	-	115.728	<b>191.521</b>
ECL (Expected Credit Loss) allowance	(75)	-	-	(31.193)	<b>(31.268)</b>
<b>Net carrying amount 31.12.2021</b>	<b>75.718</b>	-	-	<b>84.535</b>	<b>160.253</b>
Non-financial assets 31.12.2021	17.214	-	-	-	<b>17.214</b>
<b>Total trade and other receivables 31.12.2021</b>	<b>92.932</b>	-	-	<b>84.535</b>	<b>177.467</b>

- Expected credit loss (ECL) allowance - Simplified approach

The Group and the Company apply the simplified approach mainly on restricted cash, prepayments to third parties and other receivables. Specifically, the Group applies the simplified approach on lease receivables by using a credit loss provisioning table based on maturity of outstanding claims whereas the Company on trade receivables from sales to related parties.

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The Group considering the impact from the COVID-19 pandemic, applied certain ECL approaches at sectors that were significantly affected mainly in the Food & Beverage and cultural units.

- Expected credit loss (ECL) allowance - General approach

The Company applies the general approach on receivables from loans and interest from related parties.

Stage 3 includes loans amounting to €101,2m, impaired by €17,7m, granted by the parent company to its subsidiaries HELLINIKON S.M.S.A., LAMDA DEVELOPMENT ROMANIA S.R.L., LAMDA DEVELOPMENT SOFIA E.O.O.D., ROBIES SERVICES LTD and LAMDA DEVELOPMENT MONTENEGRO DOO (note 34). For these loans, interest receivables of €18,8m have been recognized which have been impaired by €15,0m. Financial assets in Stage 3 are considered credit impaired and credit losses are recognized over their lifetime.

During 2022, the Group according to IFRS 9 recognized expected credit loss amounting €118 thousands (2021: €2.220 thousands) which relates to trade and other receivables, as well as time and restricted cash deposits (notes 26 and 29).

### VAT and Public Sector receivables

Regarding the VAT receivables, the amount is not discounted. The VAT receivables can be presented as receivables to be offset up to 5 years and can be offset with VAT payables. For "VAT receivables and receivables from Public Sector" item no expected credit loss provision has been applied.

## 12.Cash and cash equivalents

Amounts in € thousands

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Cash at bank	344.987	152.013	52.414	31.485
Short-term deposits	170.000	10.000	160.000	-
Cash in hand	527	389	22	20
<b>Total</b>	<b>515.515</b>	<b>162.402</b>	<b>212.436</b>	<b>31.505</b>

Taking into account the credit status of the banks that the Group keeps its current accounts, no significant credit losses are anticipated. The above comprise the cash and cash equivalents used for the purposes of the cash flow statement.

Regarding the deposits and cash at bank of the Group and the Company, those are placed in banks that are classified in the external credit rating of Moody's. The credit risk of the total cash equivalents ("Cash and cash equivalents" and "Restricted cash") that were placed in banks is classified in the following table according to the credit risk rate as per table below:

(Moody's Rating)	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>A1</b>	242	157	99	100
<b>Ba2</b>	477.216	-	213.188	-
<b>Ba3</b>	215.670	-	177.474	-
<b>B2</b>	-	498.602	-	384.215
<b>B3</b>	-	40.177	-	24.170
<b>n/a</b>	206	77	-	-
	<b>693.334</b>	<b>539.013</b>	<b>390.761</b>	<b>408.485</b>

The outstanding balance of "Cash and cash equivalents" relates to cash at bank and cash in hand. As at 31.12.2022, cash at bank were concentrated in mainly 3 banking organizations in Greece at a rate greater than 10%, which constitutes a significant credit risk issue. No significant losses are expected due to the creditworthiness of the banks in which the Group maintains its various bank accounts. Credit risk of bank deposits reduced within 2022, as this was reflected also in international credit rating agencies' reports.

**13. Restricted cash**

Amounts in € thousands

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Cash at bank	178.347	377.000	178.347	377.000
<b>Total</b>	<b>178.347</b>	<b>377.000</b>	<b>178.347</b>	<b>377.000</b>
Non-current assets	11.347	167.000	11.347	167.000
Current assets	167.000	210.000	167.000	210.000
<b>Total</b>	<b>178.347</b>	<b>377.000</b>	<b>178.347</b>	<b>377.000</b>

In order to secure the bond loan, which was signed by the Company with the banks " Eurobank S.A." and "Piraeus Bank S.A.", from which is expected to cover part of the amount of funds that the Group will invest within the first five years for the development of the Property (note 9), the Company granted a cash collateral of €167m which will be released, for the payment of the 2nd installment of the Share Acquisition Price of " HELLINIKON S.M.S.A." on the 2nd anniversary of the Transfer Date and an additional amount of €210m for the payment of the initial share capital of the special purpose companies that will be established for the commercial development on Vouliagmenis Avenue (Vouliagmenis Mall) and the commercial development within the area of the marina of Aghios Kosmas (Riviera Galleria). On 31.12.2022 the total of €210 million had been released, as the amount was used as part of the initial share capital of the subsidiary LAMDA ELLINIKON MALLS HOLDING S.M.S.A. (note 9).

**14. Financial instruments by category**

Amounts in € thousands

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>Financial assets</b>				
<b>Debt instruments at amortized cost:</b>				
Trade receivables	24.183	8.993	314	708
Receivables from related parties	456	31	11.428	45.591
Loans to related parties	3.429	3.301	90.311	87.533
Dividend receivables	-	-	3.773	24.882
Undrawn loan issuance costs	9.405	-	-	-
Advance payments to suppliers	20.717	892	1.117	1.121
Other financial assets	10.461	8.371	416	418
Cash and cash equivalents	515.515	162.402	212.436	31.505
Restricted cash	178.347	377.000	178.347	377.000
<b>Equity instruments at fair value through profit or loss:</b>				
Other financial assets <sup>1</sup>	11.757	756	817	756
<b>Derivatives at fair value through profit or loss:</b>				
Derivative financial instruments	5.273	310	-	-
<b>Derivatives at fair value through OCI:</b>				
Derivative financial instruments	4.994	-	-	-

<sup>1</sup> Other financial assets relate to corporate non-listed bonds and stocks that have been classified to the level 3 of the fair value measurement hierarchy.

Amounts in € thousands

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>Financial liabilities</b>				
<b>Financial liabilities at amortized cost:</b>				
Trade payables	63.312	35.391	10.711	13.722
Liabilities to related parties	-	-	10.211	6.888
Dividends payable to non-controlling interests	342	4.602	-	-
Property pre-sales HELLINIKON S.M.S.A.	43.551	23.200	500	500
Other financial payables	24.050	14.914	10	11
Borrowings (bank and bond loans)	1.162.661	721.420	598.648	359.026
Consideration payable for the acquisition of HELLINIKON S.M.S.A.	518.528	501.245	-	-

**Derivatives at at fair value through profit or loss:**

Derivative financial instruments	-	-	-	-
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**Derivatives at at fair value through OCI:**

Derivative financial instruments	-	376	-	-
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**15.Share capital and share premium**

<i>Amounts in € thousands</i>	<b>Number of shares</b>	<b>Ordinary shares</b>	<b>Share premium (after transaction costs)</b>	<b>Total</b>
<b>1 January 2021</b>	<b>176.736.715</b>	<b>53.021</b>	<b>971.555</b>	<b>1.024.576</b>
Change in income tax rate	-	-	(68)	(68)
<b>31 December 2021</b>	<b>176.736.715</b>	<b>53.021</b>	<b>971.487</b>	<b>1.024.508</b>
<b>1 January 2022</b>	<b>176.736.715</b>	<b>53.021</b>	<b>971.487</b>	<b>1.024.508</b>
Change in income tax rate	-	-	-	-
<b>31 December 2022</b>	<b>176.736.715</b>	<b>53.021</b>	<b>971.487</b>	<b>1.024.508</b>

Share's nominal value of the Company is €0,30.

**16.Treasury shares**

Treasury shares schedule 24.06.2021-23.06.2023

The Annual Ordinary General Meeting of the Company's Shareholders, during the meeting of 23.06.2021, approved the purchase of own shares within a period of 24 months, ie from 24.06.2021 to 23.06.2023, up to 10% of its total share capital, with maximum purchase price of €14,00 per share and minimum purchase price equal to the nominal value, ie €0,30 per share and instructed the Board of Directors to implement this decision, in cases where it deems it necessary. The Board of Directors of the Company during its meeting on 23.06.2021, decided to proceed with the implementation of the above decision, judging that this served its interests.

According to the above, the total number of treasury shares held by the Company on 31.12.2022 amounts to 2.382.693 treasury shares, which represent 1,348% of the total number of common registered shares of the Company.

	<b>Number of shares</b>	<b>Treasury share in € thousands</b>
<b>1 January 2021</b>	-	-
Acquisition of treasury shares	533.292	(3.729)
<b>31 December 2021</b>	<b>533.292</b>	<b>(3.729)</b>
<b>1 January 2022</b>	<b>533.292</b>	<b>(3.729)</b>
Acquisition of treasury shares	1.849.401	(12.119)
<b>31 December 2022</b>	<b>2.382.693</b>	<b>(15.848)</b>

## 17. Other reserves

<i>Amounts in € thousands</i>	<b>Statutory – Tax-free reserves</b>	<b>Hedging reserves <sup>1</sup></b>	<b>Employees share option scheme</b>	<b>Cumulative actuarial gains <sup>1</sup></b>	<b>Currency translation differences</b>	<b>Total</b>
<b>GROUP</b>						
<b>1 January 2021</b>	<b>9.396</b>	<b>(819)</b>	<b>198</b>	<b>(47)</b>	<b>44</b>	<b>8.772</b>
Changes during the year	696	619	7.139	(72)	102	8.484
<b>31 December 2021</b>	<b>10.092</b>	<b>(200)</b>	<b>7.337</b>	<b>(119)</b>	<b>146</b>	<b>17.256</b>
<b>1 January 2022</b>						
<b>1 January 2022</b>	<b>10.092</b>	<b>(200)</b>	<b>7.337</b>	<b>(119)</b>	<b>146</b>	<b>17.256</b>
Changes during the year	(68)	3.591	7.038	72	(273)	10.360
<b>31 December 2022</b>	<b>10.024</b>	<b>3.391</b>	<b>14.375</b>	<b>(47)</b>	<b>(127)</b>	<b>27.616</b>

<sup>1</sup> Reserves from the cumulative actuarial losses and the hedging reserves are disclosed net of deferred tax.

<i>Amounts in € thousands</i>	<b>Statutory – Tax-free reserves</b>	<b>Employees share option scheme</b>	<b>Cumulative actuarial gains <sup>1</sup></b>	<b>Total</b>
<b>COMPANY</b>				
<b>1 January 2021</b>	<b>2.970</b>	<b>198</b>	<b>(36)</b>	<b>3.132</b>
Changes during the year	-	7.139	(53)	7.086
<b>31 December 2021</b>	<b>2.970</b>	<b>7.337</b>	<b>(89)</b>	<b>10.218</b>
<b>1 January 2022</b>				
<b>1 January 2022</b>	<b>2.970</b>	<b>7.337</b>	<b>(89)</b>	<b>10.218</b>
Changes during the year	-	7.038	22	7.060
<b>31 December 2022</b>	<b>2.970</b>	<b>14.375</b>	<b>(67)</b>	<b>17.278</b>

<sup>1</sup> Reserves from the cumulative actuarial losses are disclosed net of deferred tax.

## Statutory reserve - Special and extraordinary reserves - Tax free reserve

**(a)** A legal reserve is created under the provisions of Greek law (Law 2190/20, articles 44 and 45) 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 can not be used for any other purpose.

**(b)** Tax-free and special taxed reserves are created under the provisions of tax law from tax free profits or from income or profits taxed under special provisions.

The abovementioned reserves can be capitalised or distributed, after the approval of the Annual General meeting, after taking into consideration the restrictions which will apply at each time. The Group does not intend to distribute or capitalise these reserves and therefore did not account for the tax liability which would arise in such case.

## Stock option plan

The Stock Acquisition Program Reserve concerns a program for the provision of stock option options to the Company's employees, as well as to the employees of its affiliated companies within the meaning of Article 32 of Law 4308/2014.

The Extraordinary General Meeting of the Company's Shareholders, held on Tuesday, December 22, 2020, approved the establishment and implementation of a Share Allocation Program in the form of stock options, in accordance with the provisions of article 113 of Law 4548/2018 to executives of the Management and the staff of the Company, as well as to the staff of companies affiliated to it within the meaning of article 32 of Law 4308/2014 (hereinafter the Program). The stock option for acquisition of shares are divided into a) "Initial rights", which will amount to a maximum of 5.500.000 shares of the Company (ie 3,112% of the share capital of the Company) and b) "Additional rights", which will amount to a maximum of up to 2.750.000 shares of the Company (ie 1,556% of the share capital of the Company). The offering price of each share available under

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the Program is set at €6,70. In order to satisfy the options that will be exercised within the framework of the Program, the Company will proceed to a corresponding increase of its share capital and issue of new shares, in accordance with the provisions of article 113 of Law 4548/2018. The duration of the Program is set at six (6) years, starting from December 2020 and ending in December 2026. The Extraordinary General Meeting of Shareholders approved the granting of authorization to the Board of Directors, as determined by the beneficiaries of the Program, the specific conditions for granting and exercising the rights, as well as any other condition deemed necessary or expedient for the implementation of the Program, the relevant legal framework and the best practices applied by the Company, within the responsibilities of the Board of Directors.

The purpose of the Program is to recognize the contribution of the Company's personnel / Executives in increasing the value of the Company and to provide the possibility of long-term capital investment, by creating "ownership interest" and finally, by linking the performance of each participant with corporate performance.

The Board of Directors of the Company, upon the relevant recommendation of the Chief Executive Officer, is solely responsible for the selection at its sole discretion of those Participants, to whom DPAM will be granted, while determining the number of DPAM granted to each Beneficiary, the contribution of each Beneficiary to the work and performance of the Company and the Group, in combination with its operational level of responsibility. Detailed report on the Program is made at the Company's website [www.lamdadev.com](http://www.lamdadev.com).

The rights that mature and for whatever reason were not exercised in the respective years, may be exercised in whole or in part until December 2026. Upon exercise of the options, the revenue collected, after deducting any transaction costs, is credited to the share capital (at nominal value) and at share premium.

The exercise price of the options has been determined by the General Assembly.

The estimated appraisal value of the fair value of the initial options granted during the year ended 31 December 2020 was €3,33 per option. This value includes all possible scenarios regarding the chances of exercising and the additional rights. The fair value at the date of issue is determined independently, using the model "Binomial options pricing model" which includes Monte Carlo simulation taking into account the exercise price, the duration of the option, the impact of impairment of earnings per share (where significant), the date of purchase of the share and the expected volatility of the share prices, the expected return on dividends, the risk-free interest rate for the duration of the option and the correlations and fluctuations of the group companies.

The assumptions of the model include:

- a) the options are granted in relation to the services provided and mature in 2, 3, or 5 years. Mature rights can be exercised in whole or in part until December 2026.
- b) exercise price: €6,70
- c) date of concession: 23 December 2020
- d) expiry date: 22 December 2026
- e) share price at the date of concession: €7,11
- f) expected volatility of the Company's share price: 36.3%
- g) expected dividend yield: 0%
- h) interest - free interest rate: 0%.

Expected price volatility is based on historical volatility (based on the remaining life of the rights), adjusted for any expected future changes due to publicly available information.

The first maturity date of the options is 22 December 2022. During 2022 no rights have been exercised by the beneficiaries of the above program. On 31.12.2022 the total outstanding (not exercised) options were 8.250.000.

The total fair value of the rights, which was valued based on "Binomial options pricing model", amounted to €18,3m from which amount of €7.038 thousands was recorded in the Income Statement of 2022.



**18. Borrowings**

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<i>Amounts in € thousands</i>				
<b>Non-current borrowings</b>				
Bond loans	541.257	314.098	541.257	314.098
Bank bond loans	213.959	357.487	-	-
Bank loans	20.020	-	-	-
Intercompany loans (note 34)	-	-	-	33.243
Other borrowings	109	109	-	-
<b>Total non-current borrowings</b>	<b>775.346</b>	<b>671.694</b>	<b>541.257</b>	<b>347.341</b>
<b>Current borrowings</b>				
Bond loans <sup>1</sup>	(1.743)	-	(1.743)	-
Bank bond loans	364.927	14.199	-	-
Bank loans	12.975	30.020	7.975	-
Intercompany loans (note 34)	-	-	35.843	2.600
Interest payable	11.156	5.507	15.316	9.085
<b>Total current borrowings</b>	<b>387.315</b>	<b>49.726</b>	<b>57.391</b>	<b>11.685</b>
<b>Total borrowings</b>	<b>1.162.661</b>	<b>721.420</b>	<b>598.648</b>	<b>359.026</b>

<sup>1</sup> Amount of €(1.743) at current Bond loans relates to unamortized issue costs which are accounted through effective interest rate method.

Movement in borrowings is as per below:

**1.1-31.12.2022**

	GROUP	COMPANY
<i>Amounts in € thousands</i>		
<b>Balance as of 1 January 2022</b>	<b>721.420</b>	<b>359.026</b>
Proceeds from borrowings	707.975	237.975
Business combination (note 9)	69.650	-
Interest paid	(33.120)	(15.819)
Interest charged	38.768	21.024
Repayment of interest (intercompany)	-	(112)
Interest charged (intercompany)	-	1.137
Refinance of bank bond loans	5.500	-
Borrowings transaction costs – amortization	4.703	1.301
Borrowings transaction costs	(11.963)	(5.884)
Repayment of borrowings	(340.272)	-
<b>Balance as of 31 December 2022</b>	<b>1.162.661</b>	<b>598.648</b>

**1.1-31.12.2021**

	GROUP	COMPANY
<i>Amounts in € thousands</i>		
<b>Balance as of 1 January 2021</b>	<b>719.207</b>	<b>374.570</b>
Proceeds from borrowings	10.870	-
Business combination (note 9)	37.520	-
Interest paid	(25.443)	(12.497)
Interest charged	25.357	12.497
Repayment of interest (intercompany)	-	(6.555)
Interest charged (intercompany)	-	1.071
Refinance of bank bond loans	4.900	-
Recognition of interest at fair value	652	-
Borrowings transaction costs – amortization	1.516	937
Borrowings transaction costs	(32)	-
Repayment of borrowings	(30.465)	(10.997)
Sale of subsidiary (note 9)	(22.662)	-
<b>Balance as of 31 December 2021</b>	<b>721.420</b>	<b>359.026</b>

Bank bond loans and bank loans are secured by mortgages and promissory notes on the Group's investment properties (note 6), on the Group's inventories (note 10), in some cases by additional pledging the shares of each subsidiary (note 9), as well as/or by assignment on bank deposits, lease and commercial cooperation contracts, letters of guarantee, insurance claims, as well as the Company's own shares.

## Annual financial report for the year ended 31 December 2022

The total borrowings as at 31.12.2022 includes unamortized bond issue costs amounting to €16m (31.12.2021: €8,7m), out of which amount of €5,3m corresponds to short-term borrowings while the remaining €10,7m to long-term borrowings. As at 31.12.2022, part of the unamortized costs are the unamortized issue costs for the Common Bond Loan issued by the Company on July 21, 2020 amounting to €4,9m and unamortized issue costs for the Green Bond issued by the Company on July 12, 2022 amounting to €5,6m.

On 31.12.2022, short-term bank bond loans mainly include the bank bond loan of the subsidiary company L.O.V. S.M.S.A. ("LOV") which signed on 29.07.2022 a new common bond programme with Eurobank and Piraeus Bank for an amount of up to €365 million with three distinct series and an interest rate of 2.70% plus 3-month Euribor. Until 31.12.2022, an amount of €361 million has been disbursed, which is classified in the short-term part of the Group's borrowings. The Group in cooperation with the banks, is planning to refinance the said loan, as well as the bank loans of the rest of Shopping Malls, in the context of planned restructure withing 2023.

The short-term bank borrowings include also the Credit Agreement with open account of the Company with Piraeus Bank for amount up to €10 million, which was signed on 06.06.2022. As at 31.12.2022, the amount of said loan amounted to €7,98 million.

The maturity of non-current borrowings is as follows:

<i>Amounts in € thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Between 1 and 2 years	12.446	11.100	(1.826)	33.243
Between 2 and 5 years	471.278	169.041	314.561	-
Over 5 years	291.622	491.553	228.522	314.098
<b>Total</b>	<b>775.346</b>	<b>671.694</b>	<b>541.257</b>	<b>347.341</b>

The fair value of the loans with floating rate approaches their carrying amount as it is presented in the Statement of Financial Position.

The fair value estimation of the total borrowings is based on inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

On 31.12.2022, the average base effective interest rate of the Group is 0,78% and the average bank spread is 3,35%. Therefore, the Group total effective borrowing rate stands at 4,12% on 31.12.2022.

On 29.03.2021, the refinancing of the bond loan of €4,9m of the subsidiary LAMDA Prime Properties S.M.S.A. was completed, with Alpha Bank with a new maturity date on 30.06.2027. During July 2022 LAMDA Prime Properties S.M.S.A. signed the new bond loan with Eurobank of 5,5 million, of floating rate based on the 3-month Euribor plus an average margin of 2,80% with a duration of 7 years. The following financial covenants must be satisfied: Loan to value < 60% and Debt Service Coverage Ratio > 115%. The annual principal repayments are €165 thousand for the first 3 years, €220 thousand for the next 4 years and the outstanding balance will be paid at the maturity date amounting to €4,1m. The common bond loan of the Company is secured by pledging the shares of the Company, mortgage on the investment property (Cecil office complex) as well as by pledging and assigning private lease agreements, bank accounts, insurance contracts and letters of guarantees. At the same time, in July 2022, the Company fully repaid the existing bond loan with Alpha Bank.

The subsidiary Singidunum Buildings DOO, in Serbia, signed, on 16.12.2022, the amendment of the original Financing Agreement with the credit institutions «Eurobank Cyprus Limited», «Alpha Bank S.A.» and «Eurobank Direktna a.d., Belgrade». The new maturity date of the initial Financing Agreement is set for 30.06.2025. The outstanding principal on 31.12.2022 amounts to €25,02m.

The subsidiary L.O.V. S.M.S.A. («LOV») signed on 23.06.2020 with «National Bank of Greece S.A.» («NBG») programme and subscription agreement for the issuance of a bond loan of an amount of up to €220m («Bond Loan») with a duration of 7 years comprising of three distinct series. Two out of three series have been disbursed on June 30th, 2020 which were utilized on the disbursement date for the fully repayment of the (a) outstanding balance of L.O.V.'s loan issued on 30.05.2007 with initial amount €154,1m and (b) the outstanding balance of L.O.V.'s intercompany loan issued by Company on 27.04.2020 amounting to €11,0m, hence total amount of €165,1m has been disbursed. On 31<sup>st</sup> July 2020 the third series has been partially disbursed, amounting to €44.9m. Finally, on 30.09.2021 the remaining balance of €10,0m has been disbursed. On 29.07.2022, L.O.V. signed a new common bond programme with Eurobank and Bank of Piraeus amounting

## Annual financial report for the year ended 31 December 2022

€365 million comprising of three distinct series and interest rate of 2,70% plus the 3-month Euribor reference rate. On August 2022 amount of €361 million was utilized from all three distinct series which were used for the repayment of the existing bond loan with NBG amounting €209,5 million (including accrued interest), as well as for the acquisition of 31,7% of LAMDA MALLS S.A., previously held by Wert Blue Sar, 100% subsidiary of Värde Partners, and the full acquisition of DESIGNER OUTLET ATHENS S.M.L.L.C. (former McArthurGlen Hellas S.M.L.L.C.), as described in note 9.

On July 21, 2020 the Company issued a 7-year Common Bond Loan by means of a Public Offering and issued Bonds' admission to trading in the Fixed Income Securities Segment of the Regulated Market of the Athens Stock Exchange, raising funds amounting to €320 m. Following the above issuance, on July 24, 2020, the Company repaid the total outstanding principal amounting to €81.1m including the corresponding interest of the secured syndicated bond loan with Alpha Bank, Piraeus Bank and Eurobank, as this obligation was directly linked to the issuance of the Common Bond Loan with public offering and listing to trading in the Organized Market category on the Athens Stock Exchange (Section 4.1.2 Reasons for Issuing the CBL and Use of Funds of the Prospectus). The Company's Common Bond Loan at a consolidated and corporate level must meet the ratio Adjusted Assets to Adjusted Total Liabilities  $\geq 135\%$ .

On 12 July 2022, the Company through Public Offering issued a new Common Bond Loan under the Green Bond Framework, with a duration of 7 years and the admission of the Bonds issued to trading on the Fixed Income Securities Segment of the Regulated Market of the Athens Exchange, raising funds of €230 million. The offering price of the Bonds is at par, namely at €1,000 per Bond. The final yield of the Bonds was set at 4.70 % and the Bonds' interest rate at 4,70% per annum. The expenses relating to the Issue are estimated at approximately €7m and will be deducted from the total proceeds of the Issue. The proceeds, minus the estimated expenses of the issue of the CBL, will amount to the net amount of approximately €223 million. The issue of the CBL is part of the Green Bond Framework, dated 29.06.2022, adopted by the Group, in accordance with the international Green Bond Principles of the International Capital Market Association (ICMA, June 2021) (hereinafter the "Green Bond Framework"). The net proceeds will be allocated, until the end of the year 2025, exclusively to Green Investments, as defined in the Green Bond Framework and, more specifically, to the following categories of eligible investments under the Green Bond Framework:

<b>Category:</b>	<b>€ Amount in millions</b>
(i) Sustainable buildings and sustainable urban landscapes	€85m to €110m
(ii) Green energy	€65m to €85m
(iii) Smart city	€45m to €60m

Detailed information on the above (i), (ii) and (iii) categories of Green Investments is included in the Prospectus approved by the Board of Directors of the Hellenic Capital Market Commission on 01.07.2022. It is clarified that the proceeds of the CBL will be used either by the Company and/or subsidiaries of the Group and/or other companies or joint ventures, in which the Company and/or companies of the Group participate or will participate, through a capital increase or through acquisitions or through a convertible bond loan, under the following notes. For investment categories (ii) and (iii), as indicated below, it is noted, that in the event that the proceeds return to the Issuer, the final use of the proceeds will be completed by mid-2026. It is clarified that with respect to categories (ii) and (iii) above, the allocation of the proceeds of up to €35 million may be made through convertible bond loans (by the Company to subsidiaries of the Group and/or other companies or joint ventures in which the Company and/or subsidiaries of the Group participate or will participate), which will finance Green Energy up to €25 million and/or Smart Cities up to €10 million, as set out in the Green Bond Framework.

The conversion of the bond loans into shares will be completed, according to relevant provisions to be agreed, by the end of year 2025 at the latest. In the event that any relevant convertible bond loan is not converted into shares, it will be repaid and the proceeds will be returned to the Issuer by the end of 2025. These proceeds will then finance Green Investments in Green Energy up to €25 million and/or Smart Cities up to €10 million, as set out in the Green Bond Framework, until mid-2026. Therefore, the timetable for the use of these proceeds for eligible investment categories (ii) and (iii) will be completed by mid-2026.

Any use of a maximum/lower limit of the range in any of the three aforementioned investment categories results in the adjustment of the amounts of the remaining categories so that the amounts of the individual categories add up to the total net proceeds of the new Common Bond Loan. The product of the Issue until allocation will be invested in short-terms placements of low-risk, such as, indicatively, time deposits and repos.

Debt Covenants

The Company's Common Bond Loan issued in July 2020 must on a consolidated level satisfy an Adjusted Assets to Adjusted Total Liabilities ratio of  $\geq 135\%$ . The Company's new Common Bond Loan issued in July 2022 must, on a consolidated level, satisfy an Adjusted Assets to Adjusted Total Liabilities ratio of  $\geq 1.35x$  and a Total Secured Financial Liabilities / Adjusted Assets ratio of  $\leq 0.65x$ . The Company's subsidiary LAMDA DOMI S.M.S.A secured syndicated bond loan of current balance €80,2m, granted by the banking institutions Eurobank, Alpha Bank, Piraeus Bank and HSBC France has the following covenants: Loan to value  $< 60\%$  and Debt Service Ratio  $> 120\%$ . Also, the secured bond loan of the Company's subsidiary PYLAIA S.M.S.A. granted by Eurobank, of current balance €68,8m has the following covenants: Loan to value  $< 60\%$  and Debt Service Ratio  $> 120\%$ . For L.O.V. S.M.S.A. the secured bond loan granted by Eurobank and Piraeus Bank of current balance €361m, has no obligation to meet any financial covenants. Also, for the secured bond loan of LAMDA PRIME PROPERTIES S.M.S.A. of current balance €5,46m granted by Eurobank has the following covenants: Loan to value  $< 60\%$  and Debt Service Ratio  $> 115\%$ . Finally, for the bank loan of DESIGNER OUTLET ATHENS S.M.L.L.C. (former McArthurGlen Hellas S.M.L.L.C.) of current balance €68,95m granted by Piraeus Bank has the following covenants: Loan to value  $< 70\%$  and Debt Service Coverage Ratio  $> 115\%$ . As of 31.12.2022, all the above financial ratios are satisfied at Group and Company level.

**Financing for the development of the Property of Ellinikon**

The Company, on 27.01.2020 signed with "Eurobank S.A." and "Piraeus Bank S.A." the "Heads of Terms" regarding the bank financing intended to cover part of the capital to be invested by the Group during the first five years of the Ellinikon project development.

On 07.04.2021, the Company signed with the aforementioned banks an agreement for the update of the "Head of Terms". This update emanated from the gradual evolution and maturity of the Company's plans regarding the envisaged projects and investments during the first five years of the Project. The aforementioned bank financing agreement includes:

(a) the financing of infrastructure and other developments' works during the first five years of the Project (Phase A), as well as the financing of V.A.T., with a bond loan of up to €442m to be issued by HELLINIKON S.M.S.A. (plus an amount of up to €100m for financing of recoverable V.A.T. cost), with a duration of 10 years from the Transfer Date,

(b) the financing of the commercial development on Vouliagmenis Avenue (Vouliagmenis Mall), as well as the financing of V.A.T., with a bond loan of up to €415m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an amount of up to €86m for financing recoverable V.A.T. cost), with a duration of 6 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 5 years, reaching 11 years in total from first loan drawdown),

(c) the financing of the commercial development within the Aghios Kosmas Marina (Riviera Galleria), as well as the financing of V.A.T., with the issuance of a bond loan of up to €102m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an additional amount of up to €19m for financing of recoverable V.A.T. cost), with a duration of 5 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 6 years, reaching 11 years in total from the loan first drawdown) and in conjunction with the financing mentioned in points (a) and (b) above,

(d) the issuance of a letter of guarantee of €175m, to secure the fulfillment of LAMDA DEVELOPMENT S.A. obligations to cover any cost overruns of Phase A of the Project, as well as to cover any shortfall in sales and/or assets exploitation intended to finance Phase A of the Project budget I. Following the written agreement dated 29.06.2022 with the Representative of the Bondholders, the amount of the aforementioned Letter of Guarantee was reduced from €175 million to €160 million.

Regarding the (a) above, HELLINIKON S.M.S.A. signed on 06.04.2022 with the banks "Eurobank S.A." and "Piraeus Bank S.A." the bond program and subscription agreement for the financing of infrastructure and other developments' works of Phase A of up to €394m, as well as for the financing of V.A.T. (additional amount up to €100m), with a duration until the completion of 10 years from the Date of Transfer, a fact that covers its revised needs. Regarding, (d) above, LAMDA DEVELOPMENT S.A. signed on 06.04.2022 the relevant contractual documents.

Regarding the (b) and (c) above the Company is still in progress to finalize the contractual agreements with the mandated lead arranger banks.

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In addition, within the context of the Agreement, a letter of guarantee was issued by "EUROBANK S.A." and delivered to the HRADF as security for the deferred payment amount. More specifically, on the Transfer Date (25.06.2021), the subsidiary "HELLINIKON GLOBAL I S.A.", the Buyer, as provided in the Agreement, issued a Letter of Guarantee in favor of the HRADF for an amount equal to the present value of the deferred payment amount, i.e. an amount of €347,2m, calculated according to the terms of the Agreement. The abovementioned amount of the Deferred Payment Bond will be recalculated annually, on each Transfer Date anniversary, in accordance with the provisions of the transfer agreement, with a maximum amount of €347,2m. On 31.12.2022, the outstanding balance of the Letter of Guarantee amounted to €344,3m.

Furthermore, in order to secure the above Letter of Guarantee, the Company signed on 24.06.2021, with "Eurobank S.A." as a Bondholder Agent and with bank institutions "Eurobank S.A." and "Piraeus Bank S.A.", as lenders, a bond loan of up to €347,2m ("Bond Loan"), which can be issued and covered over a period of 10 years and 6 months. As a security of the abovementioned Bond Loan, the Company granted a cash collateral of €167m, which will be released for the payment of the second installment of the Purchase Price of shares of "HELLINIKON S.M.S.A." on the second anniversary of the Transfer Date and an additional amount of €210m for the payment of the initial share capital of the special purpose vehicles that will be established for the commercial development on Vouliagmenis Avenue (Vouliagmenis Mall) and the commercial development within the area of the marina of Aghios Kosmas (Riviera Galleria). On 31.12.2022 the total of €210 million had been released, as the amount was used as part of the initial share capital of the subsidiary LAMDA ELLINIKON MALLS HOLDING S.M.S.A. (note [9](#)).

It is noted that the interest rate of all financings is floating and the expected margin has been determined on standard market terms. In the context of the financings, which are foreseen to be governed by Greek law, and to secure their repayment, the provision of collateral rights is provided, which is common in such project finance as, for example, establishment of mortgage on assets (of HELLINIKON S.M.S.A. and of the abovementioned special purpose vehicles, which will carry out the commercial developments Vouliagmenis Mall and Marina Galleria), restrictions on distributions to shareholders pertaining to each loan, pledge of the shares of the subsidiaries involved in borrowings and pledge of part of the receivables and sources of revenue from the operation of the Project, as well as on the receivables from the Share Purchase Agreement. Furthermore, regarding the financing of the projects of the first five years, a specific mechanism is envisaged for the control and use of the proceeds from the sales of assets, and amongst other things, the use of a part of them to finance the Project budget.

The syndicated secured bond loan of the subsidiary HELLINIKON S.M.S.A. which was signed on 06.04.2022 with Eurobank and Piraeus Bank, which remains undrawn till 31.12.2022, as HELLINIKON S.M.S.A. has the necessary liquidity for the implementation of Ellinikon project, must satisfy the following covenants: Loan to value (till the completion of the project)  $\leq 65\%$ , Loan to value (after the completion of the project)  $\leq 75\%$ , Debt Service Cover ratio  $\geq 110\%$ , Loan to Cost (Years 1-3 from Transfer Date)  $\leq 35\%$ , Loan to Cost (Year 4 and after the Transfer Date)  $\leq 30\%$ .

**Total debt**

The Group defines as "Total Debt" the total of "Borrowings" (non-current and current portion), including "Lease Liabilities" (non-current and current portion) and "Consideration payable for the acquisition of HELLINIKON S.M.S.A.".

The change in total debt is presented below:

GROUP	Balance 31.12.2021	Cash flow	Non-cash changes							Balance 31.12.2022
			Accrued interest	Borrowings issue costs - amortization	Acquisition/ Disposal of subsidiary	Additions / remeasurement of leases	Lease modifications	Additions due to remeasur- ment of liabilities	Reversal of discounting	
Amounts in € thousands										
Borrowings (non-current and current)	721.420	329.827	38.768	4.701	67.945	-	-	-	-	1.162.661
Lease Liabilities (non-current and current)	182.912	(12.493)	8.867	-	-	350	102	1.598	-	181.336
Consideration payable for the acquisition of HELLINIKON S.M.S.A.	501.245	-	-	-	-	-	-	-	17.283	518.528
<b>Total</b>	<b>1.405.577</b>	<b>317.334</b>	<b>47.635</b>	<b>4.701</b>	<b>67.945</b>	<b>350</b>	<b>102</b>	<b>1.598</b>	<b>17.283</b>	<b>1.862.525</b>

GROUP	Balance 31.12.2020	Cash flow	Non-cash changes							Balance 31.12.2021
			Accrued interest	Borrowings issue costs - amortization	Recognition of interest at fair value	Acquisition / Disposal of subsidiary	Additions / remeasurement of leases	Concessions in rents	Reversal of discounting	
Amounts in € thousands										
Borrowings (non-current and current)	719.311	(40.273)	25.357	1.516	652	14.857	-	-	-	721.420
Lease Liabilities (non-current and current)	185.155	(7.628)	8.940	-	-	-	409	(3.964)	-	182.912
Consideration payable for the acquisition of HELLINIKON S.M.S.A.	-	(300.000)	-	-	-	792.752	-	-	8.493	501.245
<b>Total</b>	<b>904.466</b>	<b>(347.901)</b>	<b>34.297</b>	<b>1.516</b>	<b>652</b>	<b>807.609</b>	<b>409</b>	<b>(3.964)</b>	<b>8.493</b>	<b>1.405.577</b>

## 19. Leases

The Group leases fixed assets through operating leases which mainly consist of land plots, offices and motor vehicles. The most valuable lease contract of the Group is the concession agreement until 2065 for the land plot on which the Mediterranean Cosmos shopping center was developed and operates and is leased out by Ecumenical Patriarchate, the Landlord of the plot area as well as the lease of the exploitation rights of Flisvos marina until 2049 from the Public Property Company SA (former Greek Touristic Property SA). The remaining rental contracts are made for a period between 2 and 5 years and may have extension options. The Company leases motor vehicles from leasing companies and office building space from a subsidiary company of the Group for a period not exceeding the 4 years.

The lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The variances of the right-of-use assets for the Group and the Company are presented below:

### Group

Amounts in € thousands

	Properties under development	Motor vehicles	Marina facilities & berths	Office space	Total
<b>Right-of-use assets - 1 January 2022</b>	<b>40.625</b>	<b>910</b>	<b>93.079</b>	<b>5.715</b>	<b>140.329</b>
Additions due to remeasurement of lease assets	-	-	440	-	440
Additions	-	358	-	-	358
Change in fair value through income statement	-	102	-	-	102
Depreciation	(98)	(427)	(3.457)	(737)	(4.720)
Transfers to investment properties (note 6)	(3.859)	-	-	-	(3.859)
Transfers from investment properties (note 6)	23.370	-	-	-	23.370
Transfers to inventories (note 10)	(8.600)	-	-	-	(8.600)
Transfers to tangible assets (note 7)	(15.637)	-	-	-	(15.637)
<b>Right-of-use assets - 31 December 2022</b>	<b>35.801</b>	<b>943</b>	<b>90.062</b>	<b>4.978</b>	<b>131.783</b>

### Company

Amounts in € thousands

	Office space	Motor vehicles	Total
<b>Right-of-use assets - 1 January 2022</b>	<b>7.372</b>	<b>784</b>	<b>8.156</b>
Additions	140	(208)	69
Depreciation	(1.636)	(249)	(1.885)
Leases amendments	-	102	102
<b>Right-of-use assets - 31 December 2022</b>	<b>5.876</b>	<b>428</b>	<b>6.304</b>

Amount of €78.438 thousands (31.12.2021: €77.680 thousands) concerns the property of the Mediterranean Cosmos shopping center which is leased on the basis of operating lease and is classified according to the IFRS 16 standard "Leases" under "Investment property" (note 6). The right-of-use assets regarding the exploitation of tourist port concern the operational lease for the exploitation of Flisvos Marina.

### Group

Amounts in € thousands

	Properties under development	Motor vehicles	Marina facilities & berths	Office space	Total
<b>Right-of-use assets - 1 January 2021</b>	<b>-</b>	<b>791</b>	<b>96.790</b>	<b>6.452</b>	<b>104.033</b>
Additions due to acquisition of HELLINIKON S.M.S.A. (note 9)	26.619	-	-	-	26.619
Additions	14.055	410	-	-	14.465
Depreciation	(49)	(291)	(3.711)	(737)	(4.788)
<b>Right-of-use assets - 31 December 2021</b>	<b>40.625</b>	<b>910</b>	<b>93.079</b>	<b>5.715</b>	<b>140.329</b>

## Annual financial report for the year ended 31 December 2022

### Right-of-use asset HELLINIKON S.M.S.A.

In "Properties under development" and particularly in "Additions due to acquisition of HELLINIKON S.M.S.A." (note 9), leases refer to land plots with a surface right for 99 years amounting to €26.619 thousand, of which €8.831 thousand relates to tangible assets and €17.788 thousand to inventories under development for subsequent sale. Also, in "Properties under development" the "Additions for the year" amounting to €14.055 thousand refer to the cost of real estate development in areas with a surface right for 99 years, out of which €14.032 thousand relates to tangible assets and €23 thousand to inventories. The part of the leases related to Investment properties has already been included in the "Investment properties", while the part of the respective obligation does not appear as it is part of the payment of the 1st installment of the price of €300 million.

### Company

Amounts in € thousands

	Office space	Motor vehicles	Total
<b>Right-of-use assets - 1 January 2021</b>	<b>6.453</b>	<b>634</b>	<b>7.087</b>
Additions	2.485	387	2.872
Depreciation	(1.566)	(237)	(1.803)
<b>Right-of-use assets - 31 December 2021</b>	<b>7.372</b>	<b>784</b>	<b>8.156</b>

The recognized lease liabilities for the Group and the Company are as follows:

### Group

Amounts in € thousands

	Land plot	Motor vehicles	Marina facilities & berths	Office space	Total
<b>Lease liabilities - 1 January 2022</b>	<b>77.680</b>	<b>924</b>	<b>98.420</b>	<b>5.888</b>	<b>182.912</b>
Additions due to remeasurement of lease liabilities	1.158	-	440	-	1.598
Additions	-	349	-	-	349
Accrued interest	3.460	45	5.142	220	8.867
Lease payments	(3.860)	(460)	(7.332)	(840)	(12.492)
Leases amendments	-	102	-	-	102
<b>Lease liabilities - 31 December 2022</b>	<b>78.438</b>	<b>960</b>	<b>96.670</b>	<b>5.268</b>	<b>181.336</b>
Current lease liabilities					3.094
Non-current lease liabilities					178.242
<b>Total</b>					<b>181.336</b>

### Company

Amounts in € thousands

	Office space	Motor vehicles	Total
<b>Lease liabilities - 1 January 2022</b>	<b>7.577</b>	<b>797</b>	<b>8.374</b>
Additions	140	(216)	(76)
Accrued interest	276	27	303
Lease payments	(1.792)	(270)	(2.062)
Leases amendments	-	102	102
<b>Lease liabilities - 31 December 2022</b>	<b>6.201</b>	<b>440</b>	<b>6.641</b>
Current lease liabilities			1.751
Non-current lease liabilities			4.890
<b>Total</b>			<b>6.641</b>



## Annual financial report for the year ended 31 December 2022

### Group

Amounts in € thousands

	Land plot	Motor vehicles	Marina facilities & berths	Office space	Total
<b>Lease liabilities - 1 January 2021</b>	<b>78.057</b>	<b>794</b>	<b>99.820</b>	<b>6.484</b>	<b>185.155</b>
Additions	-	409	-	-	409
Accrued interest	3.436	36	5.224	244	8.941
Lease payments	(3.331)	(315)	(3.143)	(840)	(7.629)
Concession in rents	(482)	-	(3.482)	-	(3.964)
<b>Lease liabilities – 31 December 2021</b>	<b>77.680</b>	<b>924</b>	<b>98.419</b>	<b>5.888</b>	<b>182.912</b>
Current lease liabilities					3.097
Non-current lease liabilities					179.815
<b>Total</b>					<b>182.912</b>

### Company

Amounts in € thousands

	Office space	Motor vehicles	Total
<b>Lease liabilities - 1 January 2021</b>	<b>6.484</b>	<b>636</b>	<b>7.120</b>
Additions	2.485	387	2.872
Accrued interest	328	30	358
Lease payments	(1.603)	(256)	(1.859)
Concession in rents	(117)	-	(117)
<b>Lease liabilities – 31 December 2021</b>	<b>7.577</b>	<b>797</b>	<b>8.374</b>
Current lease liabilities			1.697
Non-current lease liabilities			6.677
<b>Total</b>			<b>8.374</b>

The lease liabilities as at 31.12.2022 are payable as follows:

Amounts in € thousands	<u>Group</u>	<u>Company</u>
No later than 1 year	3.094	1.751
Between 1 and 2 years	3.194	938
Between 3 and 5 years	10.026	2.335
Over than 5 years	165.022	1.617
<b>Total</b>	<b>181.336</b>	<b>6.641</b>

The effect that resulted for the Group from the application of the amendment of IFRS 16 "Concessions to rents related to COVID-19", corresponds to an amount of a total of € 3.964 thousand for the period 2021, which is included in the Income Statement and specifically in the line "Expenses related to investment property" (note [26](#)) amount of €482 thousand and in the line "Other (expenses) / operating income (net)" amount of €3.482 thousand (note [29](#)).

The Group and the Company do 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. Net employee defined benefit liabilities

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

Amounts in € thousand

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>Amounts recognized in the Statement of Financial Position</b>				
Present value of obligations	940	914	468	459
Fair value of plan assets	-	-	-	-
<b>Net liability recognized in the Statement of Financial Position</b>	<b>940</b>	<b>914</b>	<b>468</b>	<b>459</b>

The amounts recognized in the Income Statement are as follows:

	GROUP		COMPANY	
	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<b>Amounts recognized in the Income Statement</b>				
Service cost	171	130	62	85
Interest cost	5	1	2	1
<b>Regular effect in Income Statement</b>	<b>176</b>	<b>131</b>	<b>64</b>	<b>85</b>
Recognition of past service cost	-	23	-	3
Settlement / Curtailment / Termination loss / (gain)	553	1.952	320	614
Restructuring expense	12	-	12	-
Intragroup personnel transfer	-	-	(16)	(136)
<b>Total effect in Income Statement</b>	<b>741</b>	<b>2.106</b>	<b>380</b>	<b>567</b>

The amounts recognised in the Other Comprehensive Income are as follows:

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>Remeasurements</b>				
Actuarial gain/(loss) due to changes in assumptions	146	(11)	49	(4)
Actuarial gain/(loss) due to experience	(56)	(82)	(20)	(63)
<b>Total effect in Other Comprehensive Income</b>	<b>90</b>	<b>(93)</b>	<b>28</b>	<b>(67)</b>

Movement of liability the Statement of Financial Position:

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>Defined Benefit Obligation - start of the year</b>	<b>914</b>	<b>796</b>	<b>459</b>	<b>549</b>
Service cost	171	130	62	85
Interest cost	5	1	2	1
Benefits paid	(625)	(2.081)	(342)	(724)
Recognition of past service cost	-	23	-	3
Settlement / Curtailment / Termination loss / (gain)	553	1.952	320	614
Restructuring expense	12	-	11	-
Intragroup personnel transfer	-	-	(16)	(136)
Actuarial (gain)/loss	(90)	93	(28)	67
<b>Defined Benefit Obligation - end of the year</b>	<b>940</b>	<b>914</b>	<b>468</b>	<b>459</b>
<b>Cumulative effect in Other Comprehensive Income (before deferred taxation)</b>	<b>(61)</b>	<b>(151)</b>	<b>(85)</b>	<b>(114)</b>

## Annual financial report for the year ended 31 December 2022

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

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Discount rate	3,82%	0,66%	3,82%	0,66%
Inflation rate	2,70%	2,20%	2,70%	2,20%
Salaries increase percentage	2,70%	2,20%	2,70%	2,20%
Weighted plan duration	6,92	5,28	3,53	3,87

In case that the discount rate changes by -0,5%, the impact to the Group defined benefit pension plans would increase by €24 thousands. In case that the salaries change by +0,5%, the change to the Group defined benefit pension plans of the Group would increase by €24 thousands.

The estimated undiscounted future contributions that derive by the defined benefit pension plans until the retirement of the last employee of the Group are as follows:

	31.12.2022	
	GROUP	COMPANY
No later than 1 year	369	266
Between 1 and 2 years	1	-
Between 2 and 5 years	131	67
More than 5 years	663	211
	<b>1.164</b>	<b>544</b>

## 21. Trade and other payables

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Trade payables <sup>4</sup>	63.312	35.391	10.711	13.722
Liabilities to related parties <sup>5</sup> (note 34)	-	-	10.211	6.888
Social security cost and other taxes / charges	5.569	4.886	798	1.251
Provision L.O.V. S.M.S.A. for the obligation based on P.D. and completion cost for The Mall Athens <sup>1</sup>	9.516	9.800	-	-
Provision L.O.V. S.M.S.A. for deferred consideration of acquisition of Designer Outlet Athens <sup>2</sup>	8.003	-	-	-
Unearned income (contract liabilities)	18.700	19.029	-	-
Unearned income (contract liabilities) HELLINIKON S.M.S.A. <sup>6</sup>	96.571	2.838	-	-
Accrued expenses <sup>7</sup>	33.803	15.624	8.870	6.710
Dividends payable to non-controlling interests	342	4.602	-	-
Pre-sales property of HELLINIKON S.M.S.A. <sup>3</sup>	43.551	23.200	500	500
Payment in advance related to sale of joint venture (note 9)	-	250	-	250
Other liabilities <sup>4</sup>	6.531	5.114	13	11
<b>Total</b>	<b>285.898</b>	<b>120.734</b>	<b>31.103</b>	<b>29.332</b>
Non-current	20.673	21.378	-	-
Current	265.225	99.356	31.103	29.332
<b>Total</b>	<b>285.898</b>	<b>120.734</b>	<b>31.103</b>	<b>29.332</b>

<sup>1</sup> The subsidiary L.O.V. S.M.S.A. in the context of Presidential Decree ("P.D.") for the approval of the Urban Plan of the area in which the shopping center "The Mall Athens" is located, has cumulatively recognized in the financial statements of 31.12.2022 a total provision of €9,5 million. This amount is an estimate and can be adjusted by the process of implementation of the obligations arising from the specific P.D.

<sup>2</sup> The subsidiary L.O.V. S.M.S.A. in the context of the acquisition of the company DESIGNER OUTLET ATHENS S.M.L.L.C. (former MCARTHURGLEN HELLAS S.M.L.L.C.) which took place during August 2022, has

## Annual financial report for the year ended 31 December 2022

cumulatively recognized in the financial statements of 31.12.2022 a total provision of €8 million as a deferred purchase consideration.

<sup>3</sup> The Group has received from reservations of property from potential buyers of real estate in Ellinikon €43,6 million up to 31.12.2022 (31.12.2021: €23,2m).

<sup>4</sup> Trade and other payables' carrying amounts value approach their fair value which is calculated according to the fair value hierarchy 3 as described in note [3.4](#). Other liabilities mainly include guarantees received from Group companies' tenants. The increase of trade payables and other liabilities compared to 31.12.2021 is mainly due to the increased activity of Hellinikon, as the actions to complete the planned projects are intensified, as well as the integration of the liabilities of newly acquired company DESIGNER OUTLET ATHENS S.M.L.L.C. (former MCARTHURGLEN HELLAS S.M.L.L.C.).

<sup>5</sup> The increase in liabilities to related parties of the Company on 31.12.2022 compared to 31.12.2021 is mainly related to the due share capital of subsidiaries amounting to €3,75 million (note [9](#)).

<sup>6</sup> The significant increase in unearned income (contract liabilities) compared to the year ended 31.12.2021, is mainly related to the gradual revenue recognition over time or at a later point in time from the sales of properties of HELLINIKON S.M.S.A., which results from the fulfillment of the relevant performance obligations under IFRS 15.

<sup>7</sup> The outstanding balance of accrued expenses includes unbilled services received by the Group's companies in the course of their normal activity during the year. The variation compared to the corresponding period last year is due to the intensification of the projects carried out in the wider area of Hellinikon, as also described above.

### 22. Provisions for infrastructure investments for HELLINIKON S.M.S.A.

<i>Amounts in € thousands</i>	<b>GROUP</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>
Provisions for infrastructure investments for HELLINIKON S.M.S.A.	628.614	635.008
Non-current	507.354	479.553
Current	121.260	155.455
<b>Total</b>	<b>628.614</b>	<b>635.008</b>

#### Estimated cost of infrastructure projects

As at 31.12.2022, the estimated cost of the infrastructure projects concerns the unavoidable obligation of the Group, as defined in the share purchase agreement for the acquisition of 100% of the shares of HELLINIKON S.M.S.A. and for a specific time period, for the implementation of public benefit projects such as roads, utility networks, underground and footbridges, etc. which will be transferred to the ownership of the Greek State upon their completion free of charge. The amount of €628,6m relates to the present value of provisions (note [9](#)).

<i>Amounts in € thousands</i>	<b>GROUP</b>
<b>Balance 31.12.2021</b>	-
Acquisition of shares of HELLINIKON S.M.S.A. (note <a href="#">9</a> )	590.528
Utilization during the period	(15.323)
Additions during the period due to revised budget	49.700
Finance cost (note <a href="#">30</a> )	10.103
<b>Balance 31.12.2021</b>	<b>635.008</b>
Utilization during the period	(25.285)
Finance cost (note <a href="#">30</a> )	20.731
Additions during the period due to revised budget	58.555
Impact from change in discount rate <sup>1</sup>	(60.395)
<b>Balance 31.12.2022</b>	<b>628.614</b>

<sup>1</sup> It concerns the impact of the increase in the discount rate on 31.12.2022 which reflects current market conditions based on IAS 37.

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Below, a table is presented with the analysis of the maturity of the provisions (at present value) for infrastructure investments for HELLINIKON S.M.S.A. for required future cash outflows:

All amounts in € thousands

31 December 2022	GROUP				Total
	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	
Provisions for infrastructure investments for HELLINIKON S.M.S.A.	121.260	107.269	161.752	232.333	628.614

### 23. Derivative financial instruments

Amounts in € thousands	GROUP			
	31.12.2022		31.12.2021	
	Assets	Liabilities	Assets	Liabilities
Interest rate swaps – cash flow hedges (IRS)	10.267	-	310	376
<b>Total</b>	<b>10.267</b>	<b>-</b>	<b>310</b>	<b>376</b>
Non-current	10.267	-	310	376
Current	-	-	-	-
<b>Total</b>	<b>10.267</b>	<b>-</b>	<b>310</b>	<b>376</b>

The Company does not own derivative financial instruments.

The nominal value of the loans that have been offset by Interest Rate Swaps (IRS) on 31.12.2022, concern the subsidiaries LAMDA DOMI S.M.S.A., €42,5m Series A and €17,6m Series B, ending in November 2025, and PYLAIA S.M.S.A., €51,6m ending in May 2026. Interest rate swaps have been valued at fair value. As at 31.12.2022, the variable interest rates on long-term borrowings covered by financial hedging interest derivatives were based on the 3-month Euribor reference interest rate plus an average margin of 3,07% for the subsidiary LAMDA DOMI S.M.S.A. and Euribor 3 months plus 3% margin for the subsidiary PYLAIA S.M.S.A.

In the consolidated Statement of Financial Position, from the total fair value of the derivative financial instruments, (which is described under hierarchy 2 in note [3.4](#)), as long-term liability is presented the remaining duration of the covered loan agreement which is hedged and exceeds 12 months.

The movement in fair value is related to the effective portion of the cash flow hedge and is recognized in Other Comprehensive Income (special reserve of equity) or through the Income Statement. 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 ratio.

### 24. Deferred 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 been offset are as follows:

Amounts in € thousands	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Deferred tax liabilities:	(204.090)	(175.975)	-	-
Deferred tax assets:	521	677	329	546
	<b>(203.569)</b>	<b>(175.298)</b>	<b>329</b>	<b>546</b>

## Annual financial report for the year ended 31 December 2022

The amounts which have not been offset are as follows:

<i>Amounts in € thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Deferred tax liabilities:	(347.299)	(175.140)	(61)	(61)
Deferred tax assets:	143.730	(158)	390	607
	<b>(203.569)</b>	<b>(175.298)</b>	<b>329</b>	<b>546</b>

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

<i>Amounts in € thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
<b>Opening balance</b>	<b>(175.298)</b>	<b>(111.593)</b>	<b>546</b>	<b>4.588</b>
Charged / (credited) in the income statement	(14.119)	(74.132)	(211)	(3.665)
Effect due to change in the income tax rate through the income statement	-	8.941	-	(323)
Charged / (credited) in equity	(1.199)	(299)	(6)	20
Effect due to change in the income tax rate through equity	-	(47)	-	(74)
Acquisition of interest held in participation	(12.953)	-	-	-
Sale of subsidiary	-	1.832	-	-
<b>Closing balance</b>	<b>(203.569)</b>	<b>(175.298)</b>	<b>329</b>	<b>546</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 per below.

**Deferred Tax Liabilities:****GROUP***Amounts in € thousands*

	<b>Depreciation &amp; cost difference</b>	<b>Revenue recognition</b>	<b>Net profit / (losses) from fair value adjustment on investment property, inventories and loans</b>	<b>Derivative financial instruments</b>	<b>Other</b>	<b>Total</b>
<b>1 January 2021</b>	<b>55.558</b>	<b>66</b>	<b>62.214</b>	-	<b>963</b>	<b>118.801</b>
Charged / (credited) in the income statement	(16.934)	(171)	76.098	-	(822)	58.171
Acquisition of interest held in participation	-	-	(1.832)	-	-	(1.832)
<b>31 December 2021</b>	<b>38.624</b>	<b>(105)</b>	<b>136.480</b>	-	<b>141</b>	<b>175.140</b>
<b>1 January 2022</b>	<b>38.624</b>	<b>(105)</b>	<b>136.480</b>	-	<b>141</b>	<b>175.140</b>
Charged / (credited) in the income statement	(35.057)	258	191.403	1.077	343	158.024
Charged / (credited) in equity	-	-	-	1.182	-	1.182
Sale of subsidiary	-	-	12.953	-	-	12.953
<b>31 December 2022</b>	<b>3.567</b>	<b>153</b>	<b>340.836</b>	<b>2.259</b>	<b>484</b>	<b>347.299</b>

**COMPANY***Amounts in € thousands*

	<b>Depreciation &amp; cost difference</b>	<b>Other</b>	<b>Total</b>
<b>1 January 2021</b>	<b>70</b>	<b>284</b>	<b>354</b>
Charged / (credited) in the income statement	(9)	(284)	(293)
<b>31 December 2021</b>	<b>61</b>	-	<b>61</b>
<b>1 January 2022</b>	<b>61</b>	-	<b>61</b>
Charged / (credited) in the income statement	-	-	-
<b>31 December 2022</b>	<b>61</b>	-	<b>61</b>

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Deferred Tax Assets:

GROUP	Provision for impairment of receivables	Tax losses	Costs of share capital issue	Provision for redundancy	Derivative financial instruments	Right-of-use assets and lease liabilities	Provisions for infrastructure investments	Revenue recognition	Other	Total
<i>Amounts in € thousands</i>										
<b>1 January 2021</b>	<b>695</b>	<b>4.329</b>	<b>293</b>	<b>136</b>	<b>540</b>	<b>730</b>	-	-	<b>485</b>	<b>7.208</b>
(Charged) / credited in the income statement	(408)	(4.281)	(31)	(18)	(230)	(1.706)	-	-	(346)	(7.020)
(Charged) / credited in equity	-	-	(68)	18	(296)	-	-	-	-	(346)
<b>31 December 2021</b>	<b>287</b>	<b>48</b>	<b>194</b>	<b>136</b>	<b>14</b>	<b>(976)</b>	-	-	<b>139</b>	<b>(158)</b>
<b>1 January 2022</b>	<b>287</b>	<b>48</b>	<b>194</b>	<b>136</b>	<b>14</b>	<b>(976)</b>	-	-	<b>139</b>	<b>(158)</b>
(Charged) / credited in the income statement	125	1.556	(76)	79	(14)	(12.374)	138.295	16.453	(139)	143.905
(Charged) / credited in equity	-	-	-	(17)	-	-	-	-	-	(17)
<b>31 December 2022</b>	<b>412</b>	<b>1.604</b>	<b>118</b>	<b>198</b>	-	<b>(13.350)</b>	<b>138.295</b>	<b>16.453</b>	-	<b>143.730</b>

COMPANY

*Amounts in € thousands*

	Provision for impairment of receivables	Tax losses	Costs of share capital issue	Provision for redundancy	Other	Total
<b>1 January 2021</b>	<b>171</b>	<b>4.329</b>	<b>293</b>	<b>131</b>	<b>18</b>	<b>4.942</b>
(Charged) / credited in the income statement	(47)	(4.329)	(31)	(44)	170	(4.281)
(Charged) / credited in equity	-	-	(68)	14	-	(54)
<b>31 December 2021</b>	<b>124</b>	-	<b>194</b>	<b>101</b>	<b>188</b>	<b>607</b>
<b>1 January 2022</b>	<b>124</b>	-	<b>194</b>	<b>101</b>	<b>188</b>	<b>607</b>
(Charged) / credited in the income statement	(31)	-	(75)	8	(113)	(211)
(Charged) / credited in equity	-	-	-	(6)	-	(6)
<b>31 December 2022</b>	<b>93</b>	-	<b>119</b>	<b>103</b>	<b>75</b>	<b>390</b>



The following are also noted:

- Deferred tax assets are recognised 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.
- In relation to the deferred tax assets for tax losses, the Management estimates the anticipated future profitability of the Company, as well as its subsidiaries and at the level that the future results will not be sufficient to cover the tax losses, no deferred tax asset has been recognized.
- The Company has not recognised deferred tax assets with respect to accumulated tax losses as at 31.12.2022 of approximately €85 million (31.12.2021: €69 million).
- The Group has not recognised deferred tax assets with respect to accumulated tax losses as at 31.12.2022 of approximately €131 million (31.12.2021: €159 million).
- The largest proportion of deferred tax liabilities and assets are recoverable after 12 months from the balance sheet date as these relate primarily to temporary differences associated with depreciation differences, fair value changes for investment properties and inventory, provision for redundancy and tax losses.
- The share of non-controlling interests in the net deferred tax liability as at 31.12.2022 was €350 thousand (31.12.2021: €15.682 thousand).

## 25.Revenue

<i>Amounts in € thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>01.01.2022</b>	<b>01.01.2021</b>	<b>01.01.2022</b>	<b>01.01.2022</b>
	<b>to</b>	<b>to</b>	<b>to</b>	<b>to</b>
	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Revenue from property leasing – third parties	86.445	56.760	-	-
Revenue from property leasing – related parties	-	-	107	111
Berthing services	23.965	16.567	-	-
Parking revenue	7.973	5.223	-	-
Real estate management – third parties	398	113	26	24
Real estate management – related parties	-	32	295	350
Revenue from intragroup recharge of preliminary expenses regarding the development of Ellinikon Property <sup>1</sup>	-	-	27.561	41.061
Revenue from project management and supervision of construction <sup>3</sup>	862	-	-	-
Income from sales of inventories <sup>2</sup>	21.932	-	-	-
Consulting services – third parties	10	10	-	-
Consulting services – related parties	-	-	1.076	987
Other	111	385	-	-
<b>Total</b>	<b>141.696</b>	<b>79.090</b>	<b>29.065</b>	<b>42.533</b>

<sup>1</sup> Refer to any kind of remuneration of third parties (indicatively of designers, civil engineers, technicians, architects and other consultants and other experts), as well as includes apportionment of remuneration and benefits for staff employed directly for respective purposes and work, in the context of the development of the Ellinikon site.

<sup>2</sup> Income from sales of inventories include amount of €21.917 thousand which concerns revenue recognition of HELLINIKON S.M.S.A. from sales of apartments over time under IFRS 15.

<sup>3</sup> Revenue from project management and supervision of construction amounted to €862 thousand concerns relevant services provided to HELLINIKON S.M.S.A.'s customers in the context of sales of inventories (land).

As at 31.12.2022, HELLINIKON S.M.S.A. had signed final contracts for the sale of plots of land and apartments, contracts for the participation of customers in the corresponding infrastructure costs, as well as contracts for the management and supervision of construction projects on sold plots of land for a total amount of €445.402 thousand, out of which amount of €22.779 thousand was recognized as revenue during the year 2022. The remaining amount of revenue €422.623 thousand is expected to be recognized in the following periods either over time or at point in time under IFRS 15 principles.

Consolidated revenues amounted to €141,7m compared to €79,1m of year 2021. The significant increase in the Group's sales is mainly due to the mitigation of the effects of the COVID-19 pandemic on the revenues from the operation of the Group's shopping malls, as for the first semester of 2021 significant rent discounts were applied due to the mandatory exemption from the obligation to pay rents by law. In addition, the Group lost in the first half of 2021 a large part of the revenue from the operation of the car parking stations, revenue from the advertising exploitation of shopping malls and the variable consideration on the sales of the shopkeepers, due to the lockdown and the reduction in traffic and the sales of shopkeepers. At consolidated level in 2022, a positive effect on the change in revenue is the integration for a period of almost 5 months (from 06.08.2022) of the newly acquired shopping mall Designer Outlet Athens (€5,2m) as well as Marina of

## Annual financial report for the year ended 31 December 2022

Agios Kosmas, after the acquisition of the shares of HELLINIKON S.M.S.A. at the end of June 2021. Additionally, within the second half of 2022, the Group recorded total sales from the exploitation of the project in Ellinikon amount of €25,6 million (no revenue was recorded in 2021) and mainly concern (a) €21,9 million from residential projects (contracted sales of apartments) and (b) €3,2 million from contracted land rentals and construction project management and supervision services.

At Group level, the aggregate variable consideration for the year 2022 was €2,8m compared to €0,7m for the year 2021.

### 26. Expenses related to investment property

<i>Amounts in € thousands</i>	GROUP		COMPANY	
	01.01.2022	01.01.2021	01.01.2022	01.01.2021
	to	to	to	to
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Variable leases	(1.389)	(879)	-	-
Shopping center common charges <sup>2</sup>	(3.065)	(1.305)	-	-
Proportion in the common charges of vacant units	(820)	(874)	-	-
Parking expenses	(2.203)	(1.671)	-	-
Promotion and marketing expenses	(1.059)	(963)	-	-
Administrative and financial services	(259)	-	-	-
Technical advisors' fees	(233)	(255)	-	-
Insurance costs	(1.092)	(1.004)	-	-
Lawyer fees	(4)	(26)	-	-
Brokerage fees	-	(38)	-	-
Repair and maintenance costs	(617)	(1.111)	-	-
Taxes – charges	(867)	(816)	-	-
Provision for impairment of receivables	(115)	(1.408)	-	-
Concessions in rents <sup>1</sup>	-	482	-	-
Cleaning services <sup>2</sup>	(2.603)	(1.848)	-	-
Other	(366)	(167)	-	-
<b>Total</b>	<b>(14.671)</b>	<b>(11.883)</b>	<b>-</b>	<b>-</b>

<sup>1</sup> The impact from IFRS 16 (Amendment) «Covid-19 -Related Rent Concessions– Extension of application period» which amount to €482 thousands for 2021 as per note [19](#).

<sup>2</sup> Shopping center common charges and cleaning services of investment properties were increased during 2022 due to a) twelve months of operation in 2022 compared to approximately 8 months of operation in 2021, when during the first quarter protective measures against spread of COVID-19 were still in place, including the non-operation of Shopping Malls, b) the increased cost of energy from May 2022 as the contract provided for a locked-in price at the same level as in 2021 was expired, c) the increased cost of services from third parties (cleaning services, security etc.) due to the increase in employees' basic salaries.

### 27. Expenses related to the development of the Ellinikon site

<i>All amount in € thousands</i>	GROUP		COMPANY	
	01.01.2022	01.01.2021	01.01.2022	01.01.2021
	to	to	to	to
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Professional fees	(22.759)	(12.098)	(16.156)	(9.999)
Wages and salaries	(18.093)	(10.684)	(6.260)	(8.761)
Promotion and marketing expenses	(12.068)	(6.213)	(189)	(3.027)
Repair and maintenance costs	(308)	(293)	(25)	(254)
Common charges and consumables	(1.253)	(199)	(78)	(182)
Taxes – charges	(14.604)	(24)	(1)	(1)
Travel / transportation expenses	(391)	(93)	(132)	(83)
Insurance	(800)	(113)	(1)	(61)
Rents of operating leases	-	(1.138)	-	(1.135)
Cleaning services	(140)	(131)	-	-
Other	(3.201)	(993)	(402)	(532)
<b>Total</b>	<b>(73.617)</b>	<b>(31.979)</b>	<b>(23.244)</b>	<b>(24.035)</b>

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The increase of the expenses related to the development of the Ellinikon site during 2022 compared to 2021, is due to the acceleration of the implementation of the project in Ellinikon after the acquisition of the shares of HELLINIKON S.M.S.A on 25.06.2021.

### 28. Employee benefits expense

	GROUP		COMPANY	
	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<i>All amount in € thousands</i>				
Wages and salaries	(31.589)	(22.645)	(11.811)	(15.261)
Social security costs	(6.155)	(3.762)	(1.485)	(2.363)
Cost – defined contribution funds	(734)	(2.000)	(382)	(568)
Employee share option plan	(7.039)	(7.437)	(7.039)	(7.139)
Other benefits	(2.715)	(2.108)	(900)	(1.522)
<b>Total</b>	<b>(48.232)</b>	<b>(37.952)</b>	<b>(21.617)</b>	<b>(26.853)</b>

#### **Breakdown of employee benefits expense**

##### Income statement:

Wages and salaries	(23.324)	(21.022)	(15.357)	(13.617)
Expenses related to the Ellinikon development project	(18.093)	(10.684)	(6.260)	(8.761)
Capitalized expenses to the statement of financial position	(6.815)	(6.246)	-	(4.475)

<b>Total</b>	<b>(48.232)</b>	<b>(37.952)</b>	<b>(21.617)</b>	<b>(26.853)</b>
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The number of employees of the Group on 31.12.2022 amounted to 657 people and of the Company to 133 people. At the end of the fiscal year 2021, the number of employees of the Group amounted to 544 people and of the Company to 140 people.

The average employed staff of the Group during the year 2022 amounted to 611 people (2021: 483).

At a consolidated level, the number and the remuneration and expenses of the staff show a significant change mainly due to the hiring of staff by the Group regarding the Ellinikon development project.

### 29. Other operating income / (expenses) - net

	GROUP		COMPANY	
	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<i>Amounts in € thousands</i>				
Professional fees	(5.918)	(6.967)	(2.601)	(4.701)
Promotion and marketing expenses	(5.534)	(199)	(5.243)	-
Repair and maintenance costs	(939)	(1.030)	(162)	(276)
Common charges and consumables	(1.940)	(1.430)	(232)	(318)
Taxes – charges	(674)	(649)	(27)	(18)
Travel / transportation expenses	(346)	(207)	(256)	(146)
Insurance	(1.027)	(690)	(334)	(173)
Short term and low value leases	(111)	(294)	(72)	(196)
Donations and grants	(761)	(105)	(761)	(105)
Cleaning services	(692)	(653)	(97)	(170)
Concessions in rents <sup>1</sup>	-	3.482	-	-
Provision for impairment of receivables	(3)	(812)	-	(71)
Reversal of provision for impairment of receivables	45	-	25	-
Other	(5.176)	3.652	(571)	1.097
<b>Total</b>	<b>(23.076)</b>	<b>(5.902)</b>	<b>(10.331)</b>	<b>(5.077)</b>

<sup>1</sup> The impact from IFRS 16 (Amendment) «Covid-19 - Related Rent Concessions – Extension of application period» which amount to €3.482 thousands for 2021 as per note [19](#).

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Increase of other operating income / (expenses) – net in 2022 compared to 2021 is mainly related to the increased promotion and marketing expenses in 2022 and concessions in rents in 2021.

### 30. Finance income / (costs) - net

	GROUP		COMPANY	
	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<i>Amounts in € thousands</i>				
<b>Finance costs:</b>				
- Borrowings interest expense - contractual	(38.768)	(25.357)	(21.024)	(12.497)
- Borrowings interest expense – transaction costs (note 18)	(4.610)	(1.538)	(1.301)	(936)
- Expenses from loans granted from related parties (note 34)	-	-	(1.137)	(1.333)
- Recognition of interest at fair value	-	(652)	-	-
- Interest expense on lease liabilities (note 19)	(8.867)	(8.941)	(303)	(358)
- Finance cost related to consideration payable for the acquisition of HELLINIKON S.M.S.A. (note 9)	(17.283)	(8.493)	-	-
- Finance cost related to provisions for infrastructure investments for HELLINIKON S.M.S.A. (note 22)	(20.731)	(10.103)	-	-
- Other costs and commissions	(4.304)	(3.784)	(2.919)	(2.954)
	<b>(94.563)</b>	<b>(58.868)</b>	<b>(26.684)</b>	<b>(18.078)</b>
Net gains/(losses) from exchange differences	54	(24)	56	(11)
	<b>(94.509)</b>	<b>(58.892)</b>	<b>(26.628)</b>	<b>(18.089)</b>
<b>Finance income:</b>				
- Gains/(losses) from sale/valuation on derivative instruments at fair value through income statement	4.963	-	-	-
- Income from loans granted to related parties (note 34)	164	160	4.396	1.306
- Interest income	162	123	23	120
	<b>5.289</b>	<b>283</b>	<b>4.419</b>	<b>1.426</b>
<b>Total</b>	<b>(89.220)</b>	<b>(58.609)</b>	<b>(22.209)</b>	<b>(16.663)</b>

No borrowing costs have been capitalized during the years 2022 and 2021.

Increased interest expense of borrowings in 2022 compared to 2021 is mainly related to the increase of reference interest rates (EURIBOR), as well as due to the new bank and bond loans as explained in note 18.

### 31. Income tax

According to law 4799/2021 passed on 18.05.2021, the corporate income tax rate of legal entities in Greece is set for 2022 to 22% (2021: 22%).

The effective tax rate at Group and Company level based on their results of 2022 and 2021, is mainly affected by the non-recognition of deferred tax asset over the tax losses of the period.

The tax rate for the subsidiaries registered in foreign countries differs from country to country as follows: Serbia 15%, Romania 16%, Montenegro 9-15%, Luxembourg 24,94%, Bulgaria 10%, Cyprus 12,5% and Netherlands 19%-25,8%.

Under Greek tax regulations, an income tax advance calculation 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 against taxable profits for a period of five years from the year they are generated.

Companies which are under public status, are not subject to income tax. Respectively, HELLINIKON S.M.S.A. during its ownership by the HRADF, it was under public status and therefore not subject to income tax.

## Annual financial report for the year ended 31 December 2022

<i>Amounts in € thousands</i>	GROUP		COMPANY	
	01.01.2022	01.01.2021	01.01.2022	01.01.2021
	to	to	to	to
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Income tax	(33.403)	(2.903)	-	-
Deferred tax (note 24)	(14.119)	(74.132)	(211)	(3.665)
Effect due to change in the income tax rate	-	8.941	-	(323)
<b>Total</b>	<b>(47.522)</b>	<b>(68.094)</b>	<b>(211)</b>	<b>(3.988)</b>

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

<i>Amounts in € thousands</i>	GROUP		COMPANY	
	01.01.2022	01.01.2021	01.01.2022	01.01.2021
	to	to	to	to
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>Profit / (loss) for the year before tax</b>	<b>23.566</b>	<b>267.863</b>	<b>(38.300)</b>	<b>(5.689)</b>
Tax calculated at domestic tax rate applicable to profits in the respective countries	(6.394)	(58.826)	8.426	1.252
Income not subject to tax	(204)	3.951	2.431	4.071
Expenses not deductible for tax purposes	(8.703)	(3.860)	(4.874)	(2.874)
Tax effect on deductible interest income	(51)	(256)	(51)	(256)
Loss for which no deferred tax provision was recognized	(12.692)	(17.733)	(5.036)	(4.820)
Impairment loss for which no deferred tax provision was recognized	-	(310)	(1.107)	(1.038)
Unrecognized deferred tax assets on uncertain deductible tax items	(19.478)	-	-	-
Effect due to change in the income tax rate	-	8.940	-	(323)
<b>Taxes</b>	<b>(47.522)</b>	<b>(68.094)</b>	<b>(211)</b>	<b>(3.988)</b>

### **Tax certificate and unaudited tax years**

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

Company	Years	Company	Years
LAMDA DEVELOPMENT S.A.	2017-2022	GREEN VOLT P.C.	2020-2022
HELLINIKON GLOBAL I S.A.	2018-2022	LAMDA MARINAS INVESTMENTS S.M.S.A.	2017-2022
HELLINIKON S.M.S.A.	2021-2022	LAMDA FLISVOS HOLDING A.E.	2019-2022
LAMDA MALLS S.A.	2017-2022	LAMDA FLISVOS MARINA S.A.	2016-2022
PYLAIA S.M.S.A.	2017-2022	LAMDA ELLINIKON MALLS HOLDING S.M.S.A.	2022
LAMDA DOMI S.M.S.A.	2017-2022	LAMDA VOULIAGMENIS S.M.S.A.	2022
L.O.V. S.M.S.A.	2017-2022	LAMDA RIVIERA S.M.S.A.	2022
LOV LUXEMBOURG SARL	2018-2022	LAMDA INNOVATIVE S.M.S.A.	2022
DESIGNER OUTLET ATHENS S.M.L.L.C.	2017-2022	LAMDA DEVELOPMENT (NETHERLANDS) BV	2014-2022
LAMDA ESTATE DEVELOPMENT S.M.S.A.	2017-2022	SINGIDUNUM - BUILDINGS DOO	2018-2022
KRONOS PARKING S.M.S.A.	2017-2022	LAMDA DEVELOPMENT MONTENEGRO DOO	2018-2022
LAMDA PRIME PROPERTIES S.M.S.A.	2017-2022	LAMDA DEVELOPMENT SOFIA EOOD	2018-2022
MALLS MANAGEMENT SERVICES S.M.S.A.	2017-2022	ROBIES SERVICES LTD	2017-2022
ATHENS OLYMPIC MUSEUM AMKE	2020-2022	ROBIES PROPRIETATI IMOBILIARE SRL	2018-2022
MC PROPERTY MANAGEMENT S.M.S.A.	2017-2022	LAMDA DEVELOPMENT ROMANIA SRL	2018-2022
LAMDA DEVELOPMENT WORKS S.M.S.A.	2018-2022	SC LAMDA MED SRL	2018-2022
LAMDA LEISURE S.M.S.A.	2017-2022	ATHENS METROPOLITAN EXPO AE	2017-2022
GEAKAT S.M.S.A.	2017-2022	METROPOLITAN EVENTS	2017-2022
LAMDA ENERGY INVESTMENTS S.M.S.A.	2017-2022	STOFERNO A.E.	2018-2022
EVROWIND HOLDINGS S.M.S.A.	2022	LIMAR MACEDONIA REAL ESTATE COMPANY S.M.S.A.	2017-2022

For the year ended 31 December 2011 and onwards, based on the Law 4174/2013 (article 65A) as it currently stands (and as per Law 2238/1994 previously provided in article 82), up to and including fiscal years starting before 1 January 2016, the Greek société 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 January 1, 2016 onwards, Annual Tax Certificate is optional, however the Group receives it for its most important companies. According to the Greek tax legislation and the corresponding

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Ministerial Decisions, companies for which a tax certificate is issued without markings for violations of the tax legislation are not exempted from the imposition of additional taxes and fines by the Greek tax authorities after the completion of the tax audit in the context of legislative restrictions (as a general principle, 5 years from the end of the fiscal year to which the tax return should have been filed).

The Company has been tax audited for the fiscal year 2013-2021 by audit firm and the relevant tax certificates have been issued. For the most important Greek companies of the Group that are subject to the process of issuing a tax certificate, the tax audit for the financial year 2021, was completed by PricewaterhouseCoopers S.A. and the «Annual Tax Certificates» have been issued while the audit for the year 2022 is in progress.

For the parent company LAMDA DEVELOPMENT S.A. tax audit is underway by the competent tax authorities for the years 2018 and 2019.

For the subsidiary LAMDA MALLS S.A. tax audit is underway by the competent tax authorities for the years 2017 and 2018, while also for the subsidiary LAMDA PRIME PROPERTIES S.M.S.A. for fiscal year 2017.

During December 2022, tax audit by the competent tax authorities was completed for the subsidiary LAMDA DEVELOPMENT WORKS S.M.S.A. for the years 2016-2017, without any charge for the company.

For the subsidiary LAMDA FLISVOS MARINA S.A. a tax audit is underway by the competent tax authorities for the years 2016 to 2018, while during the tax audit of the year 2015, differences in the unused tax losses were identified. The company filed an appeal against the relevant act of corrective determination of income tax for the tax year 2015 which was rejected. The company then appealed to the administrative courts. The management of the company and its legal advisors estimate that there is a significant chance that the appeal will succeed.

For the years ended after 31 December 2016 and remain tax unaudited by the competent tax authorities, the Management estimates that any taxes that may arise will not have a material effect on the financial statements.

Pursuant to the following provisions: (a) art. 36 of Law 4174/2013 (unaudited cases of income taxation), (b) para. 1 art. 57 of Law 2859/2000 (unaudited cases of Value Added Tax), and (c) para. 5 art. 9 of Law 2523/1997 (imposition of penalties for income tax cases) the right of the State to impose the tax for the fiscal years up to 2016 has been suspended until 31.12.2022, subject to special or exceptional provisions which may provide for a longer limitation period and under the conditions that they define. Following the no. 433/2020 of the decision of the Council of State and according to relevant circulars regarding the limitation period of the right of the State to impose proportional stamp duties and special contribution in favor of OGA, it was clarified that for financial periods before the entry into force of the provisions of K.F.D., ie before 01/01/2015, the general provisions on limitation of the Civil Code, such as the provision of article 249 of the Civil Code, cannot be applied, and consequently the limitation period of the right of the State to impose the due stamp duty and the special contribution in favor of OGA, is determined in five years in the first place, calculated from the end of the year in which the obligation to pay arises, with the possibility of extending this right to ten years, provided that the conditions of par. 4 of article 84 of the Income Tax Law are met (Law 2238/1994). For the fiscal years after 01.01.2015, the provisions of article 36 of the K.F.D. are applicable with a five-year deadline at the first place. The Group provides, when considered appropriate, and on a company-by-company basis for possible additional taxes that may be imposed by the tax authorities. As a result, the Group's tax obligations have not been defined permanently. At 31.12.2022 no such provisions have been formed for unaudited years at Group and Company level.

## 32. Commitments

### Capital commitments

Regarding the development of the Ellinikon site have been undertaken and have not yet been executed capital commitments for services of architectural studies, project management as well as construction contracts amounting to €302,8m, which relate to projects that have been classified as follows:

<i>Amounts in € thousands</i>	<b>31.12.2022</b>	<b>31.12.2021</b>
Inventories	287.564	32.257
Investment property	9.327	9.690
Tangible assets	5.924	8.811
<b>Total</b>	<b>302.815</b>	<b>50.758</b>

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On 24.04.2023 the Group had undertaken and had not performed capital commitments for services of architectural studies, project management as well as construction contracts amounting to €299,6 for the Ellinikon development project.

The commitments undertaken on 31.12.2021 related to capital expenditures related to the development of the property in Ellinikon and which had not been executed until 31.12.2021 amounted to €50,8m.

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

### 33. Contingent liabilities and assets

The Group and the Company have contingencies in respect of letter of guarantees for good performance 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 € thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
<b>Liabilities</b>				
Letters of guarantee related to obligations	353.154	317.040	348.917	307.434
<b>Assets</b>				
Letters of guarantee related to receivables (from tenants)	64.059	43.262	-	-

On 25.06.2021 a letter of guarantee was issued by "EUROBANK S.A." and delivered to the HRADF as security for the deferred payment amount. More specifically, on the Transfer Date (25.06.2021), the subsidiary "HELLINIKON GLOBAL I SA", the Buyer, as provided in the Agreement, issued a Deferred Payment Bond in favor of the HRADF for an amount equal to the present value of the deferred payment amount, i.e. an amount of €347,2m, calculated according to the terms of the Agreement. The abovementioned amount of the Deferred Payment Bond will be recalculated annually, on each Transfer Date anniversary, in accordance with the provisions of the transfer agreement, with a maximum amount of €347,2m. As of 31.12.2022, the balance of letter of guarantee amounted to €344,3m.

The subsidiary LAMDA DOMI S.M.S.A. has a contingent liability to HRADF regarding the additional consideration for the establishment of a usufruct on the right to exploit the Golden Hall shopping mall for 90 years signed in 2013. According to this, the obligation to pay it depends on the condition of the Greek Economy and the existence and maintenance of relevant credit ratings (at least BBB or equivalent) of Greece by two international rating agencies for a twelve-month period. The valuation of the fair value of the investment property Golden Hall reflects the eventual payment of the above contingent consideration.

In addition to the issues mentioned above there are also the following particular issues, which are not required under IAS 37 to formulate provisions as in accordance with the relevant opinions of the Group companies' legal advisors and the estimates of the Group's Management, are not considered likely that outflow of resources will be required to settle each matter:

#### L.O.V. S.M.S.A. «THE MALL ATHENS»

- The company L.O.V. S.M.S.A. ("L.O.V.") had to pay for the transfer of specific real property in the past (on 2006), property transfer tax of approximately €13,7m, reserving its rights regarding this tax and finally taking recourse to the administrative courts against the silent rejection of its reservations by the competent Tax Authority. In 2013 the said recourse was accepted in part and the re-calculation of the owed property tax was ordered, which led to the returning to L.O.V. of an amount of approximately €9,5m. Further to appeals on points of law filed by both parties, the Council of State rejected LOV's appeal and accepted the Hellenic Republic's appeal; consequently the case was referred back to the Administrative Court of Appeals, which initially postponed the issue of a final decision and obliged the parties to adduce evidence for the determination of the market value of the property; after resuming hearing of the case, the Administrative Court of Appeals finally rejected the recourse, determined the taxable value of the property and obliged the competent Tax Authority to re-calculate the transfer tax due upon the new taxable value. Following this decision, L.O.V. had to pay transfer tax of approximately €16,3m. An appeal on points of law has been filed before the Council of State and is estimated by the legal counsels of the Company to have high chances of success. In specific, grounds of appeal challenging re-calculation of transfer tax upon the market value of the property, to the extent it exceeds the objective value, are expected to succeed with very high probability. The hearing of the appeal was held on 25.5.2022 and on 18.1.2023 Council of State decision No 54/2023 was issued, which remains unclear. According to its published order, the appeal of L.O.V. is accepted and the

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decision of the Administrative Court of Appeal which calculated the taxable value of the property based on the market value is annulled, to the extent that it exceeds the objective value. Following this, a new tax settlement and return to L.O.V. is expected, equal to the excess amount of approximately €9.3 million (including interest until 31.12.2022).

### LAMDA DOMI S.M.S.A. «GOLDEN HALL»

- With respect to LAMDA DOMI S.M.S.A., 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 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, decision No. 2374/2021 of the Multi-Member First Instance Court of Athens was issued. By means of said decision, the HOC's lawsuit has been dismissed. According to the data available on Athens First Instance Court website, an appeal was recently filed against said decision. LAMDA DOMI has not been served with a copy of this appeal yet.

### HELLINIKON S.M.S.A.

- HELLINIKON S.M.S.A. has no significant open legal cases against, but on the other hand there are several open cases in favor. Therefore, although until the date of publication of the annual financial statements of 31.12.2022 the result cannot be reliably measurable, the Company's Management concludes that by the time those will be finalized, the result will not affect, significantly, the financial results of the Group.

### Other issues

- The Group provides, when considered appropriate, and on a company-by-company basis for possible additional taxes that may be imposed by the tax authorities. As a result, the Group's tax obligations have not been defined permanently. At 31.12.2022 no such provisions have been formed for the Group's and Company's unaudited, by the tax authorities, years. For details regarding the unaudited tax years for the rest of the Group companies, please see note [31](#).

## 34. Related party transactions

The following transactions were carried out with related parties:

	GROUP		COMPANY	
	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<i>Amounts in € thousands</i>				
<b>i) Income from sale of goods and services</b>				
- income from subsidiaries	-	-	29.039	42.477
- income from joint ventures	-	32	-	32
	-	<b>32</b>	<b>29.039</b>	<b>42.509</b>
<b>ii) Purchase of goods and services</b>				
- purchases from subsidiaries	-	-	1.358	896
- purchases from companies which controlling interests belong to Latsis family	-	-	-	-
	-	-	-	<b>896</b>
<b>iii) Dividends income</b>				
- income from subsidiaries	-	-	11.854	8.782
- income from associates	123	135	123	135
	<b>123</b>	<b>135</b>	<b>11.977</b>	<b>8.917</b>



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### iv) Transactions and remuneration of members of BoD and management

Members of BoD:				
- BoD fees and other short-term employment benefits	2.238	2.017	2.238	2.017
Management:				
- Salaries and other short-term employment benefits	4.448	5.663	2.608	3.535
	<b>6.686</b>	<b>7.680</b>	<b>4.846</b>	<b>5.552</b>

### v) Interest income

- interest income from subsidiaries	-	-	4.245	1.159
	<b>-</b>	<b>-</b>	<b>4.245</b>	<b>1.159</b>

### vi) Interest expense

- interest expense to subsidiaries	-	-	1.137	1.333
	<b>-</b>	<b>-</b>	<b>1.137</b>	<b>1.333</b>

Amounts in € thousands

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Receivables from related parties:				
- subsidiaries	-	-	11.428	45.585
- joint ventures	-	6	-	6
- associates	456	25	-	-
	<b>456</b>	<b>31</b>	<b>11.428</b>	<b>45.591</b>
Dividends receivable from related parties:				
- subsidiaries	-	-	3.773	24.882
- associates	-	-	-	-
	<b>-</b>	<b>-</b>	<b>3.773</b>	<b>24.882</b>
Payables to related parties:				
- subsidiaries	-	-	10.213	6.888
	<b>-</b>	<b>-</b>	<b>10.213</b>	<b>6.888</b>

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

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>ix) Loans to related parties:</b>				
<b>Opening balance</b>	-	-	<b>84.535</b>	<b>6.777</b>
Loans granted during the year	-	-	-	80.000
Withholding tax of interest	-	-	(28)	-
Loan repayments	-	-	-	(2.270)
Loan and interest impairment	-	-	(1.555)	(1.131)
Interest charged	-	-	4.245	1.159
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>87.197</b>	<b>84.535</b>

At Company level, the loans to related parties refer to loans of initial capital €119,9m, less impairment €32,7m, that the parent company has granted to its subsidiaries HELLINIKON S.M.S.A., LAMDA DEVELOPMENT ROMANIA SRL, LAMDA DEVELOPMENT SOFIA EOOD, ROBIES SERVICES LTD and LAMDA DEVELOPMENT MONTENEGRO DOO. During 2022 the Company has not provided any new loans to related parties.

Lamda Development S.A. provides corporate guarantees in the context of bank loan agreements of its subsidiaries.

The Group provides guarantees to banks including pledged shares deriving from its borrowings.

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>x) Loans from related parties:</b>				
<b>Opening balance</b>	-	-	<b>40.002</b>	<b>56.485</b>
Loan repayments	-	-	-	(10.948)
Interest paid	-	-	(112)	(6.868)
Interest charged	-	-	1.137	1.333
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>41.027</b>	<b>40.002</b>

## Annual financial report for the year ended 31 December 2022

At Company level, the loans from related parties refer to loans of initial capital €35,8m, including interest of €5,2m, which have been granted to the Company from the companies LAMDA PRIME PROPERTIES S.M.S.A. and LOV LUXEMBOURG SARL. During 2022, the Company repaid interest of €112 thousands to the subsidiary LAMDA PRIME PROPERTIES S.M.S.A.. During 2022, the Company has not repaid any capital amounts of borrowings to related parties.

	GROUP		COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>xii) Loans to personnel and management:</b>				
<b>Opening balance</b>	<b>3.301</b>	<b>3.193</b>	<b>2.998</b>	<b>2.903</b>
Loan repayments	(36)	(52)	(36)	(52)
Recognition of finance income	164	160	152	147
<b>Closing balance</b>	<b>3.429</b>	<b>3.301</b>	<b>3.114</b>	<b>2.998</b>

In addition to the above transactions, in the context of the exploitation of the Property in Ellinikon, the subsidiary HELLINIKON S.M.S.A. during 2022 signed contracts for the sale of apartments with related parties as follows:

	GROUP	
	Total contract price 01.01.2022 to 31.12.2022	Total receipts 01.01.2022 to 31.12.2022
<i>Amounts in € thousands</i>		
- Members of BoD	13.129	2.626
- Management	-	-
	<b>13.129</b>	<b>2.626</b>

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.

### 35. Earnings / (losses) per share

The calculation of basic and diluted earnings / (losses) per share is as follows:

The basic earnings / (losses) per share (EPS) are calculated by dividing the net gains / (losses) of the period corresponding to the shareholders of the parent with the weighted average number of common shares outstanding during the period, taking into account the average term of the common shares acquired by the Group as treasury shares.

	GROUP		COMPANY	
	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021
<i>Amounts in € thousands</i>				
Profit / (loss) attributable to equity holders of the Company	<b>(31.409)</b>	<b>191.242</b>	<b>(38.511)</b>	<b>(9.677)</b>
Weighted average number of ordinary shares in issue	176.203.423	176.736.715	176.203.423	176.736.715
Minus: Weighted average number of treasury shares	1.437.625	14.993	1.437.625	14.993
Total weighted average number of ordinary shares in issue during the year	<b>174.765.798</b>	<b>176.721.722</b>	<b>174.765.798</b>	<b>176.721.722</b>
<b>Basic earnings / (losses) per share (EPS) (in euro)</b>	<b>(0,18)</b>	<b>1,08</b>	<b>(0,22)</b>	<b>(0,05)</b>

Diluted earnings / (losses) per share is calculated by dividing the net profits / (losses) of the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. Regarding the aforementioned rights, the number of shares that could have been acquired at fair value (defined as the average annual stock market price of the Company's shares) is calculated, based on the value of the participation rights related to the existing rights programs from shares. The number of shares resulting from the above calculation is compared with the number of shares that could have been issued in case of exercise of the rights. The resulting difference is added to the

## Annual financial report for the year ended 31 December 2022

denominator as an issue of ordinary shares without consideration. Finally, no adjustment is made to profits / (losses) (numerator).

	<b>GROUP</b>	<b>COMPANY</b>	<b>GROUP</b>	<b>COMPANY</b>
	<b>01.01.2022</b>	<b>01.01.2021</b>	<b>01.01.2022</b>	<b>01.01.2021</b>
	<b>to</b>	<b>to</b>	<b>to</b>	<b>to</b>
	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Weighted average number of ordinary shares in issue (for basic EPS)	174.765.798	176.721.722	174.765.798	176.721.722
Effect from employees share option scheme (weighted average number)	-	1.019.984	-	1.019.984
Weighted average number of ordinary shares in issue (for diluted EPS)	<b>174.765.798</b>	<b>177.741.707</b>	<b>174.765.798</b>	<b>177.741.707</b>
<b>Diluted earnings / (losses) per share (EPS) (in euro)</b>	<b>(0,18)</b>	<b>1,08</b>	<b>(0,22)</b>	<b>(0,05)</b>

### 36.Dividends per share

For the forthcoming General Meeting of the Company's Shareholders no dividend is expected to be proposed for the fiscal year 2022.

### 37.Audit and other fees

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>1.1.2022</b>	<b>1.1.2021</b>	<b>1.1.2022</b>	<b>1.1.2021</b>
	<b>to</b>	<b>to</b>	<b>to</b>	<b>to</b>
	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
<i>All amounts in € thousands</i>				
Audit fees	563	482	160	154
Annual Tax certificate's fees	389	306	45	40
Fees for other assurance services	131	246	118	236
Fees for other services	36	-	32	-
<b>Total</b>	<b>1.119</b>	<b>1.034</b>	<b>355</b>	<b>430</b>

### 38.Comparative information

For purposes of better presentation, on 31.12.2021 the Group has reclassified interest payable to third parties amounting €5.507 thousand from "Trade and other payables" as well as a loan from a non-controlling interest in the amount of €109 thousand from "Other non-current liabilities" in short-term and long-term "Loans" respectively. Also, on 31.12.2021 the Company has reclassified interest payable to third parties and subsidiaries as well as loans from subsidiaries amounting to €7.547 thousand from "Trade and other payables" as well as loans and interest payable to a subsidiary amounting to €37.381 thousand from "Other non-current liabilities" in short-term and long-term "Loans" respectively. In addition to what is mentioned note included in the "Income Statement" regarding the reclassification made for accrued interest, additional reclassification was made in the "Statement of financial position" for purposes of better presentation without significant impact in the Equity, revenue and the results after tax for the comparative period both in Group and Company level.

Additionally, in the Statement of Cash flow "Interest paid and related expenses" and "Interest paid related to lease liabilities" a reclassification has been made between Operating and Investing activities for purposes of better presentation according to IAS 7.

### 39.Events after the reporting period

There are no other events after the balance sheet date considered to be material to the financial statements apart from the following:

In March 2023, the Company announced that the following agreements were signed within the framework of the strategic cooperation between the Company and TEMES SA. (signed in November 2020) for the joint development of two modern, luxury 5-star hotels and the corresponding tourist-residential complexes (branded residences) on the coastal front of Hellinikon, with a horizon of completion of the construction of the developments at the end of 2026:

## Annual financial report for the year ended 31 December 2022

- between the company BELT Riviera S.A. and HELLINIKON S.M.S.A. for the acquisition on behalf of the first, percentage of 100% of the right of full ownership of property with an area of 80,011 sq.m. in the "PM-A2" Development Zone of the Metropolitan Pole Hellinikon-Agios Kosmas, in which, according to the original plan, a 5-star hotel with 160 rooms, large outdoor spaces, emblematic restaurants and entertainment shops next to the sea, a luxurious Beach Club, Health Club with leisure, fitness and beauty facilities will be developed, accompanied by a residential complex of 17 branded luxury homes/apartments (branded residences) with an unobstructed view of the sea. The said development will be located next to the prime coastal residential zone of ultra-luxury residences (The Cove Villas and The Cove Residences). The total transaction consideration is payable in installments and amounts to approximately €38,3m, consisting of the purchase price of the property of approximately €22,3m, as well as the allocated infrastructure costs of the Metropolitan Pole of approximately €16,0m. The first instalment of the consideration of approximately €12,8m, plus relevant taxes, was paid at the signing of the agreement. BELT Riviera S.A. is controlled 70% by TEMES S.A. and 30% by HELLINIKON S.M.S.A.
- between the company MALT Riviera S.A. and HELLINIKON S.M.S.A. for the acquisition on behalf of the first, percentage of 100% of the surface rights on property with an area of 132.821 sq.m. in the "PM-A1" Development Zone of the Metropolitan Pole Hellinikon-Agios Kosmas, in which, according to the original design, a 5-star hotel with 200 rooms, large outdoor spaces and emblematic restaurants and entertainment shops next to the sea, a luxurious Beach Club, Health Club with leisure, fitness and beauty facilities will be developed, accompanied by a residential complex of 49 branded homes/apartments (branded residences) with unobstructed views of the sea and Marina Ag. Kosmas. Said development will be located next to the upgraded Ag. Kosmas Marina and a short distance from the Riviera Galleria and the landmark high-rise residential building, Riviera Tower. The total transaction consideration is payable in installments and amounts to approximately €52,5m, consisting of the purchase price of the property's surface rights of approximately €32,5m, as well as the allocated infrastructure costs of the Metropolitan Pole of approximately €20m. The first instalment of the consideration of approx. €17,5m, plus relevant taxes, was paid at the signing of the agreement. MALT Riviera S.A. is controlled 70% by TEMES S.A. and 30% by HELLINIKON S.M.S.A.

The design of the units will be assigned to leading international architectural offices, while their management will be assigned to internationally renowned management companies (hotel operators).

**Maroussi, 2 May 2023**

**Chairman of the BoD**

**Chief Executive Officer**

**Chief Financial Officer**

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**Anastasios K. Giannitsis**

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**Odyssefs E. Athanasiou**

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**Charalampos Ch. Gkoritsas**

**ID H865601**

**ID AB510661**

**ID AE109453**

V.ANNEX – Use of proceeds

**Use of proceeds from the Share Capital Increase (SCI) for the period from 17.12.2019 to 31.12.2022**

Pursuant to the provisions of paragraph 4.1.2 , the part A' of the decision No25/17.07.2008 of the Athens Stock Exchange Board of Directors and the decision No.8/754/14.04.2016 of the Capital Market Commission BoD, it is disclosed that from the share capital increase of the Company by payment in cash and with preemptive rights to the existing shareholders of the Company, acquiring new shares at a ratio of 1,216918965991410 new shares for every one (1) existing share, based on the decision of the Extraordinary General Meeting of shareholders of the Company that took place at 10.10.2019 as was further specified by the resolution of the Company's Board of Directors adopted on 21.11.2019, fund up to €650.000.098,00 were raised, minus the issuance expenses of €10.000.000. From the share capital increase, 97.014.940 new common registered shares of subscription price €6,70 each and nominal value €0,30 each, which following the approval of the Listings and Market Operation Committee – Athex Stock Exchange at 19.12.2019, were listed for trading on the Main Market of the Athens Stock Exchange on 23.12.2019. The Board of Directors held a meeting on 17.12.2019 and certified the payment of the total amount of the share capital increase. Until 31.12.2021 the raised capital, was allocated according to the use as described in the Prospectus which was approved by the BoD of the Capital Market Committee at 25.11.2019, as was amended by the resolution of the Company's Board of Directors adopted on 28.05.2020 in conjunction with the decision of the Annual General Meeting of shareholders of the Company that took place at 24.06.2020, as well as by the resolution of the Company's Board of Directors adopted on 23.11.2022 as following:

TIME SCHEDULE FOR THE USE OF PROCEEDS FROM THE SHARE CAPITAL INCREASE										
(all amounts in € thousands)										
Allocation of the Capital Proceeds based on the objective of the Informative Bulletin (section 4.1.2 "Reasons for Issuing the CBL and Use of Capital")	ALLOCATION OF RAISED CAPITAL AS PROVIDED FOR IN THE INFORMATIVE BULLETIN	ALLOCATION OF RAISED CAPITAL AS PROVIDED FOR IN THE INFORMATIVE BULLETIN as was amended by the resolution of the Company's Board of Directors adopted on 28.05.2020 (announcement 29.05.2020) in conjunction with the decision of the Annual General Meeting of shareholders of the Company that took place at 24.06.2020 (announcement 26.06.2020)	ALLOCATION OF RAISED CAPITAL AS PROVIDED FOR IN THE INFORMATIVE BULLETIN as was amended by the resolution of the Company's Board of Directors adopted on 28.05.2020 (announcement 29.05.2020) in conjunction with the decision of the Annual General Meeting of shareholders of the Company that took place at 24.06.2020 (announcement 26.06.2020), as well as the resolution of the Company's Board of Directors adopted on 23.11.2022	ALLOCATED CAPITAL USE FROM 17.12.2019 UNTIL 31.12.2019	ALLOCATED CAPITAL USE FROM 01.01.2020 UNTIL 31.12.2020	ALLOCATED CAPITAL USE FROM 01.01.2021 UNTIL 31.12.2021	ALLOCATED CAPITAL USE FROM 01.01.2022 UNTIL 31.12.2022	TOTAL ALLOCATED CAPITAL USE UNTIL 31.12.2022	UNALLOCATED CAPITAL AT 31.12.2022	Note
A. Participation in share capital increase of HELLINIKON GLOBAL I S.A. in order to be used by it to pay as Purchaser of the first two installments of the price as described in the Share Purchase Agreement under the terms and conditions of the Contract and the above Amending Contract, ie an amount of €300m will be used to pay the first installment on the Date of Transfer and amount of €167m will be used to pay the second installment on the second anniversary of the Transfer Date, provided that by then construction permits have been issued for all buildings - landmarks.	467.000	467.000	466.650	-	-	300.000	-	300.000	166.650	1
B. Development of two malls in the Property through participation in share capital increase of a company which will be established for this purpose, within 3 years from the completion of the Increase.	133.000	120.607	120.607	-	-	-	120.607	120.607	-	2
C. Acquisition of participation in the company LAMDA MARINAS INVESTMENTS S.M.S.A (which was previously named LAMDA DOGUS INVESTMENTS S.A.) aiming to increase the participation held and the control of the company LAMDA Flisvos Marina S.A.	-	12.393	12.393	-	12.393	-	-	12.393	-	3
D. Coverage of working capital needs, within 3 years from the completion of the Share Capital Increase, as well as for the coverage of the bond loan issued by a subsidiary in order to cover the undertaken obligations of the latter.	40.000	40.000	41.070	3.070	36.930	-	1.070	41.070	-	4
Issuance expenses	10.000	10.000	9.280	-	9.280	-	-	9.280	-	
<b>Total</b>	<b>650.000</b>	<b>650.000</b>	<b>650.000</b>	<b>3.070</b>	<b>58.603</b>	<b>300.000</b>	<b>121.677</b>	<b>483.350</b>	<b>166.650</b>	

**Notes:**

1. For the period between 01.01.2021 and 31.12.2021, and specifically on 25.06.2021 the contract for the transfer of shares was signed for the acquisition of 100% of the share capital of HELLINIKON S.M.S.A. by HELLINIKON GLOBAL I S.A., a 100% subsidiary of LAMDA DEVELOPMENT S.A., in accordance with the provisions of the Share Purchase Agreement dated 14.11.2014. In the context of the above, the Company proceed with a share capital increase of HELLINIKON GLOBAL I SA, in order to be used for the first installment of the Share Acquisition Price amounting to €300 million, under the terms of the contract above and the subsequent amending contract, at the Transfer Date of shares. Regarding the payment of the second installment, it is clarified that the second anniversary from the Transfer Date is contractually 25.06.2023, given that the contract for the transfer of HELLINIKON S.M.S.A. signed on 25.06.2021.
2. For the period from 01.01.2022 to 31.12.2022, an amount of €120.607 thousand was paid by the Company through participation in a share capital increase in the subsidiary LAMDA ELLINIKON MALLS HOLDING S.M.S.A. which was established for developing two shopping areas within the Property. In particular, LAMDA ELLINIKON MALLS HOLDING S.M.S.A. paid the amount of €120.607 thousand for the establishment of Group companies for the development of Vouliagmenis Mall (LAMDA VOULIAGMENIS S.M.S.A.) and Riviera Galleria (LAMDA RIVIERA S.M.S.A.) within 2022.
3. For the period from 01.01.2020 up to 31.12.2020, the Company paid the amount of €12.393 thousands for the acquisition of participation in the company LAMDA MARINAS INVESTMENTS S.M.S.A (which was previously named LAMDA DOGUS INVESTMENTS S.A.) aiming to increase the participation held and the control of the company LAMDA Flisvos Marina S.A.
4. Out of the amount of €41.070 thousand which will be used within 3 years from the completion of the share capital increase for the coverage of working capital needs, the amounts that have been allocated are:
  - a) For the period from 17.12.2019 up to 31.12.2019, the amount of €3.070 thousand
  - b) For the period from 01.01.2020 up to 31.12.2020, the amount of €36.930 thousand
  - c) For the period from 01.01.2022 up to 31.12.2022, the amount of €1.070 thousand
5. The remaining unutilized proceeds of the amount of €166.650 thousand as of 31.12.2022, were placed in current bank accounts, as part of securing the bond loan signed on 24.06.2021 by Lamda Development S.A. with the banks " Eurobank S.A." and "Piraeus Bank S.A." for the Ellinikon development project, according to the provisions of the Prospectus.

**Use of proceeds from the Issue of a Common Bond Loan (CBL) for the period from 21.07.2020 to 31.12.2022**

At the meeting of the Capital Markets Commission as of 07.07.2020, the Prospectus of 07.07.2020 the Company for the public offer with cash payment and the approval of admission for trading by Athens Stock Exchange up to 320.000 dematerialized, common, bearer bond of a total amount €320.000.000 was approved. Following the completion of the option exercise period, the aforementioned issuance of the common bond loan (hereinafter referred to as "CBL") was fully covered.

The distribution price of the Bonds was defined at €1.000 each, i.e. 100% of its nominal value. The characteristics of this loan are the following: (a) The bond yield is 3,40% and is fixed over the term of the loan, (b) Interest is calculated on six-month basis, (c) The term of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years. Upon the completion of the Public Offer on 17.07.2020, and according to the aggregated allocation reporting generated using the Athens Stock Exchange Electronic Book Building (EBB), a total of 320.000 dematerialized, common, bearer bonds of the Company were issued with nominal value €1.000 each and raised funds of €320.000.000.

The allocation of issued bonds is as follows: 223.000 Bonds (69,7%) of all issued Bonds were allocated to Private Investors and 97.000 Bonds (30,3%) of all issued Bonds were allocated to Special Investors.

On 21.07.2020, the Company's Board of Directors conducted the certification of payment of the capital raised. Following, three hundred twenty thousand (320.000 thousand) dematerialized, common, bearer bonds issued were listed for trading on the Fixed Income Securities of the Organized Market of the Athens Stock Exchange with the approval of the Athens Stock Exchange Board of Directors as of 22.07.2020.

In view of the above, it is hereby disclosed that an amount of €312.760 thousand, i.e. an amount of €320.000 thousand in cash raised from the CBL coverage preference and subscription rights holders, less the amount of €7.240 thousand related to issuance expenses, as also incorporated without deviation into the section 4.1.3 "CBL Issuance Expenses" of the Company's Prospectus of 07.07.2020, available as till 31.12.2022 as follows:

Table of allocation of the Capital Proceeds from the issuance of the Common Bond Loan of € 320,000,000							
(amounts in thousand Euro )							
Allocation of the Capital Proceeds based on the objective of the Prospectus (section 4.1.2 "Reasons for Issuing the CBL and Use of Capital")	Allocation of the Capital Proceeds based on the objective of the Prospectus	Capital proceeds for the period from 21.07.2020 to 31.12.2020	Capital proceeds for the period from 01.01.2021 to 31.12.2021	Capital proceeds for the period from 01.01.2022 to 31.12.2022	Total capital proceeds till 31.12.2022	Non allocated balance as at 31.12.2022	Note
i) Amount of €81m for the fully repayment of the syndicated bond loan of the Issuer outstanding balance amounting to €89.1m on 31.12.2019.	81.000	81.000	-	-	81.000	-	1
ii) Amount of €163m will be available to the subsidiaries of the Issuer within two years, for the implementation of the Hellinikon Project, as follows:							
a) amount of €100 million will be initially allocated to HELLINIKON SA through an intra-group loan with duration up to 2 years. After its repayment, this amount will remain available for the partial coverage of a bank letter of guarantee of €150 million (see the section Basic Business Terms of section 3.10.3 "Loan agreements with credit institutions" of the Prospectus), which expires after the completion of the first phase of construction of the Project, estimated at 5 years. This bank letter of guarantee ensures the fulfillment of the Issuer's obligations for any Project cost overruns, as well as for the coverage of any revenue reduction coming from sales and/or exploitation of assets, which aim to finance the Project budget. Upon expiration of the above guarantee letter, the Issuer will allocate €100 million to the finance the next installments of the Consideration and for investments in the next phases of the Project, ie after five years from the Transfer Date (see the section 3.4.2.1 "Investments for the development of the Property" of the Prospectus) and/or for coverage of the Issuer's working capital in the specific period of time. It is noted that, in case of the collapse of the bank letter of guarantee, the amount of €100m will be used for the repayment of the equivalent claim of the guarantee letter of the issuing bank.	100.000	-	80.000	-	80.000	20.000	2
b) amount of €63m will be allocated to Project Implementation Companies within 2 years after the Transfer Date, through direct or indirect participation in share capital increase of these companies. This amount aims to finance the development of a shopping center within the urban area in Vouliagmeni Avenue with estimated gross leasable area of approx. 72.000 sq.m., and the development of a shopping center with estimated building area of approx. 30.000 sq.m. in the land area of the Agios Kosmas marina.	63.000	-	-	63.000	63.000	-	3
iii) amount of €43.8m will be allocated to cover the working capital needs, interest and financial expenses of the Issuer within 3 years from the Date of Issuance of the CBL.	43.760	18.514	25.246	-	43.760	-	4
iv) amount of €25m will be used for new investments of the Issuer in Greece in the sectors of development and exploitation of real estate such as shopping malls, office buildings and marinas, within 3 years from the Date of Issuance of CBL, through acquisition of shares and/or through participation in share capital increase of other companies operating in the above sectors.	25.000	-	-	23.000	23.000	2.000	5
Common Bond Loan issue expenses	7.240	7.240	-	-	7.240	-	6
<b>Total</b>	<b>320.000</b>	<b>106.754</b>	<b>105.246</b>	<b>86.000</b>	<b>298.000</b>	<b>22.000</b>	

**Notes:**

1. The amount of €81m was allocated on 24.07.2020 for the repayment of the syndicated bond loan of the Issuer outstanding balance amounting to €89.1m on 31.12.2019.
2. An amount of €80,0 million was initially paid to the company HELLINIKON S.M.S.A. through an intra-group loan with a duration of up to 2 years from its issuance (i.e. the second half of 2023), and after its repayment it will remain available for the partial coverage of a bank letter of guarantee amounting to €150 million, which expires after completion of the construction of the first phase of the property development project in ELLINIKON which is estimated to take 5 years, to ensure the fulfillment of the Company's obligations for any cost overruns of the above project, as well as to cover any reduced income from sales and/or exploitation of assets intended to finance the project budget. After the expiration of the aforementioned bank guarantee letter, the Company will allocate €100 million (which will ultimately be allocated in full) for the financing needs of the next installments of the consideration for the transfer of the sold shares of HELLINIKON S.M.S.A., and for making investments in the next phases of the project, i.e. after five years from the Transfer Date and/or to cover the Company's working capital during the specific time period. It is noted that in case of forfeiture of the said bank guarantee letter, the amount of €100 million will be subject to the repayment of an equal claim of the issuing bank of the guarantee letter. It is clarified that the amount of €80 million was used to cover preliminary works of the Project (e.g. costs for architectural plans, consultant studies, demolitions, infrastructure works), the construction of The Ellinikon Experience Park and The Ellinikon Experience Centre.
3. For the period from 01.01.2022 to 31.12.2022, an amount of €63,0 million was paid by the Company through participation in a share capital increase in the subsidiary LAMDA ELLINIKON MALLS HOLDING S.M.S.A. which was established for the purpose of developing a shopping center within the urban center on Vouliagmeni Avenue with an estimated gross leasable area of approximately 72.000 sq.m., as well as the development of a complex of buildings with shops for trade, leisure and services (Riviera Galleria) with an estimated gross floor area of approximately 30.000 sq.m. in the land area of the marina of Agios Kosmas.
4. The amount of €43.760 thousand that according to the method of disposal was to be allocated within 3 years from the Date of Issuance of the CBL to cover the working capital needs, interest and financial expenses of the Issuer, has been allocated in full as follows:
  - (a) For the period from 21.07.2020 to 31.12.2020, the amount of €18.514 thousand.
  - (b) For the period from 01.01.2021 to 31.12.2021 the amount of €25.246 thousand.
5. For the period from 01.01.2022 to 31.12.2022, an amount of €21.533 thousand was paid by the Company through participation in a share capital increase in the subsidiary LAMDA ELLINIKON MALLS HOLDING S.M.S.A. which was established for the purpose of developing a shopping center within the urban center on Vouliagmeni Avenue with an estimated gross leasable area of approximately 72.000 sq.m., as well as the development of a complex of buildings with shops for trade, leisure and services (Riviera Galleria) with an estimated gross floor area of approximately 30.000 sq.m. in the land area of the marina of Agios Kosmas. Also, for the same period an amount of €1.467 thousand was paid by the Company through the purchase of a percentage of the share capital of the company "LIMAR MACEDONIA REAL ESTATE COMPANY S.M.S.A." which operates in the field of real estate development and exploitation.
6. The funds that remained unallocated on 31.12.2022 amounting to €22.000 thousand were deposited in current bank accounts, according to the provisions of the Prospectus.



**Use of proceeds from the Issue of a Common Bond Loan (CBL) under the Framework of Green Bond for the period from 12.07.2022 to 31.12.2022**

At the meeting of the Capital Markets Commission as of 01.07.2022, the Prospectus of 01.07.2022 of Lamda Development S.A. was approved. ("Company") for the Public Offering with payment of cash and the listing for trading on the Athens Stock Exchange up to 230.000 dematerialized, common, bearer bond, for a total amount of €230.000.000. After the completion of the rights exercise period, the above issue of common bond loan (hereinafter referred to as "CBL") was fully covered.

The distribution price of the Bonds was defined at €1.000 each, i.e. 100% of its nominal value. The characteristics of the said loan are as follows: (a) the bond yield is 4,70%, fixed for the entire duration of the loan, (b) interest is calculated on six-month basis, (c) the term of the loan is seven (7) years and its repayment will be realized at the end of the seven (7) year period, and (d) is under the under the Framework of Green Bond. Upon the completion of the Public Offering on 07.08.2022, and in accordance to the aggregate allocation reporting generated using the Athens Stock Exchange Electronic Book Building (EBB), a total of 230.000 dematerialized, common, bearer bonds of the Company were issued nominal value of €1.000 each and raised funds of €230.000.000.

The allocation of issued bonds is as follows: 170.000 Bonds (73,9%) of all issued Bonds issued were allocated to Private Investors and 60.000 Bonds (26,1%) of all issued Bonds were allocated to Special Investors.

The certification of the payment of the funds raised was made by the Board of Directors of the Company on 12.07.2022. Following, two hundred and thirty thousand (230.000) dematerialized, common, bearer bonds were admitted for trading on the Fixed Income Securities of the Organized Market of the Athens Exchange with the admission approval of Athens Stock Exchange Board of Directors from 13.07.2022.

Following the above, it is hereby announced that an amount of €223.269 thousand, i.e. an amount of €230.000 thousand, was drawn in cash raised from the CBL coverage preference and subscription rights holders, minus €6.731 thousand which pertains to issuance costs as incorporated in section 4.1.3 "CBL Issuance Expenses" of the Company's Prospectus of 01.07.2022, it was allocated until 31.12.2022 as follows:

Table of allocation of the Capital Proceeds from the issuance of the Common Bond Loan under the Green Framework of € 230.000.000					
(amounts in thousand Euro)					
Allocation of the Capital Proceeds based on the objective of the Prospectus (section 4.1.2 "Reasons for Issuing the CBL and Use of Capital")	Allocation of the Capital Proceeds based on the objective of the Prospectus	Capital proceeds for the period from 12.07.2022 to 31.12.2022	Total capital proceeds till 31.12.2022	Non allocated balance as at 31.12.2022	Note
<b>i) Sustainable buildings and sustainable urban exteriors.</b> The investments of this category concern the development and construction of new buildings or the energy upgrade of the Group's existing buildings (i.e. shopping centers and marinas and/or existing buildings within the Metropolitan Pole), which have or will obtain international sustainability certifications or will improve their energy efficiency, reducing the demand for primary energy and/or their adaptation to conditions created due to the effect of climate change, as well as the development of sustainable urban outdoor spaces that will secure natural resources and contribute to curbing climate change, in accordance with the criteria of the "Green" Common Bond Loan. An amount of between €85 million and €110 million will be allocated for the investments in this category of the net funds raised by the CBL.	85.000 up to 110.000	8.310	8.310	76.690 up to 101.690	1
<b>ii) Green energy.</b> The investments of this category, which will be partially financed by the funds of the CBL, concern the licensing, acquisition (such as indicative purchase of a plot of land, acquisition of a company, etc.), construction, development and installation of production units and energy facilities from renewable sources or /and hydrogen production and energy storage units (facilities where energy from RES or hydrogen is stored and returned later), to cover the energy needs of the Ellinikon project as well as the rest of the Group's properties (shopping centers, marinas). Eligible renewable energy sources will include, but are not limited to, solar, wind, geothermal and hydropower. An amount of between €65 million and €85 million of the CBL's net raised funds will be allocated for the investments in this category.	65.000 up to 85.000	10.000	10.000	55.000 up to 75.000	2
<b>iii) Smart city.</b> The investments of this category concern the acquisition, construction, development and installation of intelligent systems in the Ellinikon project with the aim of reducing consumption and saving energy, reducing greenhouse gas emissions, preventing and controlling pollution and sustainable use and protection of water resources. The investments, which will be partially financed by the CBL funds, will include, but are not limited to, intelligent control and management systems for energy, water resources, pollution prevention and control, sustainable transport and/or systems that serve circular economy purposes. An amount of between €45 million and €60 million of the CBL's net raised funds will be allocated for the investments in this category.	45.000 up to 60.000	0	0	45.000 up to 60.000	
Issue costs	6.731	6.731	6.731	0	
<b>Total</b>	<b>230.000</b>	<b>25.041</b>	<b>25.041</b>	<b>204.959</b>	

**Notes:**

1. For the period from 12.07.2022 to 31.12.2022, the Company paid an amount of €41.847 thousand through participation in a share capital increase to the subsidiary company LAMDA ELLINIKON MALLS HOLDING S.M.S.A.. The latter paid an amount of €41.847 thousand through participation in a share capital increase of capital in the subsidiary LAMDA RIVIERA S.M.S.A.. LAMDA RIVIERA S.M.S.A. allocated an amount of €1.895 thousand for the development of the Riviera Galleria store complex which will have an international LEED sustainability certification, as well as an amount of €39.952 thousand for the purchase of a plot of land from the subsidiary company HELLINIKON S.M.S.A. on which the Riviera Galleria will be developed. Until 31.12.2022 HELLINIKON S.M.S.A. allocated an amount of €6.415 thousand for the development of the Riviera Tower skyscraper, which will have international LEED sustainability certification.
2. For the period from 12.07.2022 to 31.12.2022, the Company paid an amount of €15.300 thousand by participating in a share capital increase in the subsidiary company LAMDA ENERGY INVESTMENTS S.M.S.A.. The latter paid an amount of €10.000 thousand by covering a convertible Bond loan, 3-year term issued by R Energy 1 Holding S.A. which operates in the field of Renewable Energy Sources. R Energy 1 Holding S.A. meets the technical eligibility criteria related to the Production of Electricity from Solar Parks and Wind Parks, as well as the criteria of the Framework of Greek Bond.
3. The funds that remained unallocated on 31.12.2022 amounting to €204.959 thousand were deposited in the current bank accounts of the Company and its subsidiaries HELLINIKON S.M.S.A. and LAMDA ENERGY INVESTMENTS S.M.S.A. in accordance with the provisions of the Prospectus.