GROUP OF COMPANIES

HOUSEMARKET S.A.

REG. NO: 46208/04/B/00/37(04)

GENERAL ELECTRONIC COMMERCIAL REGISTRY NO: 003804201000

OFFICES: BUILDING 501 – ATHENS INTERNATIONAL AIRPORT

ANNUAL FINANCIAL REPORT

For the period

1/1/2024 to 31/12/2024

(TRANSLATED FROM THE GREEK ORIGINAL)

(In accordance with Law 3556/2007)

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Statements of Members of the Board of Directors

(in accordance with article 4 par. 2 of L. 3556/2007)

The members of the Board of Directors

1. Dafni A. Fourlis, Chairman
2. Vassilis S. Fourlis, Vice Chairman and
3. Panagiotis D. Katiforis, CEO

WE DECLARE THAT

We confirm that to the best of our knowledge:

a) The Financial Statements for the year from 1/1 - 31/12/2024 of HOUSEMARKET S.A., prepared in accordance with the applicable International Financial Reporting Standards as adopted by the European Union, fairly reflect the Company's assets and liabilities, net position and results for the year.

b) The Annual Management Report of the Board of Directors depicts in a true manner the development, performance and position of HOUSEMARKET S.A., including the description of the main risks and uncertainties they face.

Peania, June 16, 2025

The Chairman	The Vice Chairman	The CEO
Dafni A. Fourlis	Vassilis S. Fourlis	Panagiotis D. Katiforis

ANNUAL REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY HOUSEMARKET SA FOR THE PERIOD 1/1 – 31/12/2024

To the shareholders annual general assembly of year 2025

Dear Shareholders,

This report of the Board of Directors covers the twelve months of the financial year (1/1-31/12/2024). The report has been prepared and is in compliance with the relevant provisions of Law 4548/2018 as in force until 31/12/2024, article 4 of Law 3556/2007 and the decision 7/448/22.10.2007 of the Hellenic Capital Market Commission. The Company Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

We submit for your approval the Financial Statements for the financial year 1/1 - 31/12/2024 of the Company HOUSEMARKET SOCIETE ANONYME, a trading company of household furniture and household and food service products with the distinctive title HOUSEMARKET S.A.

1. THE GROUP – Business Segment

HOUSEMARKET SA ("Company"), which is active in the retail sale of household equipment and furniture (IKEA Stores), is a subsidiary of FOURLIS HOLDINGS SOCIETE ANONYME, which participates with 100% of its share capital. FOURLIS HOLDINGS S.A. with its direct and indirect subsidiaries, constitute the FOURLIS Group, which is active in the retail sectors of household equipment and furniture (IKEA Stores) and sports goods retail (INTERSPORT & FOOTLOCKER Stores). More information about the FOURLIS Group can be found at www.fourlis.gr.

The Company directly participates in the following companies:

- HM HOUSEMARKET (CYPRUS) LTD with the distinctive title HOUSEMARKET (CYPRUS) LTD and registered office in Cyprus, in which the Company holds 100% of its share capital.
- HOUSE MARKET BULGARIA EAD with the distinctive title HOUSEMARKET BULGARIA EAD and registered office in Bulgaria, in which the Company holds 100% of the share capital.
- WYLDES LIMITED with the distinctive title WYLDES LTD and registered office in Cyprus, in which the Company holds 100% of its share capital. Through its affiliated companies WYLDES LTD, VYNER LTD and SW SOFIA MALL ENTERPRISES LTD, the Company participates in SOFIA SOUTH RING MALL EAD, which operates one of the largest shopping malls in Sofia, Bulgaria and its related business activities.

- TRADE LOGISTICS SOCIETE ANONYME COMMERCIAL INDUSTRIAL COMPANY, with the distinctive title TRADE LOGISTICS SA, having its registered office in Greece, in which the Company holds 100% (excluding one share) of its share capital.
- TRADE ESTATES REAL ESTATE INVESTMENT COMPANY, with the distinctive title TRADE ESTATES S.A. and registered office in Greece, in which the Company directly participates with a percentage of 20.57% of its share capital.

It also has indirect shareholdings in the following companies:

- TRADE ESTATES REAL ESTATE INVESTMENT COMPANY, with the distinctive title TRADE ESTATES REIC and registered office in Greece, in which the Company indirectly participates with a 7.15% share through its subsidiary HOUSEMARKET (CYPRUS) LTD.
- TRADE ESTATES REAL ESTATE INVESTMENT COMPANY, with the distinctive title TRADE ESTATES REIC and registered office in Greece, in which the Company indirectly holds a 12.21% stake through its subsidiary HOUSEMARKET BULGARIA EAD.
- TRADE ESTATES REAL ESTATE INVESTMENT COMPANY, with the distinctive title TRADE ESTATES REIC and registered office in Greece, in which the Company indirectly participates with a 1.53% share through its subsidiary TRADE LOGISTICS SA.
- VYNER LTD with the distinctive title VYNER LTD and registered office in Cyprus, in which WYLDES LIMITED holds a 50% shareholding.
- SW SOFIA MALL ENTERPRISES LTD with its registered office in Cyprus, in which WYLDES LIMITED has a 50% shareholding.

2. Results

(All the amounts are in thousands of euros unless otherwise stated)

The Company's sales increased by 0.34% compared to the corresponding fiscal year 2023. More specifically, the Company (IKEA Stores) reported sales of 196.8 million euros for the whole of 2024 (2023: amount of EUR 197.4 million). Total EBITDA reached EUR 21.8 million compared to an amount of EUR 17.1 million in 2023, while it reported a profit before taxes of EUR 10.7 million compared to an amount of 16.5 million euros in 2023. Net profits amounted to 10.6 million euros compared to an amount of 17.2 million euros in 2023.

In the following, we present comparative figures for the financial year 1/1 - 31/12/20234 with the corresponding financial year 1/1 - 31/12/2023, of the Company's results, in order to highlight the true picture of the course of its activities as it was formed during the reporting period (Amounts are in thousands of euros).

	31/12/2024	31/12/2023	2024/2023
Revenue	196,762	197,443	1.00
EBITDA*	21,813	17,098	1.28
EBIT	8,402	3,835	2.19
Profit / Loss before Tax	10,699	16,477	0.65
Net Profit / Loss After Tax and Minority Interests	10,590	17,218	0.62

(*) The selected alternative performance measurement indicators are listed in section 8.

We note that the total equity as of 31/12/2024 amounts to EUR 83.9 million, compared to the amount of EUR 84.4 million on 31/12/2023.

3. Basic Financial Indicators

In this section we present key financial ratios relating to the Company's financial structure and profitability, according to the data included in the Annual Report for both fiscal year 2024 and the previous fiscal year 2023.

Financial Structure Indicators:

	31/12/2023	31/12/2022
Total Current assets/ Total Assets	12.83%	28.24%
Total current assets without Assets classified as held for sale / Total Assets	0	11.78%
Total Liabilities/ TOTAL SHAREHOLDERS EQUITY & LIABILITIES	76.90%	72.01%
Total Shareholders Equity / TOTAL SHAREHOLDERS EQUITY & LIABILITIES	23.10%	27.99%
Total Current assets / Total Current Liabilities	82.94%	79,71%
Total current assets without Assets classified as held for sale / Total current Liabilities without Liability arising from assets held for sale	0	33.26%

Performance & Efficiency basic Indicators:

	2024	2023
Operating Profit / Revenue	4.27%	1.94%
Profit/(Loss) before Tax / Shareholders Equity	12.75%	19.53%

4. Operating Performance – Important developments:

4.1 Share Capital Changes

During the period 1/1 – 31/12/2024 the following share capital changes were realised at the Company and its subsidiaries.

4.2 Company Branches

The Company HOUSEMARKET S.A. has branches. More specifically:

- IKEA store in Thessaloniki (89 Georgikis Scholis, Pylaia) that has been operating since October 2001.
- IKEA Branch Athens – Airport (Athens International Airport "Eleftherios Venizelos", Spata) which has been operating since April 2004.
- IKEA Athens – Egaleo store (96 - 98 Kifissou Avenue, Egaleo) which has been operating since March 2008.
- IKEA Branch in Larissa (8th km of the Old National Road Larissa – Athens) that has been operating since October 2009.
- IKEA Store in Ioannina (12th km of the National Road Ioannina – Athens) which has been operating since December 2010.
- IKEA Patras Store (Antheias 26 & Akti Dymeon, Tor Raks Shopping Park) which was inaugurated on October 30, 2024.
- IKEA (Pick Up & Order Point) Product Order and Pick-up Center in Rhodes (5^{km} Rhodes - Lindos Avenue) which has been operating since November 2012.
- IKEA (Pick Up & Order Point) Order and Order Point, Chania (404 Konstantinou Karamanlis Avenue), which has been operating since September 2013.
- IKEA (Pick Up & Order Point) Product Order Center Heraklion (1 Velisariou & Ikarou Avenue, N. Alikarnassos) which has been operating since October 2013.
- IKEA (Pick Up & Order Point) Product Order and Pick-up Center Alexandroupolis (2nd km Alexandroupolis-Feres) which has been operating since May 2023.
- IKEA (Pick Up & Order Point) Product Order and Pick-up Center of Kalamata (181 Artemidos Street, Kalamata) which has been operating since April 2019.
- IKEA Small Store Piraeus (Demetriou Gounari 10-12 & Lykourgou Piraeus) which has been operating since December 2020.
- IKEA Small Store in Maroussi (35 Andreas Papandreou St., THE MALL shopping center) that has been operating since December 2021.
- IKEA e-commerce store operating since August 2014.

Through its subsidiary HM HOUSEMARKET (CYPRUS) LTD, since September 2007 it operates one (1) IKEA Store, one (1) E-Commerce Store of IKEA products, and one (1) Planing studio store in (Limassol) of IKEA products. Also, through its subsidiary HOUSE MARKET BULGARIA EAD, one (1) IKEA Store in Sofia has been operating since September 2011, two (2) Pick Up & Order Points of IKEA products in Burgas and Plovdiv, one (1) IKEA Small Store in Varna, one (1) IKEA shop in Sofia at (Mall of Sofia), one (1) IKEA shop in Veliko Tarnovo.

5. Stock awards

Members of the Company's Management and its subsidiaries participate in the Share Option Program of the parent company FOURLIS S.A. HOLDINGS (http://www.fourlis.gr).

1) The Extraordinary General Meeting of the shareholders of the Company "FOURLIS HOLDING COMPANY S.A." of 22/7/2021 decided, in accordance with the provisions of article 113 of Law 4548/2018, to implement a Stock Options Program (hereinafter: "the Program 1") to senior executives of the Company and its affiliated companies within the meaning of article 32 of Law 4308/2014 as in force, and authorized the Board of Directors to regulate the procedural issues and details. The beneficiaries of Program 1 were determined by the decision of the Board of Directors dated 22/11/2021 (relative to the minutes of the Board of Directors with number 429/22.11.2021). During the course of the program and in accordance with the terms of this program, the Board of Directors issues certificates of right to acquire shares to the beneficiaries who have exercised their right and issues and delivers the shares to the above beneficiaries, increasing the share capital of the Company and certifies the capital increase. These share capital increases do not constitute amendments to the Articles of Association. The Board of Directors is obliged, during the last month of the fiscal year, in which capital increases took place, as defined above, to adapt, by its decision, the article of the Articles of Association on capital, so as to provide for the amount of capital, as it emerged after the above increases, in compliance with the disclosure formalities of article 13 of Law 4548/2018.

In November 2024, the executives of the Company and its affiliated companies that have been selected as beneficiaries of the above program, were invited to submit a declaration of exercise of rights corresponding to a total of 1,597,000 new common registered shares of the Company, as well as to exercise the rights by payment of the exercise price. With its decision of 30/12/2024, the Board of Directors proceeded a) to the certification of the payment, by beneficiaries of the above program, of the total amount of EUR 843,300.00 which corresponds to 843,000 new common registered shares of the Company, b) the increase of the share capital of the Company by this amount and c) the consequent amendment of the relevant article of the Articles of Association.

2) The Annual General Meeting of the shareholders of the Company "FOURLIS HOLDING COMPANY S.A." of 16/6/2023 approved a Share Distribution Program (hereinafter: "the Program 2") to executives of the Company and its affiliated companies, in the forms of a) granting of stock options (Article 113 of

Law 4548/2018) and b) free of charge of share grants (Article 114 of Law 4548/2018), and authorized the Board of Directors to settle the procedural issues and details.

This Plan 2 is a revision of the share distribution program approved by the Annual General Meeting of shareholders on 16/6/2017 to executives of the Company and its affiliated companies in the form of a Stock Options Program, which was established in accordance with the provisions of paragraph 13 of article 13 and paragraphs 3 and 4 of article 29 and paragraph 2 of article 31 of Codified Law 2190/1920.

Program 2 is divided into two sub-programs:

A) Program for the smooth succession of senior executives of the Company and its affiliated companies (hereinafter also referred to as "Program A"):

Program A grants selected senior executives of the Company and its affiliated subsidiaries the right to purchase stock options at a fixed price and to be able to exercise this right within a certain period of time in the future. The beneficiary exercising this right gains if, at the time of exercising the right, the market price of the share is higher than the acquisition price. Program A will be implemented through a single series for all the rights granted (up to a maximum of 850,000 rights of one (1) share).

The beneficiaries are senior executives of the Company and its affiliated companies, and in particular the Managing Directors of these companies with fifteen (15 years) experience in the FOURLIS Group, who will be selected by decision of the Board of Directors, at the reasonable discretion of the Board of Directors, in view of their imminent departure, in recognition of their long-term contribution and contribution to the development of the FOURLIS Group. The duration of Program A is until the year 2029, in the sense that the rights that will be granted to the beneficiaries of Program A may be exercised until December 2029 according to the specific provisions of the terms of the Program. During Program A and in accordance with the terms thereof, the Board of Directors issues certificates of right to acquire shares to the beneficiaries who have exercised their right and issues and delivers the shares to the above beneficiaries, increasing the share capital of the Company and certifying the capital increase. These share capital increases do not constitute amendments to the Articles of Association. The Board of Directors is obliged, during the last month of the fiscal year in which capital increases took place, to adapt, by its decision, the article of the Articles of Association on capital, so as to provide for the amount of capital, as it arose after the above increases, in compliance with the publicity formalities of article 13 of Law 4548/2018.

B) Program for attracting, retaining and encouraging senior executives of the Company and its affiliated companies (hereinafter also referred to as "Program B"):

Program B provides the selected senior executives of the Company and its affiliated subsidiaries with free common registered voting shares (stock grands) through the capitalization of the Company's reserves, in accordance with the provisions of article 114 of Law 4548/2018 as currently in force, in order to achieve specific objectives. Program B will be implemented in three (3) annual series, with a maximum of 1,300,000 shares in total. The beneficiaries are senior executives of the Company and its affiliated companies, who will be selected at the reasonable discretion of the Board of Directors, after taking into account their contribution to the achievement of the strategic plans of the FOURLIS Group for the period 2025 – 2027. The duration is forty-eight (48 months), starting in March 2024.

During Program B and in accordance with the terms of this Programme, the Board of Directors will proceed with share capital increases, with the capitalization of reserves, and the issuance of new shares, which will be delivered to the beneficiaries. These share capital increases do not constitute amendments to the Articles of Association. The Board of Directors is obliged, during the last month of the fiscal year in which capital increases took place, to adapt, by its decision, the article of the Articles of Association on capital, so as to provide for the amount of capital, as it arose after the above increases, in compliance with the publicity formalities of article 13 of Law 4548/2018.

It is noted that the Annual General Meeting of the company's shareholders of 21/6/2024 approved an amendment to Chapter 2.1 B of the above Program, in order to give the Board of Directors the opportunity to transfer part of the stock grants of the First and Second Series of the Program (up to 15% of the rights of these Series), according to article 114 of Law 4548/2018 for the granting of free share rights (stock grants) of the First and Second Series of the Program (up to a percentage of 15% of the rights of these Series), in subsequent Series.

With the decision of the Board of Directors dated 8/4/2024, the beneficiaries of the First Row of Program B were appointed based on the proposal of the Nomination and Remuneration Committee dated 27/3/2024, to whom 385,033 rights of free common voting shares (stock grants) were granted.

6. Information about Group's plan of development

During the fiscal year 2024, the Company continued its development course in the sector in which it operates, further developing its network while at the same time optimizing the existing one.

As announced on December 2, 2024, by the Fourlis Group and the Company faced a malicious external cybersecurity attack on November 27, which temporarily affected digital systems in all countries of its operation. The Company's management immediately activated the incident response plan and, in cooperation with specialized partners, contained and successfully solved the problem. All the group's actions followed the procedures for mitigating the impact provided for by the General Data Regulation (GDPR) and Law 4624/2019 and the disclosure and cooperation obligations with the competent supervisory authorities. The temporary unavailability of some data affected by the cyberattack was restored almost immediately, while the technical report (Forensic) did not prove the leakage of personal data.

The incident caused temporary disruptions to the replenishment of IKEA stores, as well as e-commerce operations, during December 2024 to February 2025.

The incident affected the Company's sales, with a focus on December 2024. However, rapid cost adjustment and flexibility allowed it to absorb the impact and even exceed its profitability forecasts for the year.

As of March 2025, all systems and data have been fully restored and trading has returned to normal operational performance. The Company continues to invest in cybersecurity and resilience of information systems, while maintaining a focus on sustainable development and operational excellence.

At the beginning of 2025, the international economic environment remains highly fluid, as intense geopolitical instability continues and competition between the world's strongest nations intensifies. However, despite the uncertainties and significant challenges, the Company's high performance in 2024 lays a strong starting point for achieving our goals.

Thus, during the fiscal year 2024, significant progress was made according to the plan for the optimization and expansion of the IKEA store network. On October 30, 2024, the new IKEA store was inaugurated in Patras, in the Top Parks Patras shopping park of Trade Estates, with a total area of 7,200 sqm and is the 6th largest IKEA store in Greece. According to the strategic planning, additional IKEA stores are being developed: one in Heraklion, Crete, which will operate in 2025 and one in Elliniko, Attica, which will operate in 2027. IKEA's flexible expansion model also includes "new generation stores of approximately 2,000 sq.m.

In addition, the optimization of the existing IKEA network in the Airport Commercial Park (AIA) was completed with the opening of the PLAISIO store, which was installed next to INTERSPORT and HOLLAND 7 BARRET creating a unique shopping experience.

On 4/2/2025 the Fourlis Group completed the sale of 19,279,935 shares of Trade Estates through the company's subsidiaries (16% of the share capital) through a private placement, for a price of 29 million euros. As a result, the Group's stake in Trade Estates decreased to less than 50% (47.3%), leading to the loss of control over Trade Estates. In this context, at the date of the transaction and in accordance with the requirements of IFRS 10 "Consolidated Financial Statements", Trade Estates ceased to be consolidated as a subsidiary, with the derecognition of its net assets from the Group's consolidated financial statements. The Company directly participates with a percentage of 20.57% and indirectly 20.89% in the share capital of Trade Estates. As a result of the transfer of shares from HOUSEMARKET's subsidiaries, HOUSEMARKET now holds a direct stake of 20.57% and an indirect stake of 4.89%. As, following the transaction, the criteria for classifying the stake in Trade Estates as "Assets held for sale" under IFRS 5 are no longer met, the stake has been reclassified to "Investments in subsidiaries and associates".

The Management's orientation towards the exploitation of synergies within the Group will continue for the first half of 2025. "Integrity", "Mutual Respect" and "Effectiveness" continue to be the values through which the Group seeks to achieve its goals.

7. Major Threats & Uncertainties for the Company

Risk management is handled by the portfolio management service of the parent company FOURLIS SA S.A., which operates according to specific rules set by the Board of Directors.

The Company has adopted the "Enterprise Risk Management" (ERM) methodology which facilitates and enables the organization to identify, assess and manage risks through a structured approach. The methodology is based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) ERM framework, which provides guidance on how to incorporate ERM practices and captures the principles of implementation. Within this framework, risks were identified and assessed and recorded in the Company's Risk Register.

More specifically, the categories of risks are: Profitability & Liquidity, Reputation & Ethics, Society & People, Regulatory Compliance, Strategy, Customers, Health & Safety, Growth & Competition, Technology and Operations. The most significant risks identified for the Company are:

- *Risk related to the Sustainability* category: The possibility of the business strategy not aligning with ESG (Environmental, Social and Corporate Governance) obligations such as Climate & Sustainability and corporate governance expectations and the related impact on the Company's financial results and reputation.
- *Risk related to the Sustainability category:* The possibility of an increase in energy prices for any reason would have a negative impact on the Company's financial indicators.
- *Risk related to the People, Health and Safety category:* The likelihood of encountering difficulties in attracting, developing (including training) and retaining the required skills and talents (including new skills in digital technologies) and the related impact on the Company's performance.
- *Risk related to the Strategy category:* The likelihood of failure to clearly define the strategy and align it with the Company's business objectives and related impact on the Company's growth.
- *Risk related to the Strategy category:* The possibility of failure to adopt cutting-edge technology / align the IT strategy with the business strategy and new business models as well as the related impact on the Company's reputation and revenues.
- *Risk related to the Profitability and Liquidity category:* The possibility of ineffective liquidity management, as well as the unclear liquidation strategy and the related impact on the Company's profits and liquidity.
- *Risk related to the Profitability and Liquidity* category: The possibility of adverse global macroeconomic events and the related impact on the Company's earnings.
- *Risk related to the Growth & Competition* category: The probability of the emergence of new competitors (e-shops or physical stores) and the relative impact on the loss of market share.
- *Risk related to the category Growth & Competition*: The probability of entry of international digital markets (marketplaces) and the relative impact on the loss of market share.
- *Risk related to the category Information Systems Technology and Insecurity:* The possibility of high costs of information systems platforms and the impact on the Company's profits.
- *Risk related to the category Information Technology and Security:* The possibility of a cyber attack and the related impact on the Company's profits, performance and reputation.
- *Risk related to the Operations category:* The possibility of poor inventory management and the related impact on the Company's performance and revenues.

- *Category Related Risk Customers*: The likelihood of not meeting customer quality expectations and the associated effect on loss of reputation and market share.
- *Risk related to the Regulatory Compliance category:* The possibility of the absence of policies and procedures to prevent incidents such as corruption, harassment, human rights, child labor, diversity, inclusion and discrimination issues.

The Governing Council provides written guidance and guidance on general risk management as well as specific guidance on the management of specific risks, such as foreign exchange risk and interest rate risk.

α) Financial risk management

The Company is exposed to financial risks such as currency risk, interest rate risk and liquidity risk. The Financial Management identifies, assesses and hedges financial risks in cooperation with the FOURLIS Group.

Interest rate and liquidity risks:

The Company is exposed to cash flow risks that, due to a possible future change in floating interest rates, may positively or negatively vary the cash inflows and/or outflows associated with the Company's assets and/or liabilities.

Liquidity risk is kept at a low level by maintaining adequate bank credit limits as well as significant cash reserves. The Company also uses derivative financial products (Forward Interest Rate Swaps) to manage these risks.

Risk from the energy crisis and inflationary pressures

The Company is closely monitoring developments regarding the energy crisis, and inflationary pressures, in order to adapt to the specific circumstances that arise. It complies with the official instructions of the competent authorities for the operation of its physical stores and head offices. It complies with the applicable legislation and continues its commercial transactions in physical stores in accordance with the instructions.

The cost of energy for the operation of the Company's stores and warehouses is affected by the large increases observed internationally, but it constitutes a relatively small part of the Company's operating costs.

With regard to developments in Ukraine and the Middle East, the Company declares that it has no subsidiaries, parent or affiliated companies based in Russia, Ukraine or the Middle East, nor significant transactions with related parties from these countries. Also, the Company declares that it has no significant customers or suppliers or subcontractors or partners from Russia; Ukraine or the Middle East. The Company declares that it does not maintain accounts or have loans with Russian Banks. The Management is closely monitoring the developments and is ready to take all necessary measures to deal with any consequences on its operating activities.

Non-financial risks:

In addition to financial risks, the Company focuses on non-financial risks related to specific issues that have been identified as material in the context of sustainable development. These issues relate to full compliance with legislation and the implementation of corporate governance policies, human resources, the environmental impact of the companies' activities, the supply chain and the evolution of the companies in the context of the market in which they operate. Risk management is premised on the definition of objective objectives based on which the most significant events that may affect the Company are identified, the relevant risks are assessed and a decision is made to respond to them.

b) Important Cases

There are no litigious matters whose outcome may have a material impact on the Company's Annual Financial Statements for the financial year from 1/1 - 31/12/2024.

8. Alternative Performance Measures (APMs)

Pursuant to the ESMA Guidelines (05/10/2015|ESMA/2015/1415), the Company has adopted as an Alternative Performance Measure (AIM) the Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA). Alternative Performance Measurement Indicators (AIMIs) are used in the context of financial, operational and strategic planning decision making as well as for performance evaluation and disclosure. The Alternative Performance Measures (APMs) are considered in conjunction with the financial results prepared in accordance with IFRS and are in no way a substitute for them.

Definition **EBITDA (Earnings Before Interest, Taxes and Depreciation & Amortization & Impairment)/ Operating results before taxes, financing, investing results and total depreciation/amortization/impairment**= Earnings before tax +/- Financial and investing results (Total financial expenses + Total financial income + Contribution in subsidiaries`losses) + Total depreciation/amortization/impairment (property, plant and equipment and intangible assets).

The amount most directly connected to this specific APM (EBITDA) is operating profits (EBIT) and depreciation/amortization/impairment. Operating profits are presented in Income Statement and depreciation/amortization/impairment in Cash Flow Statement. More analytically, reconciliation of the selected APM and the financial statements of the Group for the corresponding period is as follows:

(amounts in thousand €)

	Company Results	
	1/1-31/12/2024	**1/1-31/12/2023**
Operating Profit	**8,402**	**3,835**
Depreciation/Amortization	13,411	13,264
Earnings before tax, interest and depreciation & amortization (EBITDA)	**21,813**	**17,098**

9. Sustainable Development and Social Responsibility

The FOURLIS Group has a Sustainable Development and Social Responsibility Policy that concerns all its companies and, by extension, the Company, which has been approved by the Board of Directors. The Sustainable Development strategy is based on the material issues, as they arise through the materiality analysis, which is carried out on the basis of the GRI Standards 2021. The "Non-Financial Information Report (Status)", is included in the consolidated Management Report of the Board of Directors of its parent company FOURLIS HOLDINGS S.A., which was published in April 2025 and is available on www.fourlis.gr website.

10. Related parties' transactions

Affiliated parties of the Company are considered to be the parent company FOURLIS HOLDINGS S.A. Holdings, its subsidiaries, the affiliated companies of the FOURLIS Group, the affiliated companies and joint ventures, the Management and its senior executives and their affiliated natural and legal persons (in accordance with IAS 24). The most important commercial transactions, which are eliminated for the purposes of the consolidation of the Financial Statements between the Group companies, mainly concern the provision of warehousing and supply services and administrative support expenses.

The following table analyzes the Company's claims and obligations with the related parties as of December 31, 2024 and December 31, 2023. All amounts are expressed in thousands euro.

		1/1 - 31/12/2024	1/1 - 31/12/2023
Receivables from:	FOURLIS HOLDINGS SA	1,019	42
	H.M. HOUSE MARKET (CYPRUS) LTD	12	6
	SPORTSWEAR SA	23	9
	HOUSE MARKET BULGARIA EAD	15	2,021
	TRADE LOGISTICS SA	0	1,528
	TRADE ESTATES REIC	133	76
	KTIMATODOMI SA	0	8
	WELLNESS SA	2	1
	Total	**1,204**	**3,691**
Payables to:	FOURLIS HOLDINGS SA	78	0
	SPORTSWEAR SA	0	7
	HOUSE MARKET BULGARIA EAD	96	96
	TRADE ESTATES REIC	571	886
	HOUSEMARKET CY	4	0
	TRADE LOGISTICS AEBE	243	0
	KTIMATODOMI SA	11	0
	POLIKENCO SA	317	0
	Total	**1,320**	**989**

Transactions with affiliated companies during the financial year 1/1 – 31/12/2024 and the financial year 1/1-31/12/2023 are analyzed as follows:

	1/1 - 31/12/2024	1/1 - 31/12/2023
Sales revenue	15	4
Other revenue	347	267
Dividend Income/(Expenses)	12,984	17,048
Total	**13,346**	**17,318**

	1/1 - 31/12/2024	1/1 - 31/12/2023
Administrative expenses	3,254	2,760
Disposal Operating Costs	11,600	9,745
Other operating expenses	1	0
Total	**14,855**	**12,505**

In the fiscal years 2024 and 2023, the following transactions took place between subsidiaries and the Company:

	The Company	
	31/12/2024	**31/12/2023**
Sales	11	0
Cogs	10	0
Other revenue	137	136
Administrative expenses	20	3

Disposal Operating Costs	6,089	5,014
Dividend Income	12,984	17,048

	31/12/2024	31/12/2023
Commercial Requirements	28	3,555
Stocks	0	0
Creditors	343	96

11. Human Recourses

The number of employees of the Company as at 31/12/2024 is 1,380 people (1,357 at 31/12/2023).

12. Treasury shares

The Company does not hold treasury shares.

13. Explanatory report – information according to article 4 par. 7 of Law 3556/2007

a. The Company's share capital

The share capital of the Company amounts to EUR 16,863,447.00 (2023: EUR 16,863,447.00) divided into 16,863,447 shares with a nominal value of one euro 1.00 each, (2023: 16,863,447 shares).

All shares are common registered shares. Each share grants the right to one vote with the exception of any own shares, which are not eligible to vote.

The liability of the shareholders is limited to the nominal value of the shares they hold.

b. Restrictions as to the transfer of the Company's shares

The transfer of the Company's shares take place as defined by the Law and there are no restritions at the transfer from its Articles of Incorporation.

c. Significant direct or indirect shareholdings as prescribed by articles 9 - 11 of Law 3556/2007

On 31/12/2024, all shares and voting rights of the Company belonged to FOURLIS HOLDINGS SA.

d. Preference shares

The Company does not have any preference shares.

e. Restrictions to voting rights

There are no restrictions to voting rights arising from the Company's Articles of Incorporation.

f. Shareholder agreements resulting in restrictions transfer of shares or to their voting rights

The Company is not aware of any shareholder agreements, nor does its Articles of Association provide for the possibility of shareholder agreements that entail restrictions on the transfer of shares or restrictions on the exercise of voting rights.

g. Rules for the appointment and replacement of members of the Board of Directors and the amendment of the Articles of Incorporation which differ to those prescribed by Law 4548/2018.

The rules provided for in the Company's Articles of Association for the appointment and replacement of the members of the Board of Directors and the amendment of the provisions of the Articles of Association do not differ from those provided for in Law 4548/2018.

h. The Board of Directors' or of several of its members, roles for the issue of new shares or the shares buy back in accordance with article 16 of Law 4548/2018

The Articles of Association of the Company is not different from the provisions of L. 4548/2018 regarding the jurisdiction of the Board of Directors to issue new shares or to purchase treasury shares. There is no jurisdiction of some members of the Board of Directors for the issuance of new shares or the purchase of treasury shares.

i. Significant agreements that the issuer has entered into, which come into force, are amended or terminate in the event that there are changes in control due to public offering and the results of these agreements

There are no significant agreements of the Company, which come into force, are amended or terminate in the event that there are changes in control of the Company due to public offering.

j. Agreements that the issuer has entered into with members of the Board of Directors or its employees, which provide for indemnity in the event of termination or redundancy without cause due to the public offering.

There are no agreements of the Company with members of the Board of Directors or its employees, which provide for indemnity in the event of termination or redundancy without cause.

14. Subsequent Events after the date of preparation of the Annual Financial Statements for the financial year from 1/1/2023 to 31/12/2024

There are no other events after 31/12/2024 that significantly affect the financial situation and results of the Company and its subsidiaries other than the following:

- **Trade Estates Private Placement**

On 4/2/2025 the Fourlis Group completed the sale of 19,279,935 shares of Trade Estates through the subsidiaries of the company HOUSEMARKET (16% of the share capital) through a private placement, for a price of 29 million euros. As a result, the Group's stake in Trade Estates decreased to less than 50% (47.3%), leading to the loss of control over Trade Estates. In this context, at the date of the transaction and in accordance with the requirements of IFRS 10 "Consolidated Financial Statements", Trade Estates ceased to be consolidated as a subsidiary, with the derecognition of its net assets from the consolidated financial statements of the FOURLIS Group. On 31/12/2024, HOUSEMARKET participated directly with a percentage of 20.57% and indirectly with a percentage of 20.89% in the share capital of Trade Estates. As a result of the transfer of shares from HOUSEMARKET's subsidiaries, HOUSEMARKET now holds a direct stake of 20.57% and an indirect stake of 4.89%. As, following the transaction, the criteria for classifying the stake in Trade Estates as "Assets held for sale" under IFRS 5 are no longer met, the stake has been reclassified to "Investments in subsidiaries and associates".

- **Dividend distribution by the Company**

During the Extraordinary General Meeting of the Company on 24/3/2025, it was decided to distribute a dividend for the financial year until 2023 in the amount of EUR 11,467,143.96 to the parent company Fourlis Holdings S.A.

This Management Report of the Board of Directors as well as the Annual Financial Statements for the year 1/1 - 31/12/2024, the Notes on the Annual Financial Statements and the Audit Report of the Statutory Auditor, are published at the following address: (http://www.fourlis.gr).

Peania, June 16, 2025

The Board of Directors

The annual Financial Statements included in pages 25 to 78 are in accordance with the IFRS as applied in the European Union and approved by the Board of Directors on 16/6/2025 and are signed by the following:

Chairman of the Board of Directors	CEO
Dafni A. Fourlis ID No. Φ – 019071	Panagiotis D. Katiforis ID No. AK – 129648
Finance Manager Controlling & Planning	Chief Accountant
Emmanouil D. Manousakis ID No. AB - 669252	Christos G. Vasilopoulos ID No. X – 067556 Ch. Acct. Lic. No. 62815 A Class

Independent Auditor's Report

To the Shareholders of HOUSEMARKET S.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of HOUSEMARKET S.A. ("the Company"), which comprise the statement of financial position as at December 31st, 2024, statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the financial statements that include significant accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company HOUSEMARKET S.A. as at December 31st, 2024, its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company within the entire course of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to the audit of financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The separate and consolidated financial statements of the Company for the previous financial year ended 31/12/2023 were audited by another auditing firm. For the said financial year, the Certified Public Accountant issued an Unqualified Opinion Independent Auditor's Report as at 31/07/2024.

Other Information

Management is responsible for the other information. The other information is included in the Board of Director's Report, the reference to which is made in the "Report on Other Legal and Regulatory Requirements", but does not include the financial statements and our auditor's report thereon.
Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our audit, we conclude that there is a material misstatement therein, we are required to communicate that matter. We have nothing to report in respect of this matter.

Responsibilities of the Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 the management's intention is to proceed with liquidating the Company or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as an aggregate, 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, incorporated into the Greek Legislation, 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 affect the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement 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 that 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management, among other matters, the planned scope and timing of the audit and key audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, management has the responsibility for the preparation of the Board of Directors' Report, the following is to be noted:

a) In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Article 150, Law 4548/2018 and the content of the Report is consistent with the accompanying financial statements for the year ended 31.12.2024.

b) Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the Company HOUSEMARKET S.A. and its environment.

Athens, June 16, 2025

The Certified Public Accountant

Manolis Michalios

Registry Number SOEL 25131

Grant Thornton

Chartered Accountants Management Consultants
58, Katehaki Av., 115 25 Athens, Greece
Registry Number SOEL 127

Statement of Financial Position
as at December 31, 2024 and at December 31,2023

(In thousands of Euros, unless otherwise stated)

Assets	Note	31/12/2024	31/12/2023
Non-current Assets			
Property plant and equipment	6	36,500	26,198
Right of use assets	7	140,466	99,540
Investment Property	6	207	207
Intangible Assets	9	4,452	5,089
Investments	10	130,319	80,692
Long Term receivables	13	253	195
Deferred Taxes	25	4,479	4,343
Total non-current assets		**316,676**	**216,264**
Current assets			
Inventory	11	21,159	20,715
Income tax receivable		7	2
Trade receivables	12	4,225	2,931
Other receivables	14	8,610	10,269
Cash & cash equivalent	15	12,620	1,587
Assets classified as held for sale	8	0	49,592
Total current assets		**46,621**	**85,096**
Total Assets		**363,297**	**301,359**
SHAREHOLDERS EQUITY & LIABILITIES			
Shareholders equity			
Share Capital	16	16,863	16,863
Share premium reserve		(217)	(217)
Reserves	17	22,590	20,763
Retained earnings		44,695	46,948
Total shareholders equity (a)		**83,931**	**84,357**
LIABILITIES			
Non Current Liabilities			
Non - current loans	21	72,141	0
Lease liabilities	22	145,904	106,229
Employee retirement benefits	19	5,053	3,960
Other non-current liabilities	23	59	59
Total non current Liabilities		**223,157**	**110,248**
Current Liabilities			
Current portion of non-current loans and borrowings	21	8,287	61,724
Short term loans for working capital	21	10	0
Short term portion of long-term lease liabilities	22	6,645	8,115
Income Tax Payable		2	0
Accounts payable and other current liabilities	24	41,264	36,915
Total current Liabilities		**56,208**	**106,754**
Total liabilities (b)		**279,366**	**217,002**
Total Equity & Liabilities (a) + (b)		**363,297**	**301,359**

The accompanying notes are an integral part of the Financial Statements.

Income Statement for the period 1/1 to 31/12/2024 and 1/1 to 31/12/2023

(In thousands of Euros, unless otherwise stated)

		Company	
	Note	**1/1 - 31/12/2024**	**1/1 - 31/12/2023**
Income from investment properties		196,762	197,443
Cost of Goods Sold	11	(102,903)	(110,559)
Gross Profit		**93,859**	**86,884**
Other income	5	11,593	6,406
Distribution expenses	5	(80,960)	(74,102)
Administrative expenses	5	(15,781)	(14,399)
Other operating expenses	5	(308)	(955)
Operating Profit /(Loss)		**8,402**	**3,835**
Total finance cost	5	(10,737)	(9,598)
Total finance income	5	50	19
Contribution associate companies profit and loss	8	0	5,174
Dividends	18	12,984	17,048
Profit / (Loss) before Tax		**10,699**	**16,477**
Income tax	25	(109)	741
Net Profit (A)		**10,590**	**17,218**

Revenue is meant as income from contracts with customers.

The accompanying notes are an integral part of the Financial Statements.

Statement of Comprehensive Income for the period 1/1 to 31/12/2024 and 1/1 to 31/12/2023

(In thousands of Euros, unless otherwise stated)

	Note	1/1 - 31/12/2024	1/1 - 31/12/2023
Net Income (A)		**10,590**	**17,218**
Other comprehensive income/(expenses)			
Other comprehensive income/(expenses) transferred to the income statement			
Effective portion of changes in fair value of cash flow hedges		0	0
Total Other comprehensive income/(expenses) transferred to the income statement		**0**	**0**
Other comprehensive income/(expenses) not transferred to the income statement			
Actuarial gain/losses on defined benefit pension plans	19,25	(870)	(255)
Total Other comprehensive income/(expenses) not transferred to the income statement (B)		**(870)**	**(255)**
Total Comprehensive Income/(Losses) after Tax		**9,720**	**16,963**
Attributable to:		**9,720**	**16,963**
Non controlling interest		0	0
Total Comprehensive Income) after Tax (A) + (B)		**9,720**	**16,963**

The accompanying notes are an integral part of the Financial Statements.

Statement of Changes in Equity

for the period 1/1 to 31/12/2024 and 1/1 to 31/12/2023

(In thousands of Euros, unless otherwise stated)

	Note	Share Capital	Share premium reserves	Reserves	Revaluation Reserves	Retained earnings / (Accumulated losses)	Total Equity
Balance at 1.1.2023		**47,451**	**(217)**	**18,680**	**722**	**36,985**	**103,620**
Total comprehensive income/(loss) for the period							
Profit		0	0	0	0	17,218	17,218
Actuarial gains (losses) on defined benefit pension plan	19,25	0	0	0	0	(255)	(255)
Total comprehensive income/(loss)		**0**	**0**	**0**	**0**	**(255)**	**(255)**
Total comprehensive income/(loss) after taxes		**0**	**0**	**0**	**0**	**16,963**	**16,963**
Transactions with shareholders recorded directly in equity							
Transactions with shareholders, recorded directly in equity		(30,587)	0	0	0	0	(30,587)
Share Capital Increase	19	0	0	1,361	0	0	1,361
SOP Reserve	18	0	0	0	0	(7,000)	(7,000)
Dividends to equity holders		**(30,587)**	**0**	**1,361**	**0**	**(7,000)**	**(36,226)**
Balance at 31.12.2023		**16,863**	**(217)**	**20,041**	**722**	**46,948**	**84,357**
Balance at 1.1.2024		**16,863**	**(217)**	**20,041**	**722**	**46,948**	**84,357**
Total comprehensive income/(loss) for the period							
Profit						10,590	10,590
Actuarial gains (losses) on defined benefit pension plan	19,25	0	0	0	0	(870)	(870)
Total comprehensive income/(loss)		**0**	**0**	**0**	**0**	**(870)**	**(870)**
Total comprehensive income/(loss) after taxes		**0**	**0**	**0**	**0**	**9,720**	**9,720**
Transactions with shareholders, recorded directly in equity							
Share Capital Increase							
SOP Reserve	19	0		1,826	0	0	1,826
Dividends to equity holders	18	0		0	0	(11,973)	(11,973)
Total transactions with shareholders		**0**	**0**	**1,826**	**0**	**(11,973)**	**(10,147)**
Balance at 31.12.2024		**16,863**	**(217)**	**21,867**	**722**	**44,695**	**83,931**

The accompanying notes are an integral part of the Consolidated Financial Statements.

Statement of Cash Flow for the period 1/1 to 31/12/2024 and 1/1 to 31/12/2023

(In thousands of Euros, unless otherwise stated)

	Note	Company 1/1 - 31/12/2024	Company 1/1 - 31/12/2023
Operating Activities			
(Loss)/Profit before taxes		10,699	16,477
Adjustments for:			
Depreciation / Amortization	5,6,7,9	13,411	13,264
Provisions		1,804	1,376
Foreign exchange differences		5	1
Results (Income, expenses, profit and loss) from investment activity		(17,127)	(22,131)
Interest Expense		10,416	9,597
Plus/less adj for changes in working capital related to the operating activities			
(Increase) / decrease in inventory		(444)	840
(Increase) / decrease in trade and other receivables		(1,698)	2,860
Increase / (decrease) in liabilities (excluding banks)		4,358	2,150
Less			
Interest paid and interest on leases		(10,737)	(9,281)
Income taxes paid		(6)	(6)
Net cash generated from operations (a)		**10,681**	**15,146**
Investing Activities			
Purchase or Share capital increase of subsidiaries and related companies		(35)	(75)
Purchase of tangible and intangible fixed assets	6,9	(14,734)	(8,012)
Addition of assets	6	0	(8,403)
Proceeds from disposal of tangible and intangible assets		11	1
Proceeds from the sale of other investments	6	0	13,450
Interest Received		50	18
Proceeds from dividends	18	14,984	17,048
Total (outflow) / inflow from investing activities (b)		**276**	**14,028**
Financing Activities			
Proceeds from issued loans	21	74,193	11,000
Repayment of loans	21	(55,163)	(34,000)
Dividends paid		(11,973)	(13,000)
Repayment of leasing	22	(6,982)	(7,467)
Total inflow / (outflow) from financing activities (c)		**75**	**(43,467)**
Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)		**11,032**	**(14,293)**
Cash and cash equivalents at the beginning of the period		1,587	15,881
Closing balance, cash and cash equivalents		**12,620**	**1,587**

The accompanying notes are an integral part of the Financial Statements.

Notes to the Financial Statements as at 31 December 2024

1. Corporate information

1.1 General Information

HOUSEMARKET SOCIETE ANONYME TRADING COMPANY FOR HOUSEHOLD GOODS, FURNITURE AND DINING GOODS (the Company) with the distinctive title HOUSEMARKET S.A. has its registered office in Greece and its offices are located at the "Eleftherios Venizelos" Airport, in building 501 of the Athens Airport Commercial Park. It is registered in the Register of Sociétés Anonymes Companies of the Ministry of Development under the registration number S.A. 46208/04/B/00/37(04). It is a subsidiary of FOURLIS S.A. HOLDINGS which holds 100% of its share capital.

The term of the Company, according to its Articles of Association, is set at 50 years and expires on 24 April 2050.

The current composition of the Board of Directors of the Company is as follows:

1. Dafni A. Fourlis, Chairman, executive member
2. Vassilis St. Fourlis, Vice Chairman, executive member
3. Lida St. Fourlis, councillor
4. Panagiotis D. Katiforis, CEO, executive member
5. Dimitris E. Valachis, councillor
6. George K. Alevizos, councillor, non executive member
7. Stylianos M. Stefanou, councillor, independent non executive member

The number of employees of the Company as at 31/12/2023 is 1,357 (1,313 as at 31/12/2022).

1.2 Activities

The Group's Companies activities are the retail trading of home furniture and household goods, food service activities.

The direct and indirect subsidiaries of the Group as presented below:

Direct subsidiaries	**Parent**	**Location**	**% Holding**
HOUSE MARKET BULGARIA EAD	HOUSEMARKET SA	Bulgaria	100
HM HOUSEMARKET (CYPRUS) LTD	HOUSEMARKET SA	Cyprus	100
TRADE LOGISTICS SA	HOUSEMARKET SA	Greece	100
WYLDES LIMITED LTD	HOUSEMARKET SA	Cyprus	100
TRADE ESTATES REIC	HOUSEMARKET SA	Cyprus	20.57
Indirect subsidiaries			
TRADE ESTATES REIC	HM HOUSEMARKET (CYPRUS) LTD	Cyprus	7.15

TRADE ESTATES REIC	HOUSE MARKET BULGARIA EAD	Bulgaria	12.21
TRADE ESTATES REIC	TRADE LOGISTICS SA	Greece	1.53
Affiliates			
VYNER LTD	WYLDES LIMITED LTD	Cyprus	50
SW SOFIA MALL ENTERPRISES LTD	WYLDES LIMITED LTD	Cyprus	50

During the period 1/1 – 31/12/2024 there was no change in the Company's share capital.

2. Basis of presentation of the Financial Statements

2.1. Basis of preparation

The attached Corporate Financial Statements (hereinafter referred to as the Financial Statements) have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The Board of Directors of the Company approved the Financial Statements for the fiscal year 2024, on June 16, 2025. The Financial Statements are subject to the approval of the Annual General Meeting of the Company's Shareholders.

The Financial Statements have been prepared on the basis of the principle of historical cost, except for the valuation of specific assets and liabilities (investment real estate, hedging instruments, investments/financial assets available for sale) made at fair values and based on the principle of continuity of the Company's operations.

The Management has examined the impact of geopolitical developments up to the date of approval of the Corporate Financial Statements and has concluded that the principle of continuing business is the appropriate basis for their preparation. Reaching this conclusion, the Company's Management is closely monitoring developments and is ready to take all necessary measures to address any consequences on its operating activities.

The Management has concluded that the Company is able to meet all its obligations in a timely manner, at least for a period of 12 months from the date of the Balance Sheet and that there are no material uncertainties that may call into question its ability to operate on the basis of the principle of continuing business. Financial Statements are presented in thousands of euros, unless otherwise stated and variations in amounts are due to rounding.

2.2. Significant accounting judgments and estimates

The preparation of the Financial Statements on the basis of IFRS requires the Management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates. Estimates are based on management's previous experience including expectations of future events under normal conditions. The aforementioned judgments, estimates and assumptions are periodically re - assessed in order to be in line with current available data and reflect current risks.

When applying the Group’s accounting policies, Management has made the following judgments, estimates and assumptions that may have a significant impact on the items reported in the financial statements:

Estimates:

- **Deferred Tax assets:** deferred asset taxes are recognized to the extent that it is likely that tax gains will arise against which tax losses can be offset and credit taxes can be used. The recognition of deferred tax claims requires significant considerations and judgment regarding the Company's future activity and prospects as well as the amount and timing of the realization of taxable profits. Additional details are included in Notes 3.16 and 25 to the Financial Statements.
- **Fair Values of investment properties:** the Group recognizes its investment properties at fair values as determined by independent appraising firms. The fair values of investment properties are assessed on an annual basis. The determination of the fair values of properties requires assumptions with respect to future cash flows from rents with the use of DCF (Note 3.5 of Financial Statements).
- **Impairment test of investments in subsidiaries:** at the parent company examines at each balance sheet date whether or not there are indications of impairment of investments in subsidiaries. The determination of the existence of impairment indications requires the Management to make judgments regarding external and internal factors as well as the extent to which they affect the recoverability of these assets. If it is assessed that there are indications of impairment, the Company proceeds to calculation of the recoverable amount. The determination of the recoverable amount requires the making of estimates of the future cash flows related to the investment, the business plans of those undertakings and the determination of the discount rate and growth rates. Additional details on the impairment control of investments in subsidiaries are included in Note 10 to the Financial Statements.
- **Impairment test of property, plant and equipment, right of use assets and assets held for sale:** property, plant and equipment is constantly tested in order to define if there are indications which show that its book value is not recoverable. The Group considers, for impairment test purposes, that (a) each store basically is a cash flow generating unit while, (b) per case, assets or group of assets classified as held for sale may consist a cash flow generating unit (CGU). In cases that property, plant and equipment is part of CGU and there are impairment value indications that the recoverable amount of the CGU is determined as the higher amount between value in use and fair value. Value in use is calculated by implementing the cash flow discount method, taking into consideration Management’s estimations (business plans 5-7 years) and any contingent impairment is determined by the comparison of book value and value in use. Fair value is calculated from independent appraisers report according to commonly accepted valuation principles. The loss-making operating result of stores was considered as indication of possible impairment and wherever there was existence of such indication, an impairment test was implemented. Additional details for impairment test of tangible assets are included in Note 6 of the Financial Statements.

- **Useful lives of property plant and equipment:** Management makes estimates when determining the useful lives of depreciable assets. Such estimates are periodically reviewed. The useful lives estimated and applied are discussed in Note 3.4 and 3.6.
- **Employee benefits:** the obligation to provide benefits to employees after leaving the service is calculated using actuarial methods. The actuarial study requires significant estimates to be made which may differ from actual developments in the future. These estimates include the determination of the discount rate, future wage increases, disability, mortality and departure rates. The obligation to provide defined benefits is particularly sensitive to changes in these assumptions. Actuarial gains and losses resulting from a diversification of actuarial assumptions are recognised in the Statement of Other Income. Actuarial assumptions are subject to periodic review by the Management. Additional details are included in Note 19 to the Financial Statements.
- **Benefits that depend on the value of the shares:** The estimation of the fair value of the benefits that depend on the value of the share requires the use of the appropriate valuation method, which depends on the terms and conditions of the benefits. This estimate also requires the use of the appropriate data, including the expected life of the stock options; the expected volatility of the stock, the expected dividend yield and making assumptions about them. The assumptions and models used to estimate the fair value of equity benefits are presented in Note 19 to the Financial Statements.
- **Stock Forecasts:** Stocks are regularly reviewed for their velocity and forecasts are made for real estate and slow-moving stocks, depreciated stocks that will be destroyed within the next period, estimates are made for the seasonality of stocks and an estimate of future sale price which are presented in Note 11 to the Financial Statements.
- **Revenue from contracts with customers**: The Company estimates the fair value of unredeemed points using historical data and evaluating the likelihood of exercising them.

Judgments:

- **Right of use assets:** On the beginning date of the leasing period, a right of use asset and an liability are recognized by calculating present value of leases which remain unpaid, discounted with leasing interest rate (interest rate which would be accepted by the lessee in order to be loaned all necessary funds with similar terms). The Group determines the leasing duration as the contractual leasing duration, including the period which is covered by a) the right to extend leasing if it is almost sure that it will be exercised, or b) the right to terminate the contract if it is almost sure that it will not be exercised. The Group implements a single discount rate at each leasing category with similar characteristics (as leasing with similar duration, assets and economic environment). Afterwards, the asset is measured at cost less depreciation and any impairment losses while, the liability is measured by increasing book value with interest expenses on the liability and by decreasing book value with leases payments. Further details are provided in Notes 7 and 22.
- **Provisions for impaired receivables:** provisions for bad customers are based on historical data

of receivables and take into account the expected credit risk. The bad loan analysis of the Financial Position is included in Note 14 to the Financial Statements.

For trade receivables, the Company applies the simplified approach for calculating ECL credit losses. Therefore, the Group does not monitor changes in credit risk but recognizes a lifetime ECL-based loss rate in each reporting period. The Group has established a provisioning matrix based on historical credit loss experience, adjusted for future factors appropriate to the debtors and the economic environment.

2.3 Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those adopted during the previous financial year except for the following standards which the Company has adopted as of January 1, 2024.

Amendments to IFRS 16 "Leases: Lease Obligation in a Single Sale and Release" (applicable for annual periods beginning on or after 1/1/2024)

In September 2022, the IASB issued limited-purpose amendments to IFRS 16 "Leases" that add requirements for how a company accounts for a sale and leaseback after the date of the transaction. A sale and lease is a transaction in which a company sells an asset and leases the same asset back for a period of time from the new owner. IFRS 16 includes requirements relating to the accounting handling of a sale and release on the date the transaction takes place. However, the Standard did not specify how the transaction would be measured after that date, in particular when some or all of the payments are variable payments that do not depend on an index or interest rate. The adopted amendments are in addition to IFRS 16 requirements on sale and releasing, thereby supporting the consistent application of the accounting standard. These amendments will not change the accounting treatment for leases other than those resulting from a sale and release transaction. The Company's Management is in the process of assessing the impact on the financial statements.

Amendments to IAS 1 "Classification of Liabilities as Short Term or Long Term" (applicable for annual periods beginning on or after 1/1/2024)

The amendments provide guidance on IAS 1 requirements for the classification of liabilities as short-term or long-term. The amendments clarify the concept of the right to defer settlement of a liability, which should exist at the reference date. The intention of management or the counterparty's right to settle the obligation through the transfer of equity does not affect the short-term or long-term classification. In addition, it clarifies that only clauses that an entity must comply with on or before the reference date affect the classification of an obligation. Amendments to the Standard require that information relating to these clauses be disclosed in the notes to the financial statements. The amendments apply for annual accounting periods starting on or after 1 January 2024, with their early adoption allowed. The Company has evaluated the disclosures of the accounting policies and they have no impact on the Company's financial statements.

Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures": Supplier Financing Arrangements (applicable for annual periods commencing on or after 1/1/2024)

In May 2023, the IASB issued amendments ('Supplier Finance Arrangements'), which amended IAS 7 'Statement of Cash Flow' and IFRS 7 'Financial Instruments: Disclosures'. The new amendments require an entity to provide additional disclosures on supplier financing arrangements. Those disclosures are intended to assist users of financial statements (a) to assess how supplier funding arrangements affect an entity's liabilities and cash flow, and (b) to understand the impact of supplier funding arrangements on liquidity risks and how the entity could be affected if those financial instruments are no longer available. The amendments to IAS 7 and IFRS 7 apply to the accounting period on or after 1 January 2024. The Company's Management is in the process of assessing the impact on the financial statements.

New Standards, Interpretations, Revisions and Amendments of existing Standards that have not yet entered into force or have not been adopted by the European Union

The following new Standards, Interpretations and Amendments to Standards have been issued by the International Accounting Standards Board (IASB), but have either not yet entered into force or have not been adopted by the European Union.

Amendments to IAS 21 "The Effects of Exchange Price Changes": Lack of Exchangeability (applicable for annual periods starting on or after 1/1/2025)

In August 2023, the IASB issued amendments to IAS 21 'The effects of exchange price changes' requiring entities to provide more useful information in their financial statements when one currency cannot be exchanged for another currency. The amendments include the introduction of the definition of the exchangeability of a currency, as well as the process by which the entity should assess that exchangeability. In addition, the amendments provide guidance on how the entity should calculate the spot rate in cases where the currency is not exchangeable and require additional disclosures in cases where an entity has calculated an exchange rate due to a lack of interchangeability. The amendments to IAS 21 apply to the accounting period on or after 1 January 2025.

The Company's Management is in the process of assessing the impact on the financial statements.

IFRS 9 & IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" (applicable for annual periods beginning on or after 1/1/2026)

In May 2024, the IASB adopted amendments to the classification and measurement requirements of IFRS 9 Financial Instruments and corresponding IFRS 7 Financial Instruments: Disclosures disclosures. In particular, the new amendments clarify when a financial obligation must be derecognised when it is repaid via electronic payment. It also provides additional guidance on the assessment of contractual cash flow characteristics for financial assets linked to ESG (environmental, social and corporate governance) criteria. In addition, the disclosure requirements relating to investments in equity securities determined at fair value through other comprehensive income have been amended and disclosure requirements have been added for financial instruments with possible characteristics not directly related to key risks and borrowing costs. The amendments apply to accounting periods starting on or after 1 January 2026. The Company's Management is in the process of assessing the impact on the financial statements.

IFRS Annual Improvements-Volume 11 (applicable for annual periods beginning on or after 1/1/2026)

In July 2024, the IASB issued IFRS Annual Improvements, which include minor amendments to the following accounting standards: IFRS 1 "First Application of International Financial Reporting Standards", IFRS 7 "Financial Instruments: Disclosures", IFRS 9 "Financial Instruments", IFRS 10 "Consolidated Financial Statements" and IAS 7 "Statement of Cash Flows". The amendments apply to accounting periods on or after January 1, 2026. The Company's Management is in the process of assessing the impact on the financial statements.

Amendments to IFRS 9 and IFRS 7 – "Reference Contracts for Nature-dependent Electricity" (applicable for annual periods starting on or after 1/1/2026)

On 18 December 2024, the International Accounting Standards Board (IASB) adopted amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures', with the aim of helping companies better report the financial impact of nature-dependent electricity reference contracts, also known as Power Purchase Agreements (PPAs). These contracts are used by companies to secure the supply of electricity from renewable sources, such as wind and solar energy. However, the amount of energy produced can vary due to exogenous factors, such as weather conditions. The amendments aim to best reflect these contracts in the financial statements by: (a) clarifying the requirements for the application of the concept of 'own-use', (b) allowing hedge accounting in cases where such contracts are used as hedging instruments, and (c) adding new disclosure requirements in order for investors to better understand the impact of these contracts on finances results and cash flows of the companies. The amendments apply to accounting periods starting on 1 January 2026, with their early adoption allowed. The Company's Management is in the process of assessing the impact on the financial statements.

IFRS 18 "Presentation and Disclosure of the Financial Statements" (applicable for annual periods beginning on or after 1/1/2027)

In April 2024, the IASB adopted a new Standard, IFRS 18 which replaces IAS 1 "Presentation of Financial Statements". The purpose of the Standard is to improve the way information is provided in an entity's financial statements, in particular the statement of profit and loss and disclosures on the financial statements. The Standard will improve the quality of financial reporting due to: a) the requirement of defined subsets in the income statement, b) the requirement to disclose in a separate note to the financial statements the performance indicators defined by the company's management (Management-defined Performance Measures), c) the new principles for aggregation – disaggregation. The Company's Management is in the process of assessing the impact on the financial statements.

IFRS 19 "Non-Publicly Responsible Subsidiaries: Disclosures" (applicable for annual periods beginning on or after 1/1/2027)

In May 2024, the IASB issued a new Standard, IFRS 19 "Non-Publicly Liable Subsidiaries: Disclosures". The new standard allows eligible economic entities that meet its requirements to choose to apply the reduced disclosure requirements of IFRS 19 instead of the disclosure requirements set out in the other IFRS. IFRS 19 works in parallel with the other IFRS as subsidiaries will have to apply the measurement, identification and presentation requirements set out in the other IFRS and the reduced disclosure requirements described in IFRS 19. This simplifies the preparation of financial statements for subsidiaries that meet the conditions for the application of this standard while maintaining their usefulness for users. IFRS 19 applies to accounting periods starting on or after 1 January 2027, with their early adoption allowed. The Company's Management is in the process of assessing the impact on the financial statements.

3. Basic accounting policies

The Financial Statements have been prepared in accordance with the following accounting policies:

3.1 Investments in subsidiaries

In the separate financial statements of the parent Company, investments in subsidiaries are accounted for at cost, less any impairment in value. Impairment tests are carried out when there are clear indicators of impairment, in accordance with IAS 36 "Impairment of Assets".

3.2 Investments in associates

Associates are those entities, in which the Group has significant influence but which are neither a subsidiary nor a joint venture of the Group. A percentage holding from 20% to 50% implies significant influence. Such percentage holding indicates that company is an associate. Investments in associates are accounted for using the equity method based on which the investment is carried at cost plus post-acquisition changes in the Group's share of net assets of the associate, less provisions for any impairment in value. Goodwill arising upon the acquisition of associates is included in the value of investment, while any negative goodwill is recorded in the income statement upon acquisition.

The Group's share in the gains or losses of associates after acquisition is recognized in the statement of comprehensive income, while post - acquisition movements in reserves are recognized directly in reserves.

In applying the equity method of accounting, the Group appropriately adjusts the financial statements of those associates who are not applying IFRS so as to comply with IFRS and be uniform with the accounting policies of the Group. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are eliminated, unless the transaction provides evidence of impairment of the transferred asset.

When the Group's participation to the associate's losses equals or exceeds its interest in an associate, including any other bad debts, the Group does not recognize further losses, unless it has any liabilities or made payments on behalf of the associate and generally those arising from the ownership status. In the separate financial statements of the Parent Company, investments in associates are accounted for at cost less any accumulated impairment losses.

3.3 Foreign currency translation

(a) Functional currency and reporting currency

The companies of the Group maintain their books in the currency of the financial environment in which each company operates (functional currency). The consolidated financial statements are presented in Euros.

(b) Transactions and balances

Transactions in foreign currencies are converted to the functional currency according to the foreign exchange rates ruling at the date of the transaction. Foreign exchange differences arising on translation of monetary assets and liabilities denominated in foreign currencies at the reporting date are recognized in the statement of comprehensive income. Foreign exchange differences on non-monetary items carried at fair value are considered as part of the fair value of those items and are recorded together with the fair value adjustments.

3.4 Property, plant and equipment

Property, plant and equipment are measured, by category, as follows:

- All categories of property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.
- Cost includes all directly attributable costs for the acquisition of the items of property, plant and equipment. These costs include borrowing costs of loans drawn to finance the acquisition or construction of assets which are capitalized until the date when the assets are ready for their intended use.

Significant subsequent additions and improvements are recognized as part of the cost of the asset when they increase the useful life and / or the productive capacity of investment's value. Costs for repairs and maintenance are recognized in the income statement as an expense as incurred.

Upon disposal of an item of property, plant and equipment, the difference between the consideration received and the carrying value is recorded as gain or loss in the Income Statement.

Depreciation is calculated on a straight - line basis over the estimated useful life of the assets. Useful lives are reviewed on an annual basis.

The estimated useful lives of the Group's property plant and equipment, except of the land that is not depreciated, are as follows:

Category	Useful life
Buildings - Building installations (owned premises)	10 - 40 years
Buildings on third party land	10 - 36 years
Machinery and equipment	9 - 10 years
Motor vehicles	6 - 9 years
Miscellaneous equipment	4 - 10 years

Owner - occupied buildings or buildings whose use has not yet been determined and which are under construction are recorded at cost less any impairment losses. This cost includes professional compensations and borrowing costs. The depreciation of that owner - occupied buildings begins from the time the buildings are ready for use.

3.5 Investment property

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at fair value, which is evaluated annually. In case of owner occupation, the investment property is derecognized and transferred to property, plant and equipment at fair value on the transfer date. The carrying value of investment property reflects the market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment property fair value are recognized in the Income Statement of the period they occur.

3.6 Intangible assets

The intangible assets of the Group (excluding goodwill) are depreciated over their useful life which is annually reviewed.

- **Royalties**

Trademarks and licenses are valued at cost less amortization. Amortization is charged to the income statement on a straight - line basis over the estimated useful lives, which have been determined from 5 to 20 years.

- **Software - Other intangible assets**

Software licenses are valued at cost less amortization. Amortization is charged on a straight - line basis over the estimated useful lives and the depreciation rate is 15%.

Expenditure on development and maintenance of software is expensed as incurred. Expenditure of development activities for the production of new or substantially improved software (in - house developments), is recognized as intangible assets when the following criteria are met: a) when a specific asset is created, b) when it can be demonstrated that the intangible asset will generate probable future economic benefits and c) when the expenditures of development can be measured reliably. Such expenditures include also labor costs and an appropriate proportion of overheads. In case of software replacement, while the old one is no longer in use, intangible asset is permanently deleted from the register and the net book value burdens the income statement.

Costs incurred for performing software upgrades, are capitalized and the new gross value forms the depreciable amount.

3.7 Impairment of non - financial assets except Goodwill

Property, plant and equipment is constantly tested in order to define if there are indications which show that its book value exceeds their recoverable value. The Company considers for impairment control purposes that each store is a cash generating unit (CGU). In cases where tangible assets are part of a cash generating unit, such as a store, and indications of impairment have been identified that could lead to the conclusion that their book value exceeds their recoverable value, the recoverable amount of the cash flow unit is determined by calculating the value in use. The value in use is calculated by applying the cash flow discounting method, taking into account the estimates of the Management as reflected in business plans with a time horizon of 5-7 years. Impairment loss is determined as the excess of the carrying amount in relation to the value for the year and is recorded in the profit and loss account. An indication of a possible impairment in value was considered the loss-making operating result for the Stores and where such an indication was found, an impairment check was carried out.

All assets are checked for impairment when there are indications that their carrying amount will not be recovered, i.e. that their carrying amount exceeds the amount recovered from their use or sale.

Recoverable value is the greater of the fair value, minus the cost of the sale, and the use value of the asset. The value of the year is determined by discounting future flows at the appropriate discount rate. If the recoverable value is less than the recoverable value, then the recoverable value is reduced to the amount of the recoverable.

Impairment losses are recorded as an expense in the results of the year in which they arise, unless the asset has been readjusted, in which case the impairment loss, by the amount covered by past goodwills, reduces the corresponding revaluation reserve. At each balance sheet date, it is examined whether impairment losses previously recognised exist or have been reduced. If such indications exist, a redetermination of the recoverable amount of the asset is carried out. Where in a later year the impairment loss has to be reversed, the depreciable value of the asset increases to the level of the revised estimate of recoverable value. The new depreciable value shall not exceed the depreciable value that would have been determined if the impairment loss had not been recorded in previous years.

3.8 Current / Non-current assets and liabilities: classification

The Group presents the assets and liabilities in statement of financial position based on the classification as current / non-current.

An asset is classified as current when:

- It is expected to take place or its sale / consumption has been predicted within the next period
- It is mainly maintained for trading purposes
- It is expected to take place within twelve months since the reference period.

Or it is cash or cash equivalent, unless they have been eliminated from the exchange or their use in order to settle a liability for at least 12 months after the reference period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled within the next operation year
- It is mainly maintained for trading purposes
- It is clarified that it will be settled within twelve months after the reference period.

There is no unconditional right to postpone the solution of a liability for at least twelve months after the reference period.

The liability terms which could, upon the selection of the counterparty, lead to its settlement, by issuing financial products, do not affect its classification.

The Group classifies all its other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.9 Financial instruments – initial recognition and measurement

IFRS 9 Financial Instruments

<u>Classification and measurement of financial assets:</u>

According to IFRS 9, financial assets are measured at fair value plus, in the case of financial assets not measured at fair value through profit and loss (Fair Value through Profit and Loss – FVPL), the transaction cost. Debt instruments are measured subsequently at fair value, through profit and loss, at amortized cost or fair value through other comprehensive income (Fair Value through Other Comprehensive Income – FVOCI). Classification criteria of financial assets are two: a) business model of financial assets management implemented by the Group and b) the financial asset (as a whole) give rise to cash flows that are solely payments of principal and interest on the principal amounts outstanding (SPPI test - Solely Payments for Principal and Interest).

<u>Other financial assets are classified and subsequently measured as follows:</u>

Group's investments in equity instruments are classified at fair value through other comprehensive income, without re-recognition of earnings or losses in profit and loss with the de-recognition. The Group's aims to maintain these equity instruments for the near future and irrevocably decided to classify them at fair value through other comprehensive income after the initial recognition or transaction. According to IFRS 9, equity instruments measured at fair value through other comprehensive income are not subject to impairment test.

3.10 Impairment of financial assets

The Group assesses at each reporting date whether a financial asset or group of financial assets is impaired.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortized cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The cash flows are discounted using the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either through deletion or through use of a provision.

The present value of the financial asset is reduced through use of a provision and loss is recognized in profit or loss statement. The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics.

Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the income statement, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

Trade receivables (Note 12)

For trade receivables the Group implements simplified approach for the calculation of credit losses ECL. Therefore, the Group does not monitor changes in credit risk, but recognizes a percentage of losses which is based on ECL at every reporting period. The Group has conducted a provisions table based on historical experience of credit losses, adjusted with future factors appropriate for debtors and economic environment.

3.11 Inventory

Inventory (goods) is valued at the lower of cost or net realizable value. Cost is determined by using the weighted average method. The net realizable value is the estimated sales price at the ordinary operation of the company less any costs to sell having in mind seasonality and other conditions. The cost of inventory does not include any financial expenses.

3.12 Trade receivables

Trade receivables are initially recognized at fair value and then measured at amortized cost less provision for impairment, using the effective interest rate method and taking into account expected credit losses.

More specifically, the Company applies the simplified approach of the standard by calculating the expected credit losses based on the expected credit losses for their entire life. The Company uses past experience to determine the risk of default as well as information about the future at the end of each reporting period regarding debtors and the financial environment.

As such, the Company does not track changes in credit risk, but recognizes a loss rate based on expected lifetime credit losses in each reporting period. The Company has prepared a forecast table based on the historical experience of credit losses, adjusted with future factors appropriate for debtors and the economic environment.

In addition, according to the company's management, while the risk may increase in the case of the existence of a small number of tenants, geographical concentration of real estate or a limited type of investment property, the specific characteristics of the company's properties (large surface properties, which host the largest retail and property companies aimed at the average household), the tenants and the implementation of credit and transaction control policies The behaviour of new tenants, with the strict application of terms of securing the claims through the lease agreements (such as financial guarantees and letters of guarantee) as well as the implementation of policies for monitoring the rest of the customers and communication for the recovery of any claims, shield the company against precarious commercial claims.

Where there is an indication of impairment of claims, their carrying amount is reduced to their recoverable amount, which is the present value of expected future cash flows discounted at the original effective interest rate. Interest is then calculated at the same interest rate on the impaired (new book value).

With regard to loans to affiliated parties, it is noted that there is no credit risk for the Company.

3.13 Cash and cash equivalent

Cash and cash equivalents include cash at banks and on hand, as well as short term (up to 3 months) investments of high liquidation and low risk.

3.14 Share Capital

Direct costs for the issuance of shares appear after the deduction of the relevant income tax, in a reduction of the reserve in favor of the even. The cost of acquiring the own shares, reduced by income tax (if applicable), is shown deductible from the Company's own funds, until the same shares are sold or cancelled. Any profit or loss from the sale of treasury shares, net of direct transaction costs and income tax, if applicable, is shown as a reserve in equity.

3.15 Loans

Loans are initially recorded at their fair value less any direct costs related to the transaction. After initial recognition, they are subsequently measured at amortized cost using the effective interest rate method.

Interest and related expenses on loans taken for purchase or construction of fixed assets are capitalized. Capitalization of borrowing costs ceases when the asset is ready for its intended use. In case of borrowing specifically for the purpose of constructing or acquiring an asset, the borrowing costs related to the loan agreement are directly capitalized. Otherwise, in order to determine the part of the loan related with that fixed asset, a method is implemented to determine the proportion of the capitalized interest and the proportion of the interest which will be recorded to the statement of comprehensive income as an expense. Revenues, occurred as a result of investing part of a loan taken for construction of a fixed asset, reduce the amount of borrowing costs capitalized.

Loan expenses paid upon signing of new credits are recognized as loan expenses if part or total of the new credit line is received. In that case, they are registered as future loan expenses until the loan is received. If the new loans are not used, partly or fully, then these expenses are included in prepaid expenses and are recognized in income statement during the period of the relevant credit line.

3.16 Current and Deferred Tax

Taxes recorded in income statement include both current and deferred taxes.

Current income tax is recognized in income statement, except to the extent that it relates to items recognized directly in equity. Current income taxes include the current liabilities and/ or assets, to or from the tax authorities, relating to the taxes payable on the taxable income of the period. Current taxes are increased by any income taxes related to provisions for tax differences or additional taxes which are imposed by the tax authorities upon audit of the unaudited tax years.

Deferred tax assets and liabilities are measured at the tax rates which are expected to apply in the year where the asset or liability will be settled, taking into account the tax rates (and tax laws) that have been enacted or are virtually applicable at the reporting date.

Deferred taxes arise on temporary differences between the recognition of assets and liabilities for tax purposes and those for the purposes of preparation of the financial statements. Deferred tax is calculated using the liability method on all taxable temporary differences at the reporting date, between the tax basis and book value of assets and liabilities.

The expected tax effects of temporary tax differences are recognized either as future (deferred) tax liabilities or as deferred tax assets. In case of an inability to accurately measure temporary tax differences, the initial recognition is made based on estimation of the reversal time and such estimation is reviewed each year.

Deferred tax assets are recognized for deductible temporary differences and unused tax losses, to the extent that it is probable that sufficient future taxable income will be available against which the unused tax losses and tax credits can be used or sufficient taxable deductible temporary differences that incur in the same company and will be recovered. Significant judgement is required by the Management in order to define the value of deferred tax assets which can be recognized having in mind the future tax incomes as well as the tax plan of the Group.

The Group sets off deferred tax assets and deferred tax liabilities only if:

- it has a legal right to set off current tax receivables against current tax payables and
- deferred tax assets and deferred tax liabilities relate to income tax imposed by the same tax authority.

As a result deferred tax assets and liabilities are presented on a net basis in the separate financial statements of the Company while such items are presented separately in the consolidated accounts of the Group.

If the deferred income tax arises from initial recognition of an asset or liability in a transaction other than business combination, then it does not affect the neither the accounting nor the taxable profit or loss and therefore it is not taken into account.

The tax rate used by the Company is 22%.

3.17 Employee Benefits

Employee benefits are:

a) Short term benefits

Short term benefits to employees in money or in kind are recorded as an expense as they accrue.

b) Post - retirement benefits

The Company pays compensation to retirees, and the amount of the relevant compensation depends on the years of service and the amount of remuneration. The program is considered a defined benefit program. Indemnity liabilities are calculated at the discounted value of future benefits accrued at the end of the year, based on the recognition of employees' entitlement to benefits over the expected working life. The above liabilities are calculated on the basis of economic and actuarial assumptions and are determined using the actuarial Projected Unit Method. They are included in the Statement of Total Income and consist of the present value of the benefits accrued during the year, the interest on the benefit obligation and the actuarial gains or losses which are recorded directly in the other total income and are not carried over to the income statement in a later period. The Full Yield Curve method is used for discounting.

c) State insurance programs

The employees of the Greek subsidiaries of the Group are mainly covered by the main State Insurance

Institution for the private sector (EFKA) which provides pension and medical benefits. Each employee is obliged to contribute part of his monthly salary to the fund, while part of the total contribution is covered by the employer. At retirement the pension fund is responsible for the payment of pension benefits Employees. Consequently, the Company has no legal or presumed obligation to pay future benefits under this program. The accrued cost of contributions is recorded as an expense in the period concerned. This program is considered and accounted for as fixed contributions.

d) Private insurance programs

Each employee of the Company, who holds a managerial position based on the company's internal regulations and is full-time, is covered by a retirement insurance program and other benefits. The Company covers the contractually defined contribution in total, while the financial management of the program is assigned to an Insurance Company. The accrued cost of contributions is recorded as an expense in the period concerned, as this program is also considered to be is accounted for as fixed contributions.

e) Stock option plan (IFRS 2)

The Company intends to attract, retain and incentivise the executives of the Company and the executives of its subsidiaries and affiliated companies, as through the Stock Options plan, the participants have a direct equity interest in the Company which link their performance to the Company's future performance and the increase of shareholder value. This program regards equity shares transactions.

The Company makes decisions regarding the implementation of the Stock Option Plan – to executives of the Company and its subsidiaries and affiliates in compliance with par.5 of Art.42e of Law 2190/1920.

A basic condition for participation in the Stock Options plan is the salaried working relationship of executives with the Company or its subsidiaries and affiliates. The cost of equity settled transactions is measured by reference to the fair values at the date in which they are granted and is recognized as an expense over the period from grant date to maturity date of the options with a concurrent increase in equity.

The program takes into account the following variables: Exercise price, Share price at grant date, Grant Date, Maturity date(s) of rights, Expected Stock Volatility (Volatility), Dividend Yield, Risk Free Rate.

3.18 Contingent liabilities and Provisions

Provisions are recognized when the Company has present legal or presumed liabilities as a result of past events, their liquidation through resource outflows is likely and the estimation of the exact amount of the liability can be made with confidence.

The provisions are reviewed at the date of the Financial Position and are adjusted to reflect the present value of the expenditure expected to be required to settle the liability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources incorporating financial benefits is likely.

Contingent claims are not recognized in the Financial Statements but are disclosed if the influx of financial benefits is likely.

3.19 Revenue and expense recognition

Revenue is measured at the fair value of sales of goods and provision of services, net of Value Added Tax, discounts and returns. Inter - company revenues are eliminated.

The recognition of revenue is accounted for as follows:

- *Sales of goods and revenue from contracts with customers:* Sales of goods are recognized when the Company invoices and delivers the goods to customers and the goods are accepted by them. Retail sales are usually made in cash or via credit cards. The recognized revenue in these cases is the amount collected from the customer.

IFRS 15 establishes a five-step model that applies to revenue arising from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or industry. The standard is also applied for the recognition and measurement of gains and losses from the sale of non-financial assets that are not part of the Company's normal activities (e.g. sales of tangible fixed or intangible assets). It requires entities to allocate the transaction price from contracts into individual distinct promises, i.e. execution obligations, based on stand-alone sale prices, according to the five-step model. Revenue is then recognized when the entity satisfies performance obligations, i.e. when it transfers the goods or services specified in the contract to the customer.

The standard is based on the principle that revenue is recognized when control of a good or service is transferred to the customer. The Company is active in the retail sale of household equipment & furniture and sports goods. In accordance with IFRS 15, Revenue from Contracts with Customers, the Company recognizes revenue by transferring control of the goods, i.e. when the goods are delivered to the customer. Therefore, the adoption of IFRS 15 had no impact on the timing of recognition of revenue. Net sales revenue is measured at fair value of the price received. Net sales revenue excludes amounts collected from third parties such as value added taxes, as the latter are not included in the transaction price.

However, future discounts associated with the Company's companies' loyalty programs create an entitlement that must be recognized when exercised or terminated if it is deemed to be material and the customer would not have obtained it if they had not made the original transaction. The Company provides customers with discounts based on points earned from transactions made using the loyalty program card. Discounts are arranged in 18 or 24 months, depending on the plan. In accordance with the requirements of the standard, the Company considers that these discounts represent a material right for customers, create an obligation to execute and consequently, part of the revenue of each transaction, which corresponds to this right, will be recognized when it is exercised (fulfilment of an obligation) or expires. IFRS 15 does not exclude or define a specific methodology for estimating the selling price of the point as long as the estimate is a reliable representation of the price in the that the Company would individually supply this product to the customer

- *Provision of services*: Revenues from the provision of services are calculated over the period in which the services are provided, based on the stage of completion of the service provided in relation to the total services provided.
- *Interest income*: Interest income is recognized on a time-proper-time basis and by using the actual interest rate.
- *Dividends*: Dividends are considered as income when the right to receive them is established. This right is established following a decision of the General Meeting (ordinary or extraordinary). Expenses are recognized in the results on an accrued basis.
- *Advertising costs:* Advertising costs are charged to the results of the year with the realization of the relevant expenses and are included in the operating and disposal costs.
- *Borrowing Costs*: The underwriting costs, legal and other direct costs incurred in connection with the issuance of long-term loans restructure the amount of such loans and are recorded in the results, based on the effective interest rate method during the term of the loan agreement. The borrowing cost is recognized as an expense in the period incurred except in the case where the Company capitalizes on borrowing costs in accordance with IAS 23.
- *Credit card charges*: Credit card charges are accounted for in the disposal operating charges.

3.20 Leases

Leases in which all the risks and benefits of the property remain with the lessor are recorded as finance leases. All the other leasing contracts are recorded as operating leases.

- *Group as a Lessor:* Income from operating leasing is recognized as income on a straight - line basis over the lease term.
- *Group as a Lessee:* The Company as a lessee has only operating leases. More specifically, for the assets with the right of use, the following applies: On the date of the beginning of the lease period, an asset with a right of use and an obligation is recognized by calculating the present value of the rents which remain unpaid discounted at the interest rate of the lease (the interest rate that the lessee would have accepted in order to borrow the necessary funds in similar terms). The Company defines the term of the lease as the contractual term of the lease, including the period covered by a) the right to extend the lease if it is relatively certain that it will be exercised, or b) the right to terminate the contract if it is relatively certain that it will not be exercised. The Company applies a uniform discount rate to each category of leases with similar characteristics (such as leases with a similar duration, for similar fixed assets and in a corresponding economic environment). Subsequently, the asset is measured at costs reduced on depreciation and any impairment losses, while the liability is measured by increasing the carrying amount with interest on the liability and decreasing the carrying amount by paying rents.

3.21 Offsetting of financial assets and liabilities

Financial assets and liabilities are not offset in the financial statements unless there is a legal right of set - off and intention for settlement of the net amount or settlement of the asset and liability simultaneously.

3.22 Derecognition of financial assets and liabilities

Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized where:

- the rights to receive cash flows from the asset have expired,
- the Group or the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay them in full without material delay under a "pass - through" arrangement and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group or the Company has transferred its rights to receive cash flows from an asset and 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 or Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group or Company could be required to repay.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

4. Financial Risk Management

Risk management is handled by the portfolio management service of the parent company FOURLIS SA S.A., which operates according to specific rules set by the Board of Directors.

The Company has adopted the "Enterprise Risk Management" (ERM) methodology which facilitates and enables the organization to identify, assess and manage risks through a structured approach. The methodology is based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) ERM framework, which provides guidance on how to incorporate ERM practices and captures the principles of implementation. Within this framework, risks were identified and assessed and recorded in the Company's Risk Register.

More specifically, the categories of risks are: Profitability & Liquidity, Reputation & Ethics, Society & People, Regulatory Compliance, Strategy, Customers, Health & Safety, Growth & Competition, Technology and Operations. The most significant risks identified for the Company are:

- *Risk related to the Sustainability* category: The possibility of the business strategy not aligning with ESG (Environmental, Social and Corporate Governance) obligations such as Climate & Sustainability and corporate governance expectations and the related impact on the Company's financial results and reputation.
- *Risk related to the Sustainability category:* The possibility of an increase in energy prices for any reason would have a negative impact on the Company's financial indicators.
- *Risk related to the People, Health and Safety category:* The likelihood of encountering difficulties in attracting, developing (including training) and retaining the required skills and talents (including new skills in digital technologies) and the related impact on the Company's performance.
- *Risk related to the Strategy category:* The likelihood of failure to clearly define the strategy and align it with the Company's business objectives and related impact on the Company's growth.
- *Risk related to the Strategy category:* The possibility of failure to adopt cutting-edge technology / align the IT strategy with the business strategy and new business models as well as the related impact on the Company's reputation and revenues.
- *Risk related to the Profitability and Liquidity category:* The possibility of ineffective liquidity management, as well as the unclear liquidation strategy and the related impact on the Company's profits and liquidity.
- *Risk related to the Profitability and Liquidity* category: The possibility of adverse global macroeconomic events and the related impact on the Company's earnings.
- *Risk related to the Growth & Competition* category: The probability of the emergence of new competitors (e-shops or physical stores) and the relative impact on the loss of market share.
- *Risk related to the category Growth & Competition*: The probability of entry of international digital markets (marketplaces) and the relative impact on the loss of market share.
- *Risk related to the category Information Systems Technology and Insecurity:* The possibility of high costs of information systems platforms and the impact on the Company's profits.
- *Risk related to the category Information Technology and Security:* The possibility of a cyber-attack and the related impact on the Company's profits, performance and reputation.
- *Risk related to the Operations category:* The possibility of poor inventory management and the related impact on the Company's performance and revenues.
- *Category Related Risk Customers*: The likelihood of not meeting customer quality expectations and the associated effect on loss of reputation and market share.

- *Risk related to the Regulatory Compliance category:* The possibility of the absence of policies and procedures to prevent incidents such as corruption, harassment, human rights, child labor, diversity, inclusion and discrimination issues.

The Governing Council provides written guidance and guidance on general risk management as well as specific guidance on the management of specific risks, such as foreign exchange risk and interest rate risk.

a) Financial Risk Management

The Company is exposed to financial risks such as currency risk, interest rate risk and liquidity risk. The financial management identifies, assesses and hedges financial risks in cooperation with the FOURLIS Group.

Interest rate risk/liquidity:

The Group is subject to cash flow risk which in the case of possible variable interest rates fluctuation, may affect positively or negatively the cash inflows or outflows related to the Group's assets or liabilities.

Cash flow risk is minimized via the availability of adequate credit lines and cash. Also, the Group has entered into Interest Rate Swap (IRS) contracts in order to face these risks.

Risk from the energy crisis and inflationary pressures:

The Company is closely monitoring developments regarding the energy crisis, and inflationary pressures, in order to adapt to the specific circumstances that arise. It complies with the official instructions of the competent authorities for the operation of its physical stores and head offices. It complies with the applicable legislation and continues its commercial transactions in physical stores in accordance with the instructions.

The cost of energy for the operation of the Company's stores and warehouses is affected by the large increases observed internationally, but it constitutes a relatively small part of the Company's operating costs.

Regarding developments in Ukraine and the Middle East, the Company declares that it has no subsidiaries, parent or affiliated companies based in Russia, Ukraine or the Middle East, nor significant transactions with related parties from these countries. Also, the Company declares that it has no significant customers or suppliers or subcontractors or partners from Russia; Ukraine or the Middle East. The Company declares that it does not maintain accounts or have loans with Russian Banks. The Management is closely monitoring the developments and is ready to take all necessary measures to deal with any consequences on its operating activities.

Non-financial risks:

In addition to financial risks, the Company focuses on non-financial risks related to specific issues that have been identified as material in the context of sustainable development. These issues relate to full compliance with legislation and the implementation of corporate governance policies, human resources, the environmental impact of the companies' activities, the supply chain and the evolution of the companies in the context of the market in which they operate. Risk management is premised on the definition of objective objectives based on which the most significant events that may affect the Company are identified, the relevant risks are assessed and a decision is made to respond to them.

b) Legal Issues

There are no litigations or legal issues that might have a material impact on the Annual Financial Statements of the Group or Company for the period 1/1 - 31/12/2024.

5. Analysis of expenses and other operating income

The expenses are presented in the Income Statement as follows:

	Company	
	1/1 - 31/12/2024	1/1 - 31/12/2023
Payroll Expenses	33,449	31,199
Third party services	26,462	25,519
Taxes-duties	1,160	796
Depreciation/Amortisation	13,411	13,264
Other operating expenses	20,283	16,609
Credit Card fees	2,284	2,068
Total	**97,049**	**89,455**

The main categories of expenses are analysed below:

	Company	
	1/1 - 31/12/2024	1/1 - 31/12/2023
Salaries and wages	24,666	23,615
Social security contributions	5,338	4,940
Miscellaneous grants	3,468	2,629
Personnel retirement benefits	(22)	15
Total	**33,449**	**31,199**

Other operating income is analysed as follows:

	Company	
	1/1 - 31/12/2024	1/1 - 31/12/2023
Revenue from prior year and non-use of provisions	341	407
Fixed Assets Gain	11	556
Other income	11,241	5,442
Total	**11,593**	**6,406**

The Company's other income for the fiscal year 2024 includes lease income (see note 22) and administrative support income in the amount of EUR 4,230 thousand (2023: 142 thousand), and collected rents and common expenses and other amounts of EUR 2,345 thousand (2023: 541 thousand), revenues from services to customers and revenues from shipping orders amounted to EUR 4,666 thousand (2023: 4,760 thousand).

Net Financial Results are analyzed as follows:

	Company	
	1/1 - 31/12/2024	1/1 - 31/12/2023
Interest - expenses	(4,138)	(4,456)
Factoring expenses	(478)	(404)
Foreign exchange differences (expense) -realized-	(5)	(1)
Other bank expenses	(263)	(346)
Interest of lease liabilities	(5,851)	(4,390)
Total finance cost	**(10,737)**	**(9,598)**
Interest and related income	50	18
Total finance income	**50**	**19**
Financial expenses / income	**(10,687)**	**(9,579)**

6. Property, plant and equipment and Investment property

Changes in property, plant and equipment for the periods 1/1-31/12/2024 and 1/1-31/12/2023 are analyzed as follows:

	Company					
	Buildings and installations	**Machinery /Installations**	**Vehicles**	**Furniture**	**Assets under construction**	**Total**
Net book value at 31.12.2023	16,941	1,312	209	3,552	4,185	26,198
1.1 - 31.12.2024						
Additions	9,193	557	44	1,874	2,548	14,216
Other changes in acquisition cost	3,517	(99)	(128)	(365)	(4,170)	(1,244)
Depreciation/ amortization	(2,401)	(284)	(55)	(1,156)	0	(3,896)
Other changes in depreciation	281	100	145	701	0	1,226
Acquisition cost at 31.12.2024	**59,724**	**5,309**	**1,608**	**25,363**	**2,562**	**94,566**
Accumulated depreciation at 31.12.2024	**(32,193)**	**(3,722)**	**(1,394)**	**(20,757)**	**0**	**(58,066)**
Net book value at 31.12.2024	**27,531**	**1,587**	**214**	**4,606**	**2,562**	**36,500**

Company

	Buildings and installations	Machinery /Installations	Vehicles	Furniture	Assets under construction	Total
Net book value at 31.12.2022	17,742	1,356	220	3,499	0	22,817
1.1 - 31.12.2023						
Additions	1,467	214	43	1,143	4,274	7,142
Other changes in acquisition cost	(104)	(107)	(32)	(187)	(89)	(519)
Depreciation/ amortization	(2,244)	(257)	(54)	(1,113)	0	(3,667)
Other changes in depreciation	79	106	32	209	0	426
Acquisition cost at 31.12.2023	**47,014**	**4,850**	**1,693**	**23,853**	**4,185**	**81,594**
Accumulated depreciation at 31.12.2023	**(30,073)**	**(3,538)**	**(1,484)**	**(20,301)**	**0**	**(55,396)**
Net book value at 31.12.2023	**16,941**	**1,312**	**209**	**3,552**	**4,185**	**26,198**

The additions to the tangible assets of the year concern the costs of configuration and purchase of equipment for retail stores, household equipment and furniture of the existing ones.

In October 2024, the new IKEA store in the "Top Parks Patra" commercial park in Patras took place, while at the same time the Pickup & Order Points point in the same city stopped its operation.

The most important additions in fiscal year 2024 to tangible assets concern:

a) buildings and technical works in the amount of EUR 9.2 million.

b) Machinery – installations, furniture and other equipment in the amount of 2.4 million euros.

c) Immobilizations under execution in the amount of 2.5 million euros concerning the configuration of a store space in Heraklion.

The other changes in the value of acquisition mainly include the completion of the project for the configuration of the IKEA Airport store and the transfer of the largest amount of 3.8 million euros to the category Buildings and building installations. The remaining changes are due in the amount of EUR 1,092 thousand in damages and sales of fixed assets of EUR 145 thousand and EUR 7 thousand, transferred to another category.

In other changes in depreciation and amortization, an amount of EUR 1,081 relates to the write-off of fixed assets and sales of fixed assets amounting to EUR 145 thousand.

The total depreciation of tangible and intangible fixed assets amounted to EUR 5,057 thousand 3,912 thousand euros were registered in the disposal costs and an amount of 1,145 thousand euros administrative expenses.

As of December 31, 2024, the Company examined the existence of impairment indications for the Company's own-used tangible assets related to stores. Where the existence of such indications was established, impairment checks were carried out in accordance with the provisions of IAS 36 "Impairment of Assets". The key assumptions used in the calculations of the recoverable value are summarised below:

- **Valuation method**: Value in use, based on the discounted cash flow (DCF) method
- **Discount Rate (WACC):** 7.9%
- **Forecast horizon**: 5 years
- **Growth rate in perpetuity**: 1.0% – 2.0%

Based on the results of the above checks, there was no need for the recognition of impairment loss.

Real Estate Investments

The changes in real estate investments for the period 1/1 – 31/12/2024 and for the period 1/1 – 31/12/2023 are the following:

	Company	
	31/12/2024	**31/12/2023**
Opening balance	**207**	**207**
Addition of investment properties	0	13,467
Sale of investment properties	0	(13,467)
Closing balance	**207**	**207**

During the fiscal year 2023, in the cash flow statement, the item in the line Addition of investment properties appears reduced by an amount of 5,064 thousand euros concerning the settlement of advances that had been given in previous years for the acquisition of a property. It is also noted that during the fiscal year 2023, the sale of the properties resulted in a loss of 17 thousand euros.

7. Right of use assets

The Company's Right to Use Assets for the fiscal years 2024 and 2023 are broken down as follows:

	The Company		
	Leased buildings	Leased means of transport	Total Assets with Right to Use
Acquisition value 31.12.2023	**131,146**	**872**	**132,018**
Cumulative depreciation/impairment 31.12.2023	**(31,933)**	**(544)**	**(32,478)**
Depreciable value 31.12.2023	**99,212**	**328**	**99,540**
Other changes			
Additions	49,142	137	49,280
Changes in the value of acquisition due to the expiry of a contract	(19,923)	0	(19,923)
Depreciation/impairment of use	(8,217)	(137)	(8,353)
Changes in the value of depreciation due to contract expiry	19,923	0	19,923
Acquisition Value 31.12.2024	**160,365**	**1,009**	**161,375**
Accrued depreciation and amortization 31.12.2024	**(20,227)**	**(681)**	**(20,908)**
Depreciable value 31.12.2024	**140,138**	**328**	**140,466**

	Company		
	Leasing Buildings	Leasing Vehicles	Total
Acquisition cost at 31.12.2022	**120,296**	**771**	**121,068**
Accumulated depreciation/amortisation at 31.12.2022	**(23,682)**	**(420)**	**(24,102)**
Net book value at 31.12.2022	**96,615**	**351**	**96,966**
Additions	10,936	101	11,036
Other changes in acquisition cost	(87)	0	(87)
Depreciation/ amortization	(8,338)	(124)	(8,462)
Changes in depreciation value due to contract termination	87	0	87
Acquisition cost at 31.12.2023	**131,146**	**872**	**132,018**
Accumulated depreciation at 31.12.2023	**(31,933)**	**(544)**	**(32,478)**
Net book value at 31.12.2023	**99,212**	**328**	**99,540**

The additions to the assets with the right to use the period amount of 49 million euros, concern new contracts and changes to the existing ones due to the increase in the price and the duration of the lease of stores.

Other changes in the value of acquisition and other changes in depreciation and amortization include the expiry of a store lease agreement in the amount of 20 million euros.

As of December 31, 2024, the Company considered the existence of impairment indications for the Company's right-of-use assets related to stores. Where the existence of such indications was established, impairment checks were carried out in accordance with the provisions of IAS 36 "Impairment of Assets". The key assumptions used in the calculations of the recoverable value are summarized below:

- **Valuation method**: Value in use, based on the discounted cash flow (DCF) method
- **Discount Rate (WACC):** 7.9%
- **Forecast horizon**: 5 years
- **Growth rate in perpetuity**: 1.0% – 2.0%

Based on the results of the above checks, there was no need for the recognition of impairment loss.

8. Assets held for sale

On 31/12/2023, the Company displayed its participation in Trade Estates in the assets held for sale, assessing that the criteria of IFRS 5 are met. These assets were measured at the lower value between their book value and the reasonable less the cost of completing the sale.

During the fiscal year 2024, the valuation of the Company's shares was based on the acquisition of the shares.

A valuation of 12,706,247 shares of twelve million seven hundred six thousand two hundred and forty-seven shares of the company under the name "TRADE ESTATES S.A. REAL ESTATE INVESTMENT COMPANY" was made pursuant to article 17 of Law 4548/2018 as a result of articles 31 and 161 par. 4 of Law 4548/2018, in the context of a share capital reduction with the distribution of shares of the company under the name "TRADE ESTATES S.A. REAL ESTATE INVESTMENT COMPANY", where the share price of 2.4072 was determined. The acquisition cost of the distribution of the above 12,706,247 shares amounted to 25,413 thousand euros, the corresponding valuation amounted to 30.587 thousand euros. See note 16.

During the financial year 2023, the income from the valuation of assets held for sale amounted to EUR 5,174 thousand.

The FOURLIS Group continues to take advantage of the investment opportunities related to the establishment of the company under the name "TRADE ESTATES Real Estate Investment Company REIC", for its operation as a Real Estate Investment Company in accordance with the provisions of Law 2778/1999 and b Alternative Investment Organization with internal management, in accordance with the provisions of Law 4209/2013. The actions it had carried out are also included in the same context the Group for the strategic planning of TRADE ESTATES REIC, which includes an increase in the share capital of TRADE ESTATES REIC through the Athens Stock Exchange as well as private placements prior to the listing on the Athens Stock Exchange, with the final result that the Group's participation will decrease to 50% after the end of the period of mandatory maintenance of the participation due to the listing on the Athens Stock Exchange.

On February 4, 2025, the parent company Fourlis Holdings S.A. successfully completed the private placement of 19,279,935 common registered shares with voting rights of Trade Estates REIC, which correspond to 16.00% of the company's total share capital and voting rights. The shares were sold by the subsidiaries of House Market Bulgaria E.A.D., Trade Logistics S.A. and H.M. Housemarket (Cyprus) Ltd., to selected investors, for a price of 1.50 euros per share, generating total revenues of 28.9 million euros. As a result of the transaction, the Company's Fourlis Holdings total percentage of direct and indirect participation in Trade Estates decreased from 63.31% to 47.32%, which leads to the deconsolidation of Trade Estates from the Fourlis Group's consolidated financial statements. The transaction is an important milestone in the strategic development of the Fourlis Group, strengthening its financial position, while retaining a significant minority stake in the company.

The group remains committed to supporting the further development of Trade Estates, while focusing on the implementation of its core retail strategy and the creation of value for its shareholders.

As at 31/12/2024, Housemarket directly held 20.57% and indirectly held 20.89% of Trade Estates' share capital. As a result of the transfer of shares from Housemarket's subsidiaries, Housemarket now holds 20.57% directly and 4.89% indirectly. Following the above, and provided that the Company has not proceeded with the sale of its stake in TRADE ESTATES REIC, the criteria of IFRS 5 are not met, resulting in the classification of this stake in the "Investments in subsidiaries and affiliates" (see Note 10).

After reclassification, the investment was measured at the lower of (a) its carrying amount prior to initial classification as 'Assets held for sale', and (b) its recoverable amount at the date of reclassification. No accounting gain or loss resulted from this valuation.

9. Intangible assets

Intangible assets are analyzed as follows:

	The Company			
	Rights	**Software programs**	**Other**	**Total**
Net book value 31.12.2023	**1,996**	**3,090**	**2**	**5,089**
1.1 - 31.12.2024				
Additions	0	518	0	518
Other changes in the value of acquisition	0	5	0	5
Other changes in depreciation and amortization	0	1	0	1
Depreciation/impairment of use	(272)	(887)	(2)	(1,161)
Acquisition Value 31.12.2024	**7,321**	**11,805**	**12**	**19,139**
Accumulated depreciation/impairment 31.12.2024	**(5,597)**	**(9,077)**	**(12)**	**14,686**
Net book value 31.12.2024	**1,724**	**2,728**	**0**	**4,452**

	Royalties	Company Software	Miscellaneous	Total
Net book value at 31.12.2022	2,278	3,080	(6)	5,352
1.1 - 31.12.2023				
Additions	0	870	0	870
Depreciation/ amortization	(272)	(860)	(2)	(1,134)
Other changes in depreciation	(9)	0	9	0
Acquisition cost at 31.12.2023	**7,321**	**11,282**	**12**	**18,615**
Accumulated depreciation at 31.12.2023	**(5,325)**	**(8,191)**	**(11)**	**(13,527)**
Net book value at 31.12.2023	**1,996**	**3,090**	**(2)**	**5,089**

The rights include the right to use IKEA trademarks.

Additions to intangible assets relate to software licenses.

The depreciation and amortization of the Company's intangible assets for the financial year 2024 amounted to 1,161 thousand euros.

On 31/12/2024, the Company examined the value of tangible assets and no indication of impairment of their value was found.

10. Investments in affiliates and associates

Investments in the Company's subsidiaries are analysed as follows:

	COUNTRY	COMPANY			
		% SHAREHOLDING 2024	**31/12/2024**	**% SHAREHOLDING 2023**	**31/12/2023**
SUBSIDIARIES					
HOUSEMARKET CYPRUS LIMITED	Cyprus	100%	11,041	100%	11,041
HOUSEMARKET BULGARIA EAD	Bulgaria	100%	9,999	100%	9,999
TRADE LOGISTICS SA	Greece	100%	18,520	100%	18,520
WYLDES LTD	Cyprus	100%	41,167	100%	41,132
TRADE ESTATES REIC	Greece	20.57%	49,592	0	0
TOTAL			**130,319**		**80,692**

It is noted that on 31/12/2024 the Company's participation in TRADE ESTATES S.A. was classified as Investments in subsidiaries and relatives (see Note 8).

As of December 31, 2024, the Company assessed the existence of indications of impairment of its holdings in subsidiaries, in accordance with the provisions of IAS 36 "Impairment of Assets". Where evidence of this was found, an estimate of the recoverable value of the holdings was carried out, which was determined to be the greater between fair value less selling costs and use value.

The value for the year was determined using the Discounted Cash Flow (DCF) method, based on approved business plans of the subsidiaries concerned. The basic assumptions used are summarized as follows:

- **Valuation method**: Value in use
- **Discount Rate (WACC):** 9.7%
- **Forecast horizon**: 5 years
- **Growth rate in perpetuity**: 1.0%

Based on the results of the above audits, there was no need to recognize impairment loss for the Company's holdings in subsidiaries on the reference date.

11. Inventory

Inventory is analyzed as follows:

	Company	
	31/12/2024	**31/12/2023**
Inventory	21,016	20,714
Advances for purchases of merchandise	143	1
Total	**21,159**	**20,715**

The cost of the Company's inventories was recorded as an expense to the cost of sales, amounting to 102,903 thousand euros. In the current period and respectively in 2023, it amounted to an amount of EUR 110,559 thousand.

The value of the stocks written off during the financial year amounts to EUR 1,105 thousand 1,168 thousand euros in 2023.

The total stock forecast as of 31/12/2024 amounts to an amount of 3.291 thousand euros and 3,643 thousand euros on 31/12/2023.

12. Trade receivables

Trade receivables are analyzed as follows:

	Company	
	31/12/2024	**31/12/2023**
Trade receivables	11,857	10,564
Cheques receivables	18	18
Bad Debt Provisions	(7,650)	(7,650)
Total	**4,225**	**2,931**

As at 31/12/2024 and 31/12/2023, the breakdown of loans and advances from customers into neither past due nor impaired and between past due and impaired is as follows:

		Company	
	Total	**Not due trade receivables**	**Overdue trade receivables**
31/12/2024	**4,225**	2,910	1,315
31/12/2023	**2,931**	1,616	1,315

Unmatured and unimpaired receivables mainly include amounts arising from the sale of goods.

13. Long-term receivables

	Company	
	31/12/2024	**31/12/2023**
Assets:		
Guarantees given to Property Lease Holders	168	109
Other Long term claims	85	85
Total	**253**	**195**

Guarantees for property lease are directly related to the operation of the Group's companies as they regard trading property. Also, guarantees have been given for public services and organizations.

14. Other receivables

Other receivables are analyzed as follows:

	Company	
	31/12/2024	**31/12/2023**
Suppliers advances	1,617	1,920
Credit Cards receivable	2,242	2,708
Accruals	1,261	1,245
Other debtors	3,489	4,395
Total	**8,610**	**10,269**

For the fiscal year 2024, the other debtors include an amount of 560 thousand euros concerning a credit card discount program (2023: amount of 368 thousand euros) and an amount of 62 thousand euros. Receivables from advances (2023: amount of EUR 139 thousand), amount of EUR 1,224 thousand. Receivables from the State (2023: amount of EUR 1,179 thousand), amount of EUR 583 thousand (2023: amount of EUR 710 thousand). For other receivables from commercial activity, a claim on dividends in the amount of EUR 0 thousand (2023: 2,000 thousand) and a claim for a contribution to advertising expenditure in the amount of EUR 1,060 thousand (2023: 0).

15. Cash and cash equivalent

Cash represents the Group's and the Company's cash in hand as well as bank deposits available on demand and is analyzed as follows:

	Company	
	31/12/2024	31/12/2023
Cash in hand	505	1,134
Bank Deposits	12,115	454
Total	**12,620**	**1,587**

The increase in cash reserves is due to the acquisition of new investments. The Company's temporarily unallocated funds are invested in very short-term term deposits in euros. The weighted average deposit rate for the financial year 2024 amounted to 2.32% (2023: 1.4%).

16. Share capital

As of December 31, 2024, the share capital amounted to EUR 16,863,447 (2023: EUR 16,863,447), divided into 16,863,447 shares (2023: EUR 16,863,447) with a nominal value of EUR 1.00 each.

17. Reserves

The movement of the reserves is analyzed as follows:

	Company	
	31/12/2024	31/12/2023
Statutory Reserves	8,268	8,268
Revaluation Reserves	722	722
Tax free reserves	7,725	7,725
SOP Reserve	5,875	4,048
Total	**22,590**	**20,763**

Statutory Reserve: In accordance with the provisions of Greek company law, the creation of a statutory reserve, through the transfer of the 5% of the annual after-tax profits, is mandatory up until the reserve reaches 1/3 of the share capital. The statutory reserve is only distributable upon dissolution of the Company, it may however be used to set - off accumulated losses.

Tax-free reserves: the Company maintains tax-free reserves of EUR 7,725 thousand 2023: EUR 7,725 thousand, which came mainly from dividends and income from the insolvency provision of Law 3296/04. In case of disposal or capitalization, they will be taxed at the tax rate provided for by article 71B of Law 4172/2013.

Share Option Reserve: The reserve is created upon the approval by the General Meeting of the Option Provision Program. After the exercise of the rights or the waiver of the beneficiaries, the balance of the reserve is transferred to the Undistributed Earnings Account.

Fixed Asset Adjustment Reserves: The Fixed Asset Adjustment Reserve includes valuation differences between land and buildings. Fixed Asset Adjustment Reserves cannot be distributed to shareholders.

18. Dividends

The Board of Directors of the Company will propose to the Annual General Meeting of Shareholders in 2025, that a dividend of EUR 10,590,142.17 be distributed. At the Extraordinary General Meeting of the Company on 24/3/2025, it was decided to distribute a dividend for the year until 2023 in the amount of EUR 11,467,143.96, which comes from an equal part of the undistributed profits of previous years (until the financial year 2023) to the parent company Fourlis Holdings S.A. Holdings.

By decision of the Extraordinary General Meeting of the Company's shareholders held on 29/10/2024 regarding the minutes of the General Meeting No. 63/29.10.2024, it was decided to distribute a dividend in the amount of eleven million nine hundred seventy-three thousand forty-seven euros and thirty-seven (11,973,047.37).

The Company recorded a dividend from subsidiaries in the amount of EUR 13.0 million (2023: 17.0 million).

19. Employee retirement benefits

19.1 Liabilities due to termination of service

The obligation to compensate for exit from service Law 2112/20, 4093/12 for the Company, is reflected in the Financial Statements, in accordance with IAS 19 and is based on an actuarial study prepared by AON Hewitt dated December 31, 2024.

The main assessments of the actuarial study for Greece are the following:

Company	2024	2023
Average annual increase in staff payroll	3.00%	1.50%
Discount Rate	3.43%	3.30%
Inflation	2.00%	2.5%
Program Duration Years	12	11.87

In case of an increase in the average annual salary increase of employees by 0.50%, i.e. 3.5%, then the total employee benefits of the Company would increase by 5.98%. In the event of a 0.50% increase in the discount rate, then the company's total employee benefits would be reduced by 5.52%.

The expenditure for the provision of staff compensation, due to retirement, recognized in the results is:

	The Company	
	1/1 - 31/12/2024	1/1 - 31/12/2023
Current service costs	127	134
Financial costs	106	133
Cost of cuts/settlements/termination of service	(255)	(252)
Total charge in results	**(22)**	**15**
Balance of liability at commencement	**3,960**	**3,618**
Retirement Expenses	(22)	15
Actuarial losses/(profits)	1,116	327
Expiration Balance	**5,053**	**3,960**

The amounts shown in the Actuarial losses/gains line appear in the Total Income Statement and relate to defined benefit plans.

19.2 Benefits dependent on the value of the shares

Members of the Company's Management and its subsidiaries participate in the Share Option Program of the parent company FOURLIS S.A. HOLDINGS.

1) The Extraordinary General Meeting of the shareholders of the Company "FOURLIS HOLDING COMPANY S.A." of 22/7/2021 decided, in accordance with the provisions of article 113 of Law 4548/2018, to implement a Stock Options Program (hereinafter: "the Program 1") to senior executives of the Company and its affiliated companies within the meaning of article 32 of Law 4308/2014 as in force, and authorized the Board of Directors to regulate the procedural issues and details. The beneficiaries of Program 1 were determined by the decision of the Board of Directors dated 22/11/2021 (relative to the minutes of the Board of Directors with number 429/22.11.2021). During the course of the program and in accordance with the terms of this program, the Board of Directors issues certificates of right to acquire shares to the beneficiaries who have exercised their right and issues and delivers the shares to the above beneficiaries, increasing the share capital of the Company and certifies the capital increase. These share capital increases do not constitute amendments to the Articles of Association. The Board of Directors is obliged, during the last month of the fiscal year, in which capital increases took place, as defined above, to adapt, by its decision, the article of the Articles of Association on capital, so as to provide for the amount of capital, as it emerged after the above increases, in compliance with the disclosure formalities of article 13 of Law 4548/2018.

In November 2024, the executives of the Company and its affiliated companies that have been selected as beneficiaries of the above program, were invited to submit a declaration of exercise of rights corresponding to a total of 1,597,000 new common registered shares of the Company, as well as to exercise the rights by payment of the exercise price. With its decision of 30/12/2024, the Board of Directors proceeded a) to the certification of the payment, by beneficiaries of the above program, of the total amount of EUR 843,300.00 which corresponds to 843,000 new common registered shares of the Company, b) the increase of the share capital of the Company by this amount and c) the consequent amendment of the relevant article of the

Articles of Association.

2) The Annual General Meeting of the shareholders of the Company "FOURLIS HOLDING COMPANY S.A." of 16/6/2023 approved a Share Distribution Program (hereinafter: "the Program 2") to executives of the Company and its affiliated companies, in the forms of a) granting of stock options (Article 113 of Law 4548/2018) and b) free of charge of share grants (Article 114 of Law 4548/2018), and authorized the Board of Directors to settle the procedural issues and details.

This Plan 2 is a revision of the share distribution program approved by the Annual General Meeting of shareholders on 16/6/2017 to executives of the Company and its affiliated companies in the form of a Stock Options Program, which was established in accordance with the provisions of paragraph 13 of article 13 and paragraphs 3 and 4 of article 29 and paragraph 2 of article 31 of Codified Law 2190/1920.

Program 2 is divided into two sub-programs:

A) Program for the smooth succession of senior executives of the Company and its affiliated companies (hereinafter also referred to as "Program A"):

Program A grants selected senior executives of the Company and its affiliated subsidiaries the right to purchase stock options at a fixed price and to be able to exercise this right within a certain period in the future. The beneficiary exercising these right gains if, at the time of exercising the right, the market price of the share is higher than the acquisition price. Program A will be implemented through a single series for all the rights granted (up to a maximum of 850,000 rights of one (1) share).

The beneficiaries are senior executives of the Company and its affiliated companies, and in particular the Managing Directors of these companies with fifteen (15 years) experience in the FOURLIS Group, who will be selected by decision of the Board of Directors, at the reasonable discretion of the Board of Directors, in view of their imminent departure, in recognition of their long-term contribution and contribution to the development of the FOURLIS Group. The duration of Program A is until the year 2029, in the sense that the rights that will be granted to the beneficiaries of Program A may be exercised until December 2029 according to the specific provisions of the terms of the Program. During Program A and in accordance with the terms thereof, the Board of Directors issues certificates of right to acquire shares to the beneficiaries who have exercised their right and issues and delivers the shares to the above beneficiaries, increasing the share capital of the Company and certifying the capital increase. These share capital increases do not constitute amendments to the Articles of Association. The Board of Directors is obliged, during the last month of the fiscal year in which capital increases took place, to adapt, by its decision, the article of the Articles of Association on capital, so as to provide for the amount of capital, as it arose after the above increases, in compliance with the publicity formalities of article 13 of Law 4548/2018.

B) Program for attracting, retaining and encouraging senior executives of the Company and its affiliated companies (hereinafter also referred to as "Program B"):

Program B provides the selected senior executives of the Company and its affiliated subsidiaries with free common registered voting shares (stock grands) through the capitalization of the Company's reserves, in accordance with the provisions of article 114 of Law 4548/2018 as currently in force, in order to achieve specific objectives. Program B will be implemented in three (3) annual series, with a maximum of 1,300,000 shares in total. The beneficiaries are senior executives of the Company and its affiliated companies, who will be selected at the reasonable discretion of the Board of Directors, after taking into account their contribution to the achievement of the strategic plans of the FOURLIS Group for the period 2025 – 2027. The duration is forty-eight (48 months), starting in March 2024.

During Program B and in accordance with the terms of this Programme, the Board of Directors will proceed with share capital increases, with the capitalization of reserves, and the issuance of new shares, which will be delivered to the beneficiaries. These share capital increases do not constitute amendments to the Articles of Association. The Board of Directors is obliged, during the last month of the fiscal year in which capital increases took place, to adapt, by its decision, the article of the Articles of Association on capital, so as to provide for the amount of capital, as it arose after the above increases, in compliance with the publicity formalities of article 13 of Law 4548/2018.

It is noted that the Annual General Meeting of the company's shareholders of 21/6/2024 approved an amendment to Chapter 2.1 B of the above Program, in order to give the Board of Directors the opportunity to transfer part of the stock grants of the First and Second Series of the Program (up to 15% of the rights of these Series), according to article 114 of Law 4548/2018 for the granting of free share rights (stock grants) of the First and Second Series of the Program (up to a percentage of 15% of the rights of these Series), in subsequent Series.

With the decision of the Board of Directors dated 8/4/2024, the beneficiaries of the First Row of Program B were appointed based on the proposal of the Nomination and Remuneration Committee dated 27/3/2024, to whom 385,033 rights of free common voting shares (stock grants) were granted.

In the period 1/1 - 31/12/2024, an amount of EUR 1.8 million was recorded as an expense in the Company's results (2023: 1.4 million).

19.3 Contributions for benefits to employees due to retirement

For the fiscal year 2024, a contribution for benefits to employees due to retirement was recorded in the expenses by the Company, in the amount of 268 thousand euros (2023: EUR 274 thousand) according to the current private pension plan of fixed contributions.

20. Financial Instruments and Risk Management Policies

20.1 Credit Risk

Exposure to Credit Risk

The Company has limited exposure to credit risks due to its focus in a retail sector where payment for goods is mainly made in cash or with discounted credit cards. The maximum exposure to credit risk at the date of the Financial Position Statement excluding any hedging or hedging method was:

€000s	Book Value 31/12/2024	Book Value 31/12/2023
Trade receivables	4,225	2,931
Other Debtors	6,367	7,560
Credit Cards receivable	2,242	2,708
Cash & cash equivalent	12,620	1,587
Total	**25,454**	**14,788**

The maximum exposure to credit risk for trade receivables at the date of the Financial Position Statement per client type was:

€000s	Book Value 31/12/2024	Book Value 31/12/2023
Wholesale trade customers	2,770	2,210
Retail trade customers	1,455	721

20.2 Liquidity Risk

Liquidity risk is kept low by maintaining adequate bank credit limits and cash reserves.

The contractual maturities of financial liabilities, including interest payments and excluding netting agreements, are set out in the table below in respect of loans, while trade and other payables have contractual maturities of less than 12 months.

		Company				
31/12/2024	**Immediate termination**	**3 months**	**3 to 12 months**	**1 to 5 years**	**More than 5 years**	**Total**
Mutual accounts	0	10	0	0	0	10
Long-term loans	0	3,098	5,190	66,449	5,692	80,428
Total		**3,108**	**5,190**	**66,449**	**5,692**	**80,438**
31/12/2023						
Long-term loans	0	1,931	59,793	0	0	61,724
Total	**0**	**1,931**	**59,793**	**0**	**0**	**61,724**

20.3 Interest Rate Fluctuation Exposure

Profile

The Company is exposed to cash flow risks, which, due to a possible future change in floating interest rates, may positively or negatively differentiate the cash inflows and/or outflows associated with the Company's assets and/or liabilities. Although in an environment of prolonged global slowdown, the risk of interest rate increases remains low.

At the date of the Financial Position Statement, the Company's financial instrument profile is analyzed in the Loans section.

Fair value sensitivity analysis for variable rate financial instruments

A change of 1% in the borrowing rate to the Company on December 31, would have increased the net position and results by 804.38 thousand euros. for the fiscal year 2024 and 617.24 thousand euros. fiscal year 2023.

Fair value sensitivity analysis for fixed-rate financial instruments

The Company has no financial assets and fixed-rate liabilities that are measured at fair value through results.

20.4 Fair value of financial instruments

There is no difference between the fair values and the corresponding carrying amounts of financial assets and liabilities, i.e. trade and other receivables, cash and cash equivalents, trade and other payables, derivative financial instruments, loans and finance leases. The fair value of a financial asset is the amount received to sell an asset or paid to settle a liability in an arm's length transaction between two parties in an arm's length transaction at the measurement date. The fair value of the financial assets in the Financial Statements as at 31 December 2022 was determined using management's best estimate. In cases where data is not available or is limited by active financial markets, fair value measurements have been derived from management's assessment in accordance with the information available.

The three levels of the fair value hierarchy are as follows:

- Level 1: Quoted market prices in active markets for identical assets or liabilities;
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data;
- Level 3: Assets or liabilities prices that are not corroborated by market data.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

- Cash and cash equivalents, trade and other receivables, trade and other payables accounts: the carrying amounts approximate their fair value either due to the short maturity of these instruments or because there is no foreign currency risk exposure.
- Borrowings: The carrying amount approximates their fair value mainly due to the fact that they bear interest at floating rates and are denominated in local currency.
- Derivative financial instruments: The valuation method was determined by taking into consideration all factors in order to determine precisely fair value, such as the current and the prospective interest rates trend and the duration and falls into level 2 of the fair value hierarchy.

Within the year, there were neither moving between levels 1 and 2 nor moving inside and outside level 3 during the measurement of fair value. Moreover, within the same year, there was no change in the purpose of any financial asset which would lead to a different classification of this asset.

20.5 Capital Management

The Company's primary objective in terms of capital management is to ensure and maintain strong credit ratio and sound capital ratios in order to support investment plans and maximize the return on invested capital for the benefit of shareholders.

The Company monitors capital management through the use of the leverage ratio – net debt to equity plus net borrowing. Net borrowing includes interest-bearing loans minus cash. The Company's strategic goal is for the above index to range between 30% and 45%. On 31/12/2024, the index amounted to 45% (2023: 42%).

21. Borrowings

The Company's borrowings on 31/12/2024 and 31/12/2023 are analyzed as follows:

	Company	
	31/12/2024	**31/12/2023**
Non - current loans	**80,428**	**61,724**
Current portion of non-current loans and borrowings	8,287	61,724
Non - current loans	72,141	0
Short term loans for working capital	10	0
Total loans and borrowings	**80,438**	**61,724**

The repayment period of the long-term loans' ranges from 1 – 5 years. The bonds repaid in the next fiscal year 2025 were issued in the fiscal year 2024. The weighted average interest rate of the Company's short-term borrowings was 6.09% in the period from 1/1/2024 to 31/12/2024 (6.24% in the corresponding period of 2023) while the weighted average interest rate of the Company's long-term borrowings was 5.35% in the period from 1/1/2024 to 31/12/2024 (5.25% in the corresponding period of 2023).

Repayments and loan collections in the current period amounted to EUR 55,163 thousand (2023: 34,000 thousand) and an amount of 74,193 thousand euros (2023: 11,000 thousand) respectively. The long-term loans, including their part that is payable within 12 months, mainly cover the Company's development needs and are broken down into bond, syndicated and other long-term loans as follows for 31/12/2024 and 31/12/2023 respectively:

31/12/2024		Amount in thousand euro	Date of Issue	Duration
HOUSE MARKET	Bonded	7,648	29/1/2024	7 years from the date of issue (EUR 319 thousand payable in the following financial year)
	Bonded	19,936	13/12/2024	2 years from the date of issue (EUR 4,968 thousand payable in the following financial year)
	Bonded	49,845	26/3/2024	7 years from the date of issue (EUR 0 thousand payable in the following year)

31/12/2024		Amount in thousand euro	Date of Issue	Duration
	Bonded	3,000	21/6/2024	(3,000 thousand euros payable in the next fiscal year)
Total		**80,428**		

31/12/2023		**Amount**	**Issuing Date**	**Duration**
HOUSEMARKET SA	Bond	39,840	30/09/2021	3 years from the issuing date payable forthcoming period
	Bond	9,975	17/7/2020	4 years from the issuing date (EUR 9,975 thousand payable forthcoming period)
	Bond	11,908	31/7/2020	4 years from the issuing date (EUR 11,908 thousand payable forthcoming period)
Total		**61,724**		

Long-term borrowing includes:

- Bond loan worth EUR 7.3 million issued by the Bank of Cyprus on 29/1/2024 and expires on 29/12/2030.
- Bond loan worth 15 million euros issued by ALPHA BANK on 13/12/2024 and expires on 13/12/2026.
- Bond loan worth EUR 50 million issued by PIRAEUS BANK on 20/3/2024 and expires on 26/2/2027.

The short-term part of long-term borrowing includes:

- Part of a bond loan corresponding to an amount of EUR 0.4 million issued by the Bank of Cyprus on 29/1/2024 and expires on 29/12/2030.
- Part of a bond loan corresponding to an amount of EUR 5 million issued by ALPHA BANK on 13/12/2024 and expires on 13/12/2026.
- Bond loan corresponding to an amount of EUR 3 million issued by NBG on 21/6/2024 and expires on 21/12/2025.

The Company's short-term loan obligations include short-term loans and mutual accounts that are used as working capital for its activities in order to cover primarily liabilities to suppliers.

Some of the Company's loans contain restrictive terms. As of 31/12/2024, the Company was in compliance with the terms of the loans.

The Company, having centralized capital management, has the ability to immediately identify, quantify, address and hedge, if necessary, the financial risks created by its main operating activities in order to harmonize with the changes in the economic environment. The Company continuously budgets and monitors its cash flows and acts appropriately to ensure the existence of open lines of credit to cover temporary capital needs. The Company has adequate open lines of credit with domestic and foreign financial institutions to cover the working capital needs of local companies. As of 31/12/2024, the balance of open credit lines amounted to EUR 22.3 million (2023: EUR 24.3 million).

22. Leasing liabilities

On 31/12/2024 and 31/12/2023, leasing liabilities for the Company are analyzed as follows:

	Lease liabilities	
	Company	
	31/12/2024	**31/12/2023**
Opening balance	114,344	110,774
Additions	49,280	11,036
Changes (Increases or decreases) of lease value	(4,092)	0
Repayment of leasing	(6,982)	(7,467)
Total	**152,550**	**114,344**

The additions to the lease obligations for the period concern changes to the existing contracts due to an increase in the price and duration of the lease in the stores and amounted to the amount of 49 million euros.

In the heading "termination of a contract due to early termination/closure of a store", the amount of 4 million euros results from the expiration of the lease of a Kifissos store.

The value of the lease obligation amounted to 40 million euros approximately, the inalienable value of the asset with the right to use amounted to an amount of EUR 36 million and their difference was recognized as a profit of 4 million euros that appears in other revenues.

Maturities of leasing liabilities are presented below:

	Company	
	31/12/2024	**31/12/2023**
Up to 1 year	6,645	8,115
Between 1-5 years	28,550	34,728
More than 5 years	117,354	71,501
Total	**152,550**	**114,344**

23. Long-term liabilities

Other Non-Current Liabilities are analyzed as follows:

	Company	
	31/12/2024	31/12/2023
Liabilities:		
Received Guarantees	59	59
Total	**59**	**59**

24. Trade and other payables

Trade and other payables are analyzed as follows:

	Company	
	31/12/2024	31/12/2023
Trade payables	24,071	22,607
Accrued expenses	6,076	5,352
Other payables	3,746	2,195
Taxes liability	2,599	3,580
Customers advances	3,383	1,924
Insurance Organizations	1,389	1,257
Total	**41,264**	**36,915**

25. Income taxes

The tax rate for the Company's income is 22%.

The Company has not been audited by the tax authorities for the following years:

COMPANY	YEARS
HOUSEMARKET SA	2018-2024

The Company, for the financial years 2011, 2012, 2013, has been subject to the tax audit of the regular Certified Public Accountants based on the provisions of article 82 par. 5 of Law 2238/1994 and for the financial years 2014-2017 based on the provisions of article 65 A of Law 4174/2013. It received a Certificate of Tax Compliance without emphasis or reservation for the fiscal years 2011-2023, while the audit for the fiscal year 2024 is in progress. Upon completion of the audit, the Company's Management does not expect significant tax liabilities to arise, other than those recorded and reflected in the Financial Statements. The fiscal years up to 2018 are closed.

The income tax of the fiscal year 2024 compared to the fiscal year 2023 is:

	Company	
	1/1 - 31/12/2024	1/1 - 31/12/2023
Income tax	**0**	**0**
Deffered Taxes:		
Differences of fixed assets	58	13
Provisions for employee benefits (IAS 19)	(5)	3
Differences from the application of IFRS 16	(599)	232
Provisions	(26)	245
Deferred tax from tax loss recognition	463	248
Total Deffered taxes	**(109)**	**741**
Income Tax Expense	**(109)**	**741**

The reconciliation between the nominal tax rate and the effective tax rate for the year 2024 and the relative year 2023 is analyzed as follows:

	Company	
	1/1 - 31/12/2024	1/1 - 31/12/2023
Profit Before Taxes	**10,699**	**16,477**
Income tax based on nominal tax rate	(2,354)	(3,625)
Tax on tax free income	2,856	4,889
Tax on non deductible expenses	(330)	(132)
Income tax difference of previous year	120	(91)
Miscellaneous timing differences	(401)	(300)
Tax in statement of comprehensive income	**(109)**	**741**

Deferred taxes on 31/12/2024 that appear in the Total Income Statement and relate to income due to defined benefit programs for the Company amount to 246 thousand euros (31/12/2023: 72 thousand).

The deferred taxes on 31 December 2024 and 31 December 2023 that appear in the attached Financial Statements are broken down as follows:

	Company	
	1/1 - 31/12/2024	1/1 - 31/12/2023
Assets :		
Depreciation calc. difference	(699)	(757)
Employee retirement benefits (IAS 19)	1,112	871
Stock devaluation	724	801
Provisions	327	285
Provision for doubtful debts	825	825
Deferred income tax	1,642	1,179
Reclass of Revenue account	33	24
Differences from the application of IFRS 16	515	1,114
Total	**4,479**	**4,343**

Deferred income taxes arise from temporary differences between the tax recognition of assets and liabilities and their recognition in the financial statements.

As of 31/12/2024, the Company had accumulated carry-forward tax losses and formed a total provision for a deferred tax claim in the amount of EUR 1,642 thousand (1,179 thousand euros on 31/12/2023) from tax losses for the fiscal year, as the Administration considered that the recognition criteria were met. For the part of the tax losses on which a deferred tax claim has been recognized, the Management estimates that these will be covered by taxable profits before their expiry date.

26. Commitments and Contingencies

26.1 Commitments

Its commitments as at 31/12/2024 are:

- Letters Letters of guarantee from the Company, in the amount of 2.528 thousand euros. for the proper execution of a contract between the Company and Athens International Airport, in the amount of 9,600 thousand euros. for the proper execution of a contract between the Company and NOVAL PROPERTIES REIC, in the amount of 302 thousand euros. for the proper execution of a contract between the Company and LAMDA OLYMPIA VILLAGE SMSA, in the amount of 2,327 thousand euros for the proper execution of contracts between the Company and Trade Estates REIC, in the amount of EUR 400 thousand for the proper execution of contracts between the Company and MATENKO SA, in the amount of 686 thousand euros for the proper execution of a contract between the Company and DIOLKOS DEVELOPMENT SMPC, while other letters of guarantee in the amount of 90 thousand euros have also been given.
- A guarantee has been provided by the Company to the Bondholder in favor of the subsidiary TRADE LOGISTICS S.A. for the securing of loan obligations, in the amount of EUR 632 thousand.

26.2 Litigation

There are no disputed or arbitrated disputes as well as decisions of judicial bodies that may have a significant impact on the Company's financial situation.

27. Related parties

The parent company FOURLIS S.A. HOLDINGS, its subsidiaries, the affiliated companies of the FOURLIS Group, its affiliates and joint ventures, its Management and senior executives and their affiliated natural and legal persons are considered to be affiliated with the Company in accordance with IAS 24. The Company provides advice and services to its subsidiaries in the areas of product data processing, purchase and general organization of departments and other services upon request of the subsidiaries.

The table below breaks down the requirements and liabilities as of December 31, 2024 and December 31, 2023:

		1/1 - 31/12/2024	1/1 - 31/12/2023
Receivables from:	FOURLIS HOLDINGS SA	1,019	42
	H.M. HOUSE MARKET (CYPRUS) LTD	12	6
	SPORTSWEAR MARKET SA	23	9
	HOUSE MARKET BULGARIA EAD	15	2,021
	TRADE LOGISTICS SA	0	1,528
	TRADE ESTATES REIC	133	76
	KTIMATODOMI SA	0	8
	WELLNESS	2	1
	Total	**1,204**	**3,691**
Payables to:	FOURLIS HOLDINGS SA	78	0
	SPORTSWEAR MARKET SA	0	7
	HOUSE MARKET BULGARIA EAD	96	96
	H.M. HOUSE MARKET (CYPRUS) LTD	4	0
	TRADE ESTATES REIC	571	886
	TRADE LOGISTICS SA	243	0
	KTHMATOSTRUCTURE SA	11	0
	POLIKENCO SA	317	0
	Total	**1,320**	**989**

Transactions with affiliated companies during the financial year 1/1 – 31/12/2024 and the financial year 1/1-31/12/2023 are analyzed as follows:

	1/1 - 31/12/2024	1/1 - 31/12/2023
Sales revenue	15	4
Other revenue	347	267
Dividend Income/(Expenses)	12,984	17,048
Total	**13,346**	**17,318**

	1/1 - 31/12/2024	1/1 - 31/12/2023
Administrative expenses	3,255	2,760
Disposal Operating Costs	11,600	9,745
Other operating expenses	1	0
Total	**14,855**	**12,505**

In the financial years 2024 and 2023, the transactions and remuneration of the managers and members of the management of the Group and the Company were:

	The Company	
	1/1 - 31/12/2024	1/1 - 31/12/2023
Transactions and remuneration of managers and members of the management	1,665	1,660

There are no other transactions, claims-obligations between the Company and the directors and management members. Transactions with the related parties are carried out on commercial terms and mainly include sales and purchases of goods and services within the normal operation of the Company.

28. Transactions with Affiliates

During financial years 2024 and 2023, between the parent company and its subsidiaries the following transactions occurred:

	Company	
	31/12/2024	31/12/2023
Revenue	11	0
Cost of sales	10	0
Other income	137	136
Administrative expenses	20	3
Distribution expenses	6,089	5,014
Dividends	12,984	17,048

	Company	
	31/12/2024	31/12/2023
Trade receivables	28	3,555
Creditors	343	96

29. Subsequent events

There are no other subsequent events as of 31/12/2024 that may significantly affect the financial position and results of the Group other than the following:

- **Trade Estates Private Placement**

On 4/2/2025 the Fourlis Group completed the sale of 19,279,935 shares of Trade Estates through the subsidiaries of the company HOUSEMARKET (16% of the share capital) through a private placement, for a price of 29 million euros. euro. As a result, the Group's stake in Trade Estates decreased to less than 50% (47.3%), leading to the loss of control over Trade Estates. In this context, at the date of the transaction and in accordance with the requirements of IFRS 10 "Consolidated Financial Statements", Trade Estates ceased to be consolidated as a subsidiary, with the derecognition of its net assets from the consolidated financial statements of the FOURLIS Group. On 31/12/2024, HOUSEMARKET participated directly with a percentage of 20.57% and indirectly with a percentage of 20.89% in the share capital of Trade Estates. As a result of the transfer of the shares by the subsidiaries of HOUSEMARKET, HOUSEMARKET now participates directly with a percentage of 20.57% and indirectly with a percentage of 4.89%. As the criteria for classifying the participation in Trade Estates as "Assets held for sale" in accordance with IFRS 5 are no longer met after the transaction, the participation was reclassified under the heading "Investments in subsidiaries and affiliates".

- **Dividend distribution by the Company**

During the Extraordinary General Meeting of the Company on 24/3/2025, it was decided to distribute a dividend for the fiscal year until 2023 in the amount of EUR 11,467,143.96 to the parent company Fourlis Holdings S.A.

Web site for the publication of the Annual Financial Statements

The Annual Financial Statements, the Audit Report of the Independent Certified Auditor and the Management Report of the Board of Directors for the fiscal year 1/1 - 31/12/2024 have been posted at the following address: http://www.fourlis.gr.