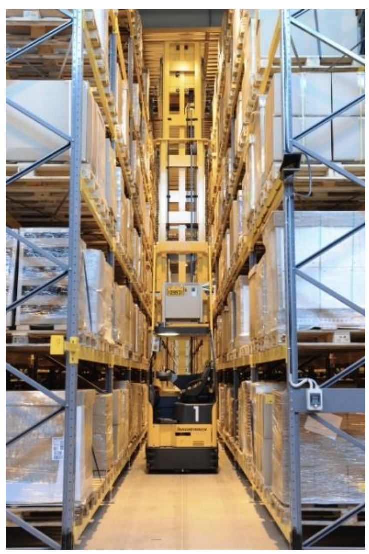
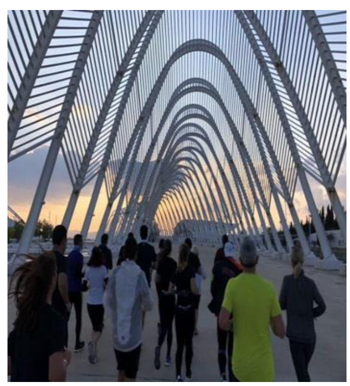
FOURLIS
GROUP OF COMPANIES



ANNUAL REPORT

2020



FOURLIS
GROUP OF COMPANIES

FOURLIS
GROUP OF COMPANIES

Contents

Part A.

Part B.

Part A.

I. Fourlis Group

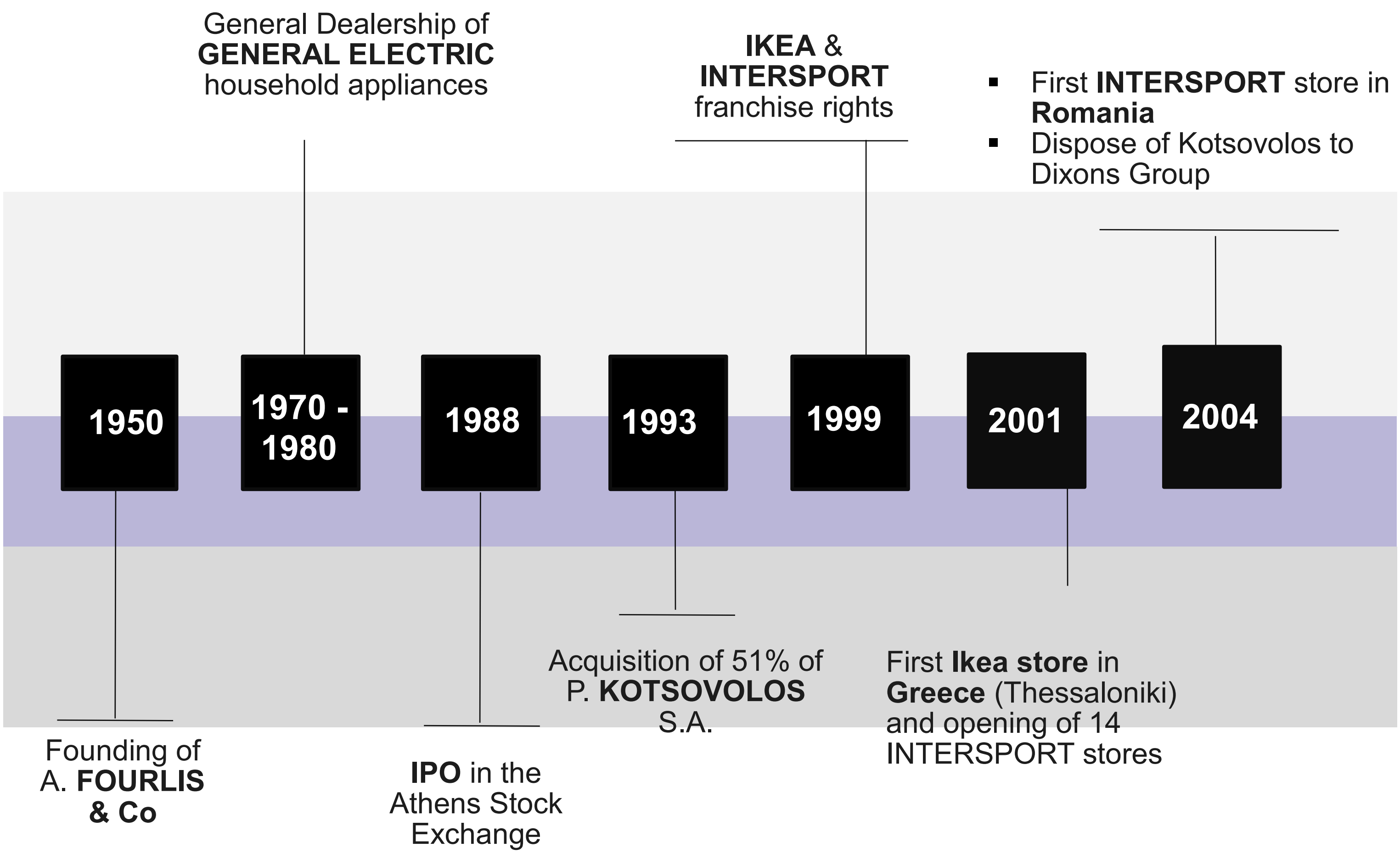
1. Our Values

Integrity
Respect
Efficiency

Passion for better living!

To create superior value
for our Customers,
People,
Shareholders
and Society, by delivering
goods and solutions
for better living.

2. Our History



2006

First **INTERSPORT** store in **Bulgaria**

2007

First **IKEA store** in **Cyprus**

2010

Dispose of Samsung Representation for Greece & Romania

2011

- First **IKEA** store in **Bulgaria.**
- Acquisition of INTERSPORT branch network and franchise

2014

- Acquisition of **THE ATHLETE'S FOOT** franchise rights
- Completion of **wholesale** activity **exit**

2016

Issuance of first Greek **Corporate Bond**, traded in Athens Stock Exchange

2019

Approval/ License Implementation of **REIC formation**

2020

New IKEA Concept Stores Openings in Varna & Piraeus

3.Fourlis Group

- ✓ FOURLIS Group is one of the leading retail group of companies in Greece and the Balkans in providing quality consumer durable goods. The commercial activity is expanding in Greece, Cyprus, Bulgaria, Romania and Turkey.

- ✓ The Group is active in two key retail divisions:

- ❖ **Retail Home Furnishings** (IKEA)
- ❖ **Retail Sporting Goods** (INTERSPORT – THE ATHLETE’S FOOT)

- ✓ In 2018 FOURLIS Group decided to enter into **the real estate investment division** through the establishment of a new subsidiary company named “TRADE ESTATES REAL ESTATES INVESTMENT COMPANY”. Group’s new subsidiary company granted an operating license from the Hellenic Capital Market Commission on 28.02.2019. The new company aims to invest in a real estate portfolio consisted of quality retail properties and E-Commerce infrastructure. FOURLIS Group through its operation in this sector aims to maximize its flexibility in accessing real estate equity, to improve its overall returns on assets, to centralize ownership and management, streamling administration and tax planning.

- ✓ For the past 70 years, FOURLIS Group, the successor of FOURLIS BROS S.A, is dedicated in investing to its employees and to the quality of the workplace and the innovative infrastructure along with the functional relationships with suppliers. By these means, it manages to achieve high levels of productivity and to maximize customers’ satisfaction.
- ✓ It is important to note that FOURLIS Group remains firmly active in the development process, with substantial contribution to the Greek economy. It is noteworthy that since 2008 when the financial crisis started in Greece and Europe, FOURLIS Group has invested over 195 million euros in capital expenditures.
- ✓ Education and training of workforce, regular and fair assessment at all levels as well as commitment to the Group's values – “Integrity”, “Respect” and “Efficiency "- continue to be the significant comparative advantages through which the Group seeks to achieve its objectives.

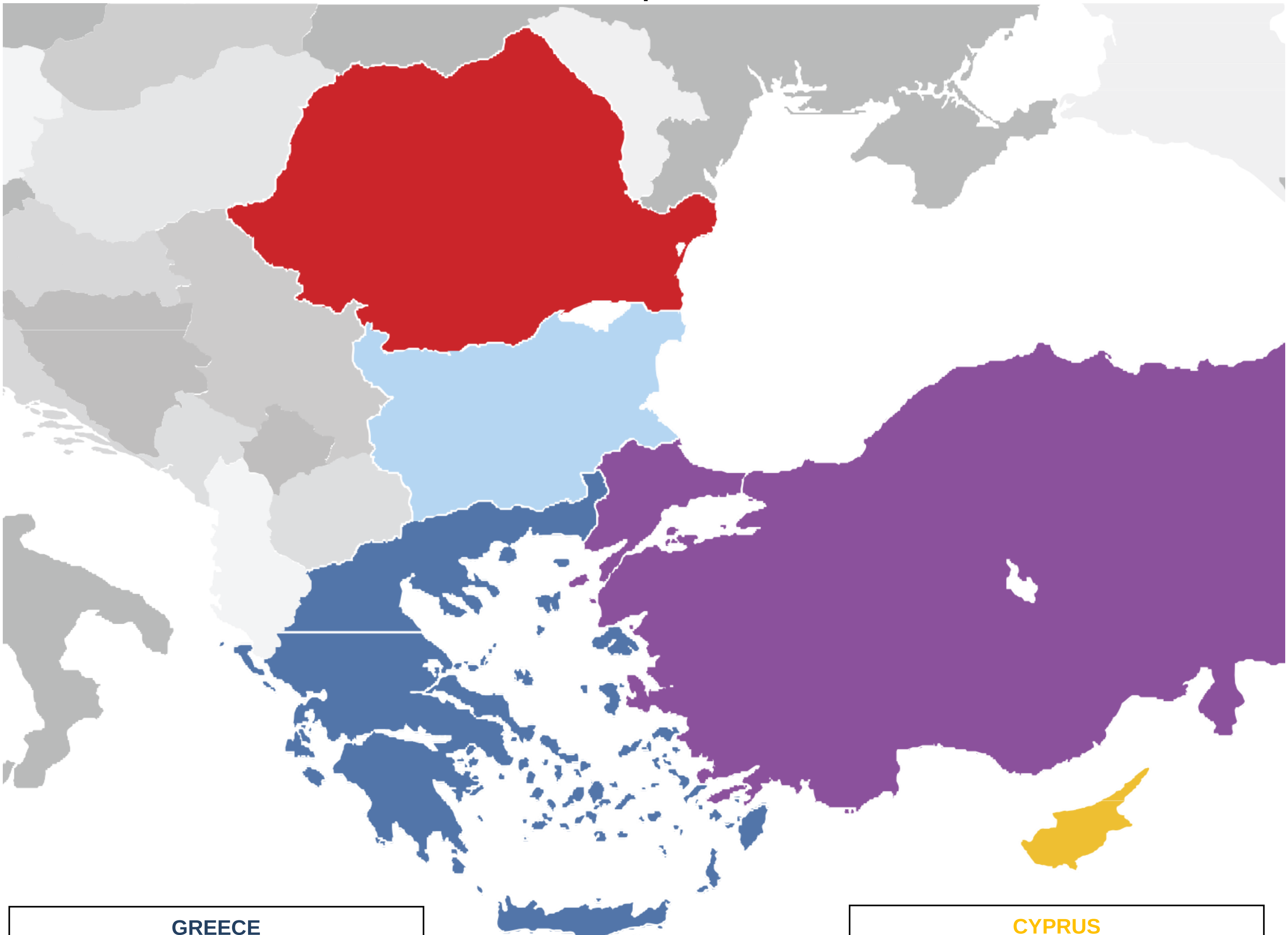

FOURLIS
ΟΜΙΛΟΣ ΕΤΑΙΡΙΩΝ
IKEA
INTERSPORT
the athlete's foot
TradeEstates

4. Our strategy

The strategic orientation of the Group is to expand through companies which focus in retail commerce. The Group's entrance into growing sectors such as household equipment and sporting goods is one of the basic pillars on which it developed and it will continue to develop in the future. In order to accomplish its goals, the Group aims to:

- Focus on the expansion of the commercial and service areas.
- Promote synergies within the Group and develop alliances with other companies.
- To adapt constantly so that the Group is always ready to face increasing needs and new conditions arising in the market.
- To keep the Group’s personnel aware at all times of new developments in the industry and provide ongoing professional training

5. Our Presence in the map



GREECE

6 IKEA Stores

6 IKEA Pick-Up Points

53 Intersport Stores

14 The Athlete’s Foot Stores

ROMANIA

34 Intersport Stores

CYPRUS

1 IKEA Store

1 IKEA Pick-Up Points

6 Intersport Stores

TURKEY

17 Intersport Stores

3 The Athlete’s Foot Stores

BULGARIA

2 IKEA Store

2 IKEA Pick-Up Points

9 Intersport Stores

E-Commerce in all 5 countries

- ✓ IKEA
- ✓ Intersport
- ✓ The Athlete’s Foot Stores

6.Corporate Governance

- Since 2011, FOURLIS HOLDINGS S.A, the parent company of the Group has decided to voluntarily comply with the Greek Code of Corporate Governance that has adapted to the Greek legislation and business reality and constitutes a standard of leading corporate governance practices, which aim to enhance the transparency of Greek companies and increase the investors' confidence both in the entirety of listed companies and in each one individually, and broadens the horizons to attract investment capital.

- The parent company is managed by the Board of Directors which consists of nine members, out of which four are executive, one is non-executive and four are independent non-executive members. The Company has elected its Board with the maximum permitted number of executive and non-executive directors to ensure the diversity of gender, age, knowledge, qualification and experience serving the objectives of the Company as well as the balance between executive and non-executive members.

- The function of the Board of Directors is supported by:

- The Audit Committee which is appointed by the General Assembly of the Shareholders supports the BoD on the fields of financial reporting, internal control and supervision of external auditors
- The Nomination and Remuneration Committee ensures an efficient, transparent process of nomination of Board members and prepare proposals to the Board for the remuneration of company's executive directors and key executives.

- Board members

9

- Voting standard

Majority

- Percentage of women on board

22.2%

- Percentage of Independent members on board

44.4%

- Percentage of non-executive board members

55.6%

- Number of Committees

2

- Audit committee
- Nomination & Remuneration

7. Fourlis Group Social Responsibility

- FOURLIS Group Social Responsibility Department was established in 2008 as a result of the need to coordinate the Group companies under a common framework of Social Responsibility and Sustainable Development actions and initiatives, driven by its Values "***Integrity, Respect, Efficiency"*** and its Mission which is *"to create superior value for our Customers, People, Shareholders and Society, by delivering goods and solutions for better living".*

- The Social Responsibility Department operates and continuously grows based on the following priority pillars: respect for the Group **People**, support of the **Society** and the **Market**, and protection of the **Environment.**

- Since 2008 FOURLIS Group is an official member of the United Nations Global Compact, the largest international voluntary initiative for responsible business practices and is committed to adopt, support and promote, through its business operation, its Principles that derive from internationally accepted standards pertaining to human rights, labor conditions, fight against corruption and environmental protection.

- FOURLIS Group supports the UN Sustainable Development Goals (SDGs) through its actions and initiatives.

✓ PEOPLE

Each year, the Social Responsibility Department implements a series of actions focusing on FOURLIS Group **People.** In this context in 2020:

- The EF ZIN (Wellbeing) program continued. The program is being implemented since 2010, aiming to inform employees on health and wellbeing issues and to motivate them to adopt a healthy lifestyle. In 2020 the program included actions such as the "Mediterranean Diet" program which is implemented in cooperation with dieticians/nutritionists and includes weekly balanced diet menus and recipes for employees in Greece, Cyprus and Bulgaria. An online pilates program for employees in Greece was also implemented, in cooperation with experienced trainers.
- The "I study with a Scholarship program" continued. This program is being implemented since 2013 and aims to support students-children of employees who study at Public Universities in Greece, Cyprus and Bulgaria, away from their permanent residence, and whose families face financial hardship in meeting their children's accommodation expenses in another town.

- A Counselling and Psychological Support Line was launched for the Group employees in Greece and their close relatives. This new service concerns mental health and is implemented in collaboration with psychologists. FOURLIS Group employees as well as their close relatives (spouses, adult children) can call anonymously the Support Line, to talk to the consultants/psychologists and receive, in strict confidence, guidance for personal or professional issues that concern them. The Line operates 24/7/365.

- In the context of the Counselling and Psychological Support Line, since October 2020 online psychology seminars are implemented in cooperation with the consultants/phycologists who support the Line. The seminars are available for FOURLIS Group employees in Greece.

✓ SOCIETY

At FOURLIS Group we annually design and implement actions and programs aiming at the support of the **Society**. In cases where special circumstances occur (e.g. pandemic, natural disasters) the programs are either adapted or include actions aimed at addressing these emergencies, for the relief of citizens and the society. Some of the most important actions implemented in 2020 include:

- The immediate response to the increased demands of society, mainly in the field of Public Health due to the COVID-19 pandemic, with the offer of products by the Group companies in Greece, Cyprus and Bulgaria to reference hospitals as well as to other structures for the support of vulnerable social groups.

- The "Furnished With Joy" program which is being implemented since 2013 by HOUSEMARKET S.A.(IKEA stores), in collaboration with the Municipal Authorities and concerns the complete refurbishment of municipal nursery schools and kindergartens in Greece with IKEA products.

- The donation of meals from the IKEA stores' restaurants to Foundations and Organizations, in cooperation with "BOROUME", a non-profit organization whose mission is to reduce food waste and to fight malnutrition in Greece.

- The offer of IKEA products to MAKE A WISH Greece, to grant the wishes of children who suffer from serious illnesses.

- The support to those affected by the hurricane-like storm “Ianos” at the Municipalities of Mouzaki, Karditsa and Farsala in Thessaly. Specifically, HOUSEMARKET S.A. (IKEA stores), in coordination with the local authorities, offered material assistance from its stores (bed linen, pillows, duvet covers, towels, etc.), to meet the needs of those affected.

- The support of the Panhellenic Association of Women with Breast Cancer "ALMA ZOIS" from INTERSPORT SA, which in October 2020, the month of prevention and information for breast cancer, implemented the action "GIVE ENERGY FOR LIFE" and offered 10% of the sales of the women's clothing “Energetics” collection during the period 16-31 October, for the implementation of the online Pilates team of the Association during the period November 2020-April 2021.

- The protection of the cultural heritage of our country through the support of the DIAZOMA Association, the non-profit association OPHELTES - The friend of Nemea, the SOCIETY FOR THE RIVAVAL OF THE NEMEAN GAMES as well as the ELLINIKI ETAIRIA-Society for the Environment and Cultural Heritage, by FOURLIS HOLDINGS S.A. Since 2019, ELLET has undertaken –among others- the coordination of communication, publicity, awareness and environmental education activities as well as the impact of climate change on the landscape and archeological sites and land uses, under the LIFE IP adaptInGr program, the most important program that our country has ever undertaken regarding climate change adaptation. FOURLIS HOLDINGS S.A. co-finances LIFE IP adaptInGr project, supporting ELLET in this important initiative.

- The cooperation of HOUSEMARKET BULGARIA AD with UNICEF, to support children, as well as the offer of IKEA products for the equipment of spaces for children such as day care centers, youth centers and play corners in public libraries.

- Volunteering actions by Group companies’ employees who collected and offered school and other necessities to local Organizations in Greece, Cyprus and Bulgaria.

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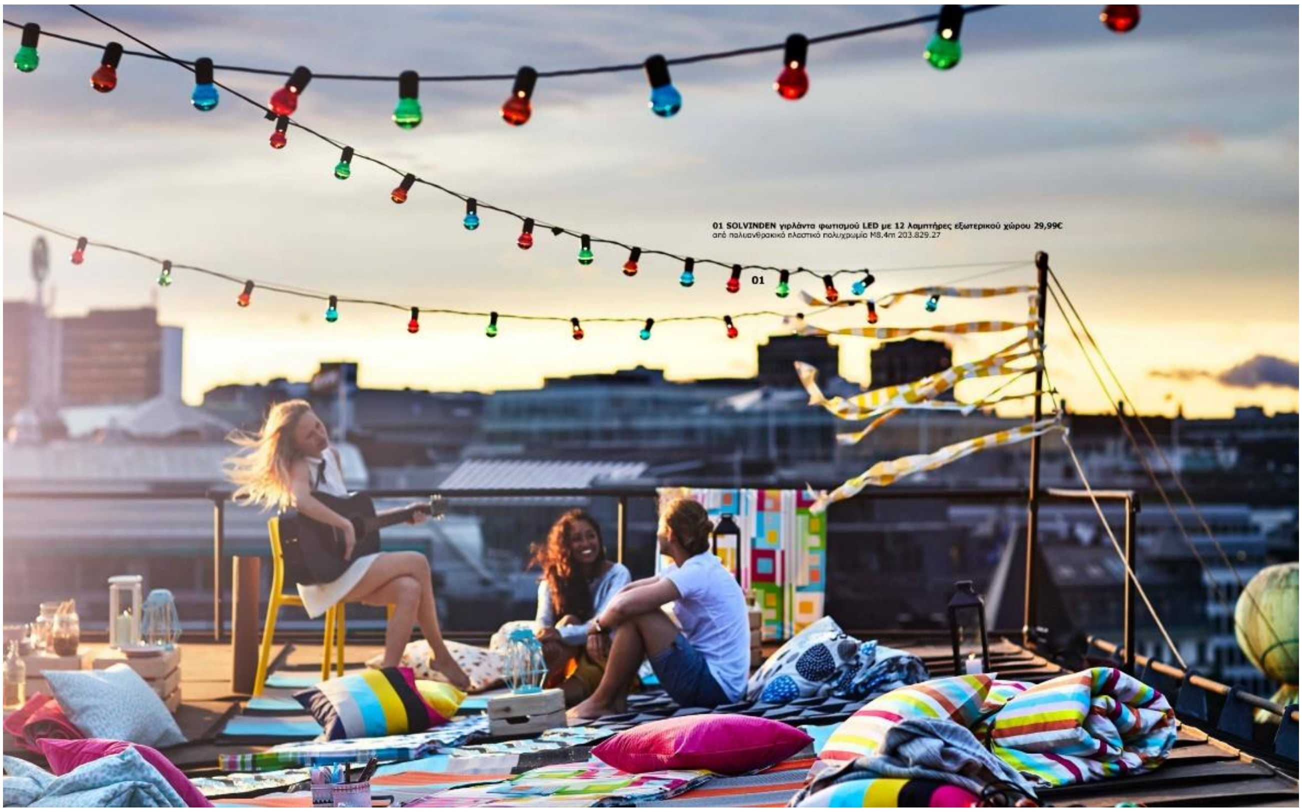


✓ ENVIRONMENT

At FOURLIS Group, the actions implemented for the protection of the Environment go beyond compliance with legislation. We systematically monitor the effects of our activities and carry out a series of voluntary actions and interventions aimed at reducing our environmental footprint by saving and recycling natural resources and reducing greenhouse gas emissions emitted by our operations, while we also aim at raising employees' and public awareness in matters of environmental protection and adoption of a responsible life style. Specifically:

- We systematically monitor energy and water consumption, and make all necessary interventions where and when needed.
- We focus on proper waste management through the implementation of material recycling programs and composting at our facilities, as well as through interventions to reduce the use of materials such as paper and ink.
- In the context of the commitments undertaken by IKEA worldwide, HOUSEMARKET of FOURLIS Group is committed to reduce food waste by 50% in IKEA restaurants in Greece, Cyprus and Bulgaria, by the end of 2022, as well as to raise public awareness on reducing food waste at home.
- Since 2013 TRADE LOGISTICS S.A. has installed a 1 MW photovoltaic plant with average annual productivity of 1.460MWh, for producing electricity on its roof, while H.M. HOUSEMARKET (CYPRUS) LTD has completed the process of installing a photovoltaic electricity production system with net-metering at the IKEA Cyprus store, which is scheduled to operate during 2021.
- Since 2012, TRADE LOGISTICS S.A. monitors its carbon emissions for the entirety of its activities, with a view to find solutions for their reduction.
- The Group companies' stores offer a variety of products that support a sustainable lifestyle.
- FOURLIS Group companies, implement actions to raise awareness among employees and the public regarding environmental issues and the adoption of a responsible lifestyle.

- *FOURLIS 2020 Annual Sustainable Development and Social Responsibility Report will be published in June 2020 and will be available at www.fourlis.g*

II. Financial Overview

✓ BASIC FINANCIAL FIGURES

- Fourlis Group, during FY20, realized **sales of € 370,6 million**, 20,5% lower vs FY19 (€ 466,3 mio), due to the severe impact of the measures against COVID-19 outbreak.
- **E-Commerce sales** for the Group in FY20 reached **€ 60,1 million** vs € 33,8 million in FY19, increased by 78%.
- FY20 **EBITDA** was **€ 43,1 million** vs € 66,6 million in FY19.
- FY20 **EBIT** was **€ 9,6 million** vs € 35,8 million in FY19.
- FY20 Consolidated **Losses Before Taxes** were **€ 11,0 million** vs Profit before Taxes of € 19,5 million in FY19, including Losses **€ 6,6 million** due to impairment of real estate assets and investment in subsidiaries.
- The Group realized **Net Loss** of **€ 8,7 million** in FY20.
- Fourlis Group **Net Debt** as of 31/12/2020 was **€ 105,4 million**, vs € 106,2 million as of 31/12/2019.

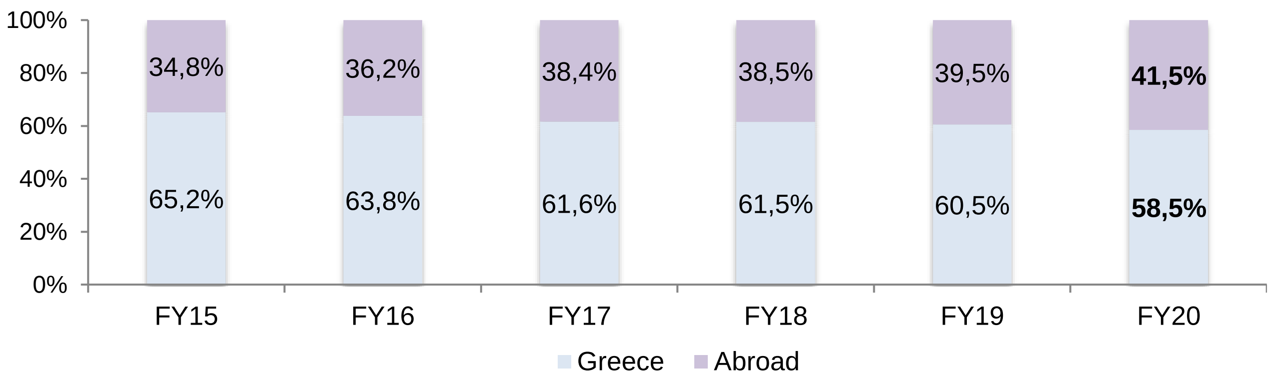
Revenue Breakdown by Geography (in € mm)

Greece

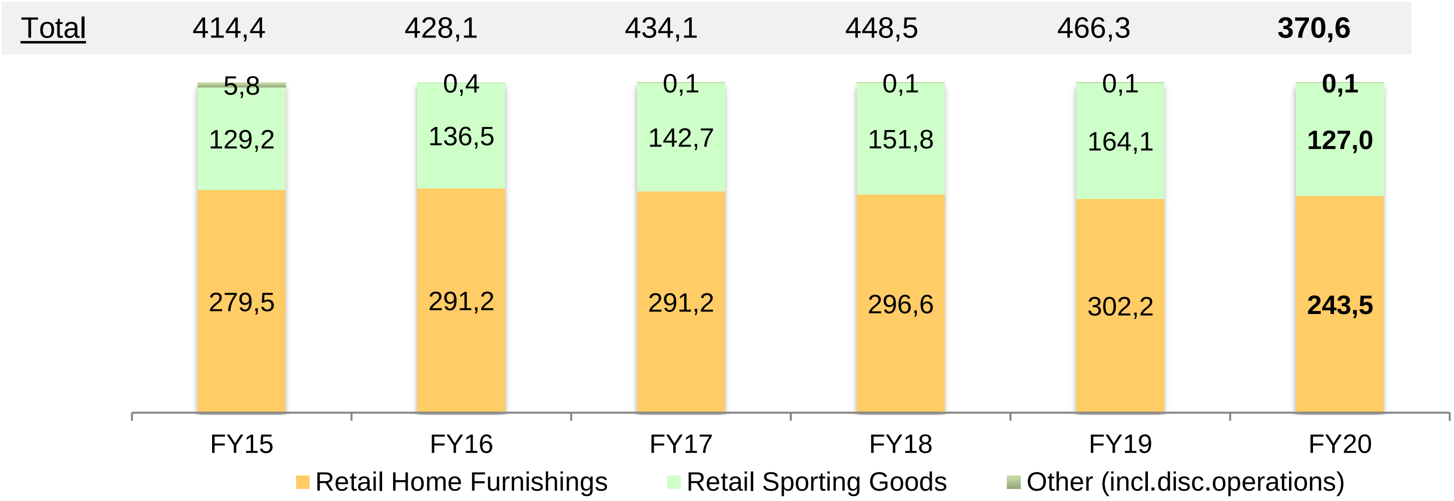
€ 216,9 mio
58,5% of Group
(2019: € 282,2 mio)

Abroad

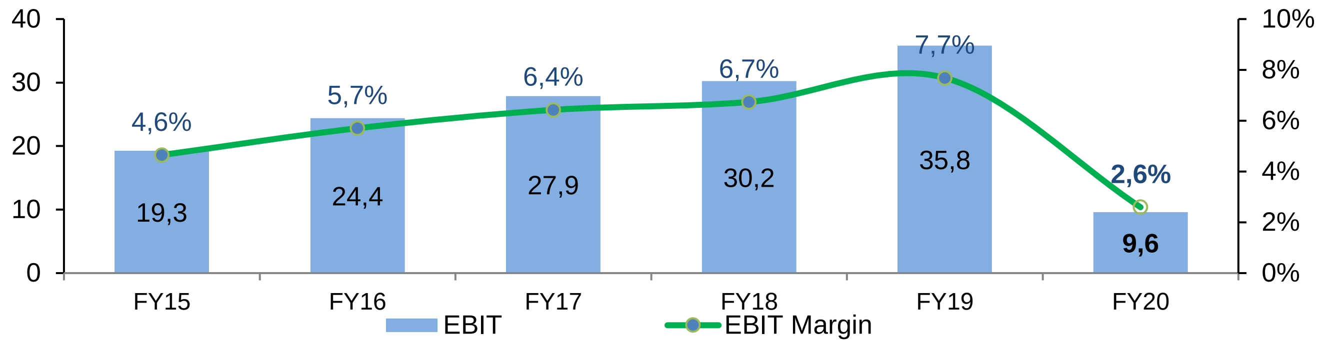
€ 153,7 mio
41,5% of Group
(2019: € 184,2 mio)



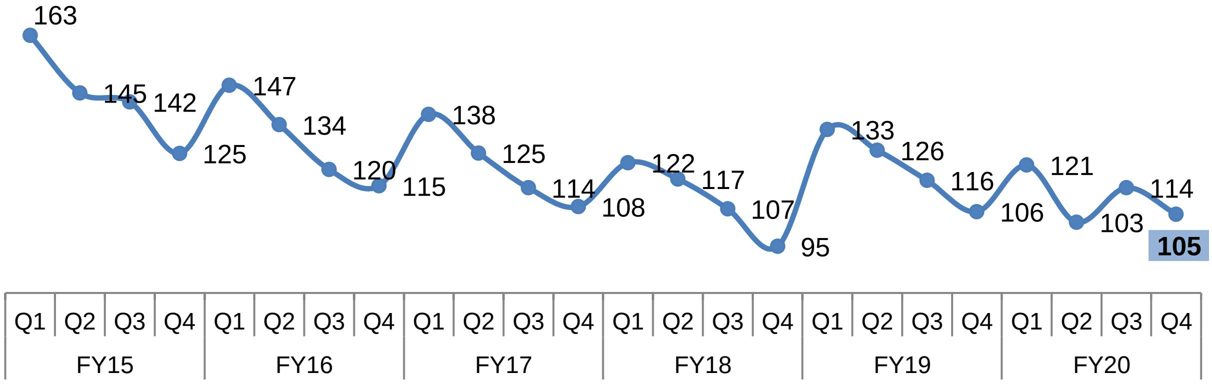
Revenue Breakdown by Activity (in € mm)



EBIT



Net Debt Evolution



✓ RETAIL HOME FURNISHING SECTOR (IKEA)

- Fourlis Group is the exclusive franchisee of IKEA trademark in Greece, Cyprus and Bulgaria.
- IKEA is the world leader in home furnishings and accessories. It was founded in Sweden in 1943 and today IKEA operates over 500 stores. During fiscal year 2020, over 825 million people visit IKEA all over the world and the turnover accounted in € 39,6 billion.
- Through the operating IKEA stores, the subsidiary companies of FOURLIS Group (namely HOUSEMARKET S.A., H.M. HOUSEMARKET CYPRUS Ltd and HOUSE MARKET BULGARIA AD), is active in retail home furnishings and in providing catering services in all three countries..

Network of Retail Home Furnishings Division

9 IKEA (**6** in Greece, **1** in Cyprus, **2** in Bulgaria)

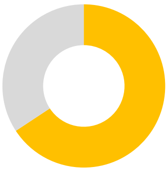
9 Pick-up Points (**6** in Greece, **2** in Bulgaria, **1** in Cyprus)

3 E-shop in all **3** countries

- The intention of FOURLIS Group is to expand its store and pick up network both in the current countries of operation but also and in new territories.

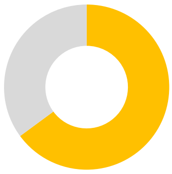
2020 Basic Financial Figures (in € mm)

Turnover



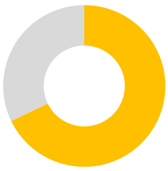
€ 243,6 mio
65,7% of Group
(2019: € 302,3 mio)

Gross Profit



€ 99,4 mio
64,9% of Group
(2019: € 125,7 mio)

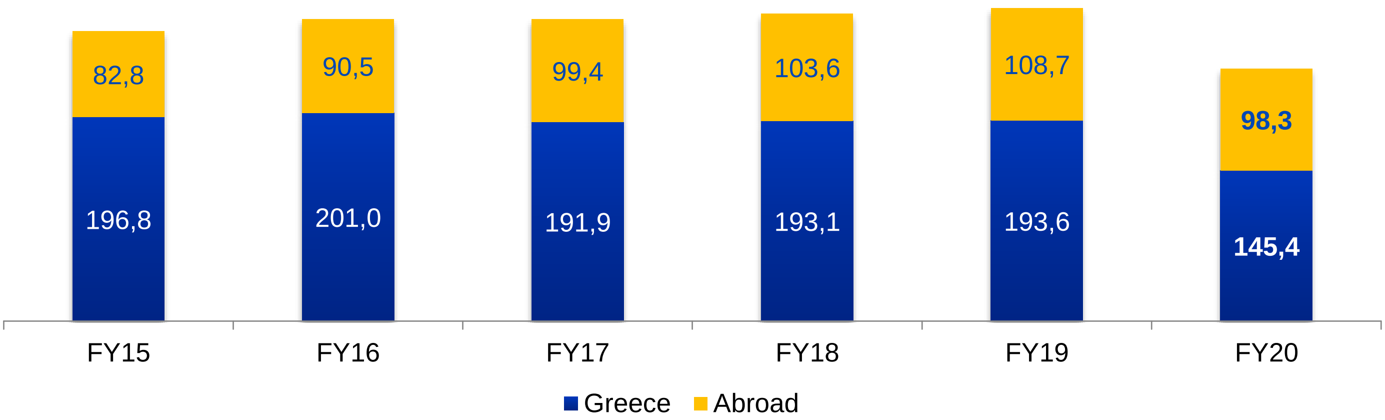
EBITDA



€ 30,3 mio
(2019: € 39,7 mio)

Revenue Breakdown by Geography (in € mm)

Total	**279,5**	**291,5**	**291,3**	**296,7**	**302,3**	**243,6**



✓ RETAIL SPORTING GOODS SECTOR (Intersport – The Athlete's Foot)

- FOURLIS Group is the exclusive franchisee of INTERSPORT trademark in Greece, Cyprus and Bulgaria, in Romania and Turkey.
- INTERSPORT, is the number one retail sporting goods chain worldwide, with 50 million visitors in 5.600 stores in 57 countries. In September 2000, Intersport initiated its dynamic presence as part of FOURLIS Group.
- In addition, the Group is exclusive franchisee of THE ATHLETE'S FOOT trademark for Greece and Turkey.
- The Athlete's Foot is recognized as one of the world's leaders in athletic footwear, continuing its legacy and commitment to proper fit and quality customer service. At the same time, after her acquisition by INTERSPORT International Corp.(IIC), The Athlete's Foot. continues to grow, and is opening even more stores in more countries every year
- Currently, the division operates through a network of:

Network of Retail Sporting Goods Division

119 Intersport Stores (**53** in Greece, **34** in Romania, **17** in Turkey, **9** in Bulgaria, **6** in Cyprus)

17 THE ATHLETE'S FOOT stores (**14** in Greece, **3** in Turkey)

5 E-shop in all **5** countries

- The strategic plan of FOURLIS Group regarding the retail sporting goods division is the expansion of INTERSPORT stores to more than 160 points and to 50 stores for the Athete's Foot.

2020 Basic Financial Figures

Turnover

€ 127,0 mio
34,3% of Group
(2019: € 164,1 mio)

Gross Profit

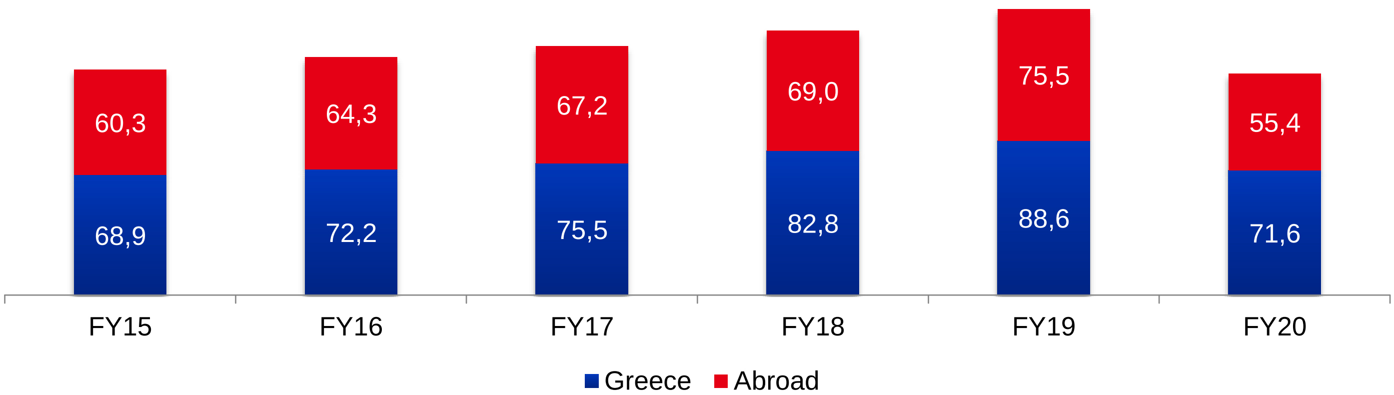
€ 53,7 mio
35,1% of Group
(2019: € 76,8 mio)

EBITDA

€ 14,3 mio
(2019: € 28,2 mio)

Revenue Breakdown by Geography (in € mm)

Total	**129,2**	**136,5**	**142,7**	**151,8**	**164,1**	**127,0**



Part B.

FOURLIS HOLDINGS S.A.

REG. NO: 13110/06/B/86/01

GENERAL ELECTRONIC COMMERCIAL REGISTRY NO: 258101000

OFFICES: 18-20, SOROU STR. (Building A) – 151 25 MAROUSI

ANNUAL FINANCIAL REPORT

For the period

1/1/2020 to 31/12/2020

(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 L. 3556/ 2007)

The members of the Board of Directors of FOURLIS HOLDINGS SA

1. Vassilis S. Fourlis, Chairman,
2. Dafni A. Fourlis, Vice Chairman and
3. Apostolos D. Petalas, CEO

We confirm that to the best of our knowledge:

a. The Financial Statements (Consolidated and Separate) of FOURLIS HOLDINGS SA for the period 1/1/ - 31/12/2020 which have been prepared in accordance with International Financial Reporting Standards as endorsed by the EU, provide a true and fair view of the Assets, Liabilities and Shareholders Equity along with the income statement of FOURLIS HOLDINGS S.A. as well as of the companies that are included in the consolidation taken as a whole.

b. The Annual Report of Board of Directors provides a true and fair view of the evolution, performance and financial position of FOURLIS HOLDINGS S.A. and of the companies included in the consolidation, taken as a whole, as well as a description of the main risks and uncertainties they face.

Maroussi, March 22 2021

The Chairman	The Vice Chairman	The CEO
Vassilis S. Fourlis	Dafni A. Fourlis	Apostolos D. Petalas

FOURLIS
GROUP OF COMPANIES

ANNUAL REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY FOURLIS HOLDINGS SA FOR THE PERIOD 1/1 – 31/12/2020

TO THE SHAREHOLDERS ANNUAL GENERAL ASSEMBLY OF YEAR 2021

Dear Shareholders,

This Financial Report of the Board of Directors is for the period 1/1 - 31/12/2020 and was conducted in compliance with the relevant provisions of L. 4548/2018 as applied until 31/12/2020, article 4 of L. 3556/2007 and resolution 7/448/22.10.2007 of Hellenic Capital Market Committee. Consolidated and Separate Financial Statements comply with IFRS as adopted by EU.

Please find below for your approval, the Financial Statements of the period 1/1 – 31/12/2020 of the Company FOURLIS HOLDINGS S.A. and the Group which consists of its direct and indirect subsidiaries.

1. THE GROUP – Business Segments

The FOURLIS Group ("Group"), which consists of the parent Company FOURLIS HOLDINGS S.A. ("Company") along with its subsidiaries and their subsidiaries, is mainly operating in the Retail Trading of Home Furniture and Household Goods (IKEA Stores) and the Retail Trading of Sporting Goods (INTERSPORT & TAF Stores).

The subsidiary companies and their subsidiaries that are included in the consolidated financial statements for the year 2020 grouped per segment and country of operation are the following:

a) Full method

Retail Trading of Home Furniture and Household Goods (IKEA Stores)

The retail trading of home furniture and household goods segment includes the following Companies:

- HOUSEMARKET SA which operates in Greece and the parent company has a direct shareholding of 100%.
- H.M. HOUSEMARKET (CYPRUS) LTD which operates in Cyprus and the parent company has an indirect shareholding of 100%.
- TRADE LOGISTICS S.A. which operates in Greece and the parent company has an indirect shareholding of 100% (except one share). The retail trading of home furniture and household goods segment includes warehousing services provided by the company TRADE LOGISTICS SA.
- RENTIS REAL ESTATE INVESTMENTS SA which operates in Greece and the parent company has an indirect shareholding of 100% (except one share).
- HOUSE MARKET BULGARIA EAD which operates in Bulgaria and the parent company has an indirect shareholding of 100%.

- WYLDES LTD which operates in Cyprus and the parent company has an indirect shareholding of 100%. Through associated companies WYLDES LTD, VYNER LTD and SW SOFIA MALL ENTERPRISES LTD, the group has a shareholding in the company SOFIA SOUTH RING MALL EAD, which operates one of the biggest malls in Sofia Bulgaria as well as its relevant operating activities.
- TRADE ESTATES BULGARIA EAD which operates in Bulgaria and the parent company has an indirect shareholding of 100%.
- TRADE ESTATES CYPRUS LTD which operates in Cyprus and the parent company has an indirect shareholding of 100%.
- H.M. ESTATES CYPRUS LTD which operates in Cyprus and the parent company has an indirect shareholding of 100%.

Retail Trading of Sporting Goods (INTERSPORT and TAF Stores)

The retail trading of sporting goods segment includes the following Companies:

- INTERSPORT ATHLETICS SA which operates in Greece and the parent company has a direct shareholding of 100%.
- INTERSPORT ATHLETICS (CYPRUS) LTD which operates in Cyprus and the parent company has an indirect shareholding of 100%.
- GENCO BULGARIA EOOD which operates in Bulgaria and the parent company has an indirect shareholding of 100%.
- INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş. which operates in Turkey and the parent company has an indirect shareholding of 100%.
- TRADE LOGISTICS S.A. which operates in Greece and the parent company has an indirect shareholding of 100% (except one share). The retail trading of sporting goods segment includes warehousing services provided by the company TRADE LOGISTICS SA.
- GENCO TRADE SRL which operates in Romania. The parent company has a direct shareholding of 1,57% and an indirect shareholding of 98,43%.

b) Net Equity method

The Group's consolidated data include, the following affiliated companies:

- VYNER LTD which operates in Cyprus and the subsidiary company WYLDES LTD has a direct shareholding of 50%.
- SW SOFIA MALL ENTERPRISES LTD which operates in Cyprus, in which WYLDES LTD has a direct shareholding of 50%.
- MANTENKO SA which operates in Greece and the Company HOUSEMARKET SA has a direct shareholding of 50%. On 17/3/2020 the subsidiary company HOUSEMARKET SA acquired 50% of the shares of MANTENKO SA which operates in real estate.

- POLIKENCO SA which operates in Greece and the Company HOUSEMARKET SA has a direct shareholding of 50%. On 16/7/2020 the subsidiary company HOUSEMARKET SA acquired 50% of the shares of POLIKENCO SA which operates in real estate.

2. FINANCIAL DATA – IMPORTANT FACTS & FIGURES

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

Sales for retail trading of Furniture and Household Goods (IKEA Stores) decrease by 19,4% compared to the corresponding period of 2019 while sales of the retail trading of Sporting Goods (INTERSPORT & TAF Stores) decreased by 22,6%. During 2020 Group's retail stores suspended their operation, by order of the governments, in all countries for about 2-4 months, depending on the country, in order to deal with the Covid-19 pandemic. During suspension of stores operation, the sales were realized through the electronic sales networks (e-commerce) either the click away & click in shop as far as Greek stores are concerned. More specifically:

The retail trading of Furniture and Household Goods (IKEA Stores) segment, realized sales of € 243,6 million for the year 2020 (2019: € 302,3 million). The EBITDA totaled € 30,3 million compared to € 39,7 million in 2019 and reported profits before tax € 3,9 million versus € 17,6 million profits in 2019.

The retail trading of Sporting Goods segment (INTERSPORT and TAF Stores), realized sales of € 127 million for the year 2020 (2019: € 164,1 million). The segment's EBITDA for the year 2020 totaled €14,3 million compared to € 28,2 million in 2019, while recorded losses before tax € 13,6 million compared to € 3,7 million profits in 2019.

Group's consolidated losses before tax amounted to € 11,0 million compared to consolidated profits before tax € 19,5 million in 2019. Net loss amounted to € 8,7 million compared to profit € 11,9 million in 2019.

In an effort to present a complete and real view of the Group's performance, we report the consolidated results per segment for the period 1/1 – 31/12/2020 versus 1/1 – 31/12/2019 at the following tables. Amounts are in thousands of euros.

Retail Trading of Home Furniture and Household Goods (IKEA stores):

	2020	2019	2020/2019
Revenue	**243.626**	**302.273**	**0,81**
EBITDA (*)	**30.288**	**39.693**	**0,76**
EBIT (*)	**16.875**	**26.349**	**0,64**
Profit before Tax (*)	**3.864**	**17.610**	**0,22**

(*) The alternative performance measures selected are mentioned in note 9.

Retail Trading of Sporting Goods (INTERSPORT and TAF stores)

	2020	2019	2020/2019
Revenue	126.999	164.080	0,77
EBITDA (*)	14.349	28.233	0,51
EBIT (*)	(6.058)	11.186	-
(Loss)/Profit before Tax (*)	(13.614)	3.670	-

(*) The alternative performance measures selected are mentioned in note 9.

Group Consolidated:

	2020	2019	2020/2019
Revenue	370.577	466.322	0,79
EBITDA (*)	43.092	66.582	0,65
EBIT (*)	9.611	35.831	0,27
(Loss)/Profit before Tax (*)	(10.987)	19.539	-
Net (Loss)/Profit After Tax and Minority Interests	(8.661)	11.933	-

(*) The alternative performance measures selected are mentioned in note 9.

We note that on a consolidated basis the Group's Total Equity (after minority interest) at December 31, 2020 amounts to € 168,8 million versus an amount of € 180,2 million of year end 2019. EBITDA does not include income from depreciation of grant assets.

3. Basic Financial Indicators (Consolidated)

Below please find basic Indicators for the Group Financial Structure and Performance & Efficiency according to the consolidated financial statements included in the Annual Financial Report of the Group, for the years 2020 and 2019 respectively.

Financial Structure Indicators:

	31/12/2020	31/12/2019
Total Current assets/Total Assets	63,97%	59,73%
Total current assets without Assets classified as held for sale / Total Assets	35,37%	27,29%
Total Liabilities/TOTAL SHAREHOLDERS EQUITY & LIABILITIES	73,52%	66,80%
Total Shareholders Equity/TOTAL SHAREHOLDERS EQUITY & LIABILITIES	26,48%	33,20%
Total Current assets/ Total Current Liabilities	191,63%	216,19%
Total current assets without Assets classified as held for sale / Total current Liabilities without Liability arising from assets held for sale	117,34%	115,65%

Performance & Efficiency basic Indicators:

4. Operating Performance – Important developments:

During the period 1/1 – 31/12/2020 the following share capital changes were realised:

A. FOURLIS HOLDINGS S.A.:

1. Following resolution of the General Assembly of the shareholders held on 21/12/2020 (relevant minutes of the G.A. with number 26/21.12.2020), the share capital of the company increased by the amount of € 9.880.942,59 by capitalizing part of the reserve being formed by non-distributed prior year profits (retained earnings) and the increase of nominal value of each share by the amount of € 0,19, resulting the nominal value of each share to reach the amount of one euro (€1,00).

The aforementioned change was registered to the General Electronic Commercial Registry (GECR) on 13.01.2021(Code Registration Number 1782688), with the relevant 2302656/13.01.2021 announcement issued by the Minister of Finance and Development.

2. Under the context of the Stock Option Plan which was approved and established by the resolution of the Extraordinary General Assembly of the shareholders on 27/9/2013 (Stock Option Plan – hereinafter "the Program"), within the year 2020, 87.040 options were exercised (hereinafter "the Options"). Following the resolution of the Board of Directors on 18/12/2020 (relevant minutes of the BoD with number 417/28.12.2020), the exercise of the aforementioned options from the corresponding beneficiaries of the Program was certified by payment of the exercise price of the new shares.

It is noted that the underlying value of the shares to which the remaining stock options reflect, was initially determined at the amount of €3,40 per share, which was the stock closing price of the share on the date of the resolution of the General Assembly for the SOP (27/9/2013). Already, the resolutions 20/11/2017, 19/11/2018 and 18/11/2019 of the BoD (relevant minutes of the G.A. with number 389/20.11.2017, 399/19.11.2018 and 407/18.11.2019) resulted to the readjustment of the historical share price of the Company and therefore the implemented exercise price of stock options of the SOP is € 3,2226 per share.

Following the certification of the payment of the exercise price of the Stock Options by their beneficiaries, namely the amount of € 280.495,10, 87.040 new common nominal shares were issued and delivered to the corresponding beneficiaries of the Program, of nominal value € 1,00 per share, while the share capital of the Company increased by the amount of € 87.040,00 which reflects to the nominal value of the new shares. Moreover, following the exercise of the aforementioned Options by payment of the exercise value, namely € 3,2226 per share according to the aforementioned, the share premiun, of total amount € 193.455,10, was transferred to "Share Premium reserve".

The aforementioned change was registered to the General Electronic Commercial Registry (GECR) on 15/1/2021 (Code Resistration Number 2450940), with the relevant 4511/15.01.2021 announcement issued by the Minister of Development and Investments.

Following these changes, the share capital of the Company now amounts to € 52.092.001,00 divided into 52.092.001 shares of nominal value € 1,00 per share, totally paid.

B. INTERSPORT ATHLETICS S.A.:

Following resolution of the General Assembly of the shareholders held on 28/12/2020 (relevant minutes of the G.A. with number 43/31.12.2020), the share capital of the company increased by the amount of € 10.000.014,60 with cash payment, with issue of 340.716 new shares of nominal value € 29,35 per share. At the above total share capital increase the only participant will be the FOURLIS HOLDINGS S.A.

C. MANTENKO S.A.:

Following the HOUSEMARKET S.A. BoD resolution of 17/3/2020 (relevant minutes of this company's BoD with number 430/17.03.2020), on 17/3/2020 the company HOUSEMARKET S.A. acquired the half number of shares held by the company "TULPENBOOM B.V.", located in VarsseveId, Netherlands, of the company MANTENKO S.A. which operates in Athens, and more specifically 125 common (ordinary) nominal vote shares of nominal value € 100,00 each, namely total cash payment amounted € 12.500. The above shares corresponded to 50% of the fully paid share capital of the above issuing company MANTENKO S.A.

Subsequently, following the resolution of the General Meeting of the shareholders of MANTENKO S.A. on 19/3/2020 the share capital of the company increased by the amount of € 625.000 through cash payment by issuing 6.250 new common (ordinary) nominal vote shares of nominal value € 100,00 and selling price € 1.052,00 per share. The shareholder HOUSEMARKET S.A. participated in this share capital increase according to its shareholding percentage (50%), in execution of the decision of 17/3/2020 of its Board of Directors.

Following the above share capital increase, which was registered to the General Electronic Commercial Register (GECR) on 02/04/2020, with the relevant 1963079/02.04.2020 announcement issued by GECR service of Athens Chamber of Commerce and Industry, the share capital amounts to € 650.000, divided into 6.500 common (ordinary) nominal vote shares of nominal value € 100,00 per share.

D. POLIKENCO S.A.:

Following the HOUSEMARKET S.A. BoD resolution of 20/07/2020 (relevant minutes of this company's BoD with number 438/20.07.2020), on 22/07/2020 the company HOUSEMARKET S.A. acquired the half number of shares held by the company "TEN BRINKE HELLAS S.A", located in Athens, of the company POLIKENCO S.A. operates in Athens real estates and more specifically 125 common (ordinary) nominal vote shares of nominal value € 100,00 each, namely total cash payment amounted € 12.500. The above shares corresponded to 50% of the fully paid share capital of the above issuing company POLIKENCO S.A. Subsequently, following the resolution of the General Meeting of the shareholders of POLIKENCO S.A on 27/07/2020 the share capital of the company increased by the amount of € 2.025.000,00 through cash payment by issuing 20.250 new common (ordinary) nominal vote shares of nominal value € 100,00 and selling price € 202,50 per share. The shareholder HOUSEMARKET S.A. participated in this share capital increase according to its shareholding percentage (50%), in execution of the resolution of 20/07/2020 of its Board of Directors.

Following the above share capital increase, which was registered to the General Electronic Commercial Register (GECR) on 04/08/2020, with the relevant 2189248/04.08.2020 announcement issued by GECR service of Athens Chamber of Commerce and Industry, the share capital amounts to € 2.050.000,00, divided into 20.500 common (ordinary) nominal vote shares of nominal value € 100,00 per share.

E. WYLDES LTD:

BoD of the shareholder HOUSEMARKET SA decided, on 10/02/2020, to proceed to the payment of € 28,00 against acquisition of 28 issued common nominal vote shares of nominal value € 1,00 per share.

The underlying price was set at € 10.000,00 for each of the aforementioned shares.

The relevant resolution for the corresponding share capital increase of the company following the total payment of € 280.000,00, by the only shareholder HOUSEMARKET SA, of the underlying amount of the new shares, total amount of € 279.972,00 which resulted to the increase of share premium reserve.

After the aforementioned share capital increase, the share capital of the Company amounts to € 7.062,00, divided in 7.062,00 ordinary shares, of nominal value € 1,00 per share, totally paid.

It is also noted that, WYLDES LTD has an indirect shareholding of 50% in the company SOFIA SOUTH RING MALL EAD which exploits the mall owned by Sofia Ring Mall, while all capitals invested are towards the development and improvement of this mall's operation.

F. SW SOFIA MALL ENTERPRISES LIMITED:

Following the resolutions of 9/12/2020 of the shareholder WYLDES LTD, the share capital increase was decided for the total amount of € 200,00 by issuing of 200 common nominal vote shares of nominal value € 1,00 per share and selling price the amount of one thousand euros (1,000.00 €) for each of the above shares. The aforementioned resolution was taken to capitalize advances, totaling two hundred thousand euros (€ 200,000.00), made against future capital increase by the shareholders of WYLDES LTD and Seasonal Maritime Corporation Limited (each of them in the amount of € 100,000.00), in execution of the resolutions of their Boards of Directors dated 7/4/2020. Total amount of euro 199,800.00 was increased the share premium reserve.

After the aforementioned share capital increase on 31/12/2020, the share capital of the Company amounts to € 8.930,00, divided in 8.930 ordinary shares, of nominal value € 1,00 per share, totally paid.

It is noted that, following the total payment of the underlying amount of the new shares from the shareholders WYLDES LTD and SEASONAL MARITIME CORPORATION LIMITED which have a shareholding of 50,00% each.

G. GENCO BULGARIA EOOD:

Following the resolution of the General Assembly of the shareholders of the company held on 13/7/2020, the share capital of the company increased by the amount of BGN 500.000,00 by issuing 50.000 new common nominal vote shares, of nominal value BGN 10,00 each. The share capital increase was totally covered by the shareholder INTERSPORT ATHLETICS S.A. following the resolution of 22/6/2020 of the Board of Directors and was registered in the relevant commercial registers on 29/7/2020. After the aforementioned share capital increase, the share capital amounts to BGN 16.100.170,00 divided into 1.610.017 shares of nominal value BGN 10,00 per share.

H. INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş.:

Following resolutions of the General Assembly of the shareholders of the company held on 1/12/2020, the share capital of the company increased by the amount of € TL 40.000.000,00 through cash payment, by issue of 250.000.000 new common nominal shares of nominal value TL 0,16 per share. The share capital increase was partially covered by TL 33.000.000,00 cash by the shareholder INTERSPORT ATHLETICS S.A. and secondly by TL 7.000.000,00 by capitalization of financial obligations. Consequently, INTERSPORT ATHLETICS S.A. is the only shareholder of the new shares.

The share capital increase, was registered to the General Electronic Commercial Register (GECR) on 10/12/2020.

Apart from the above, no other changes in the share capital of the companies of the Group were made within the 2020.

The parent company FOURLIS HOLDINGS S.A. does not have any branches.

Subsidiaries and especially retail companies have developed and continue to develop a significant Stores network in Greece and abroad.

Retail Trading of Home Furniture and Household Goods (IKEA stores): The segment currently operates seven (7) IKEA Stores, five (5) of which in Greece, one (1) in Cyprus and one (1) in Bulgaria. Moreover, six (6) Pick up & Order Points with IKEA products are operating in Greece in Rhodes Island, Patras, Chania, Heraklion, Komotini and Kalamata and two (2) in Bulgaria in Burgas and Plovdiv and one (1) in Cyprus (Limassol). On 10/9/2020 began its operation (1) new IKEA Small Store in Varna Bulgaria, whereas on 9/9/2020 Varna (Pick up & Order Point) closed. Moreover on 28/12/2020 began the operation of the second IKEA Small Store in Piraeus.
Also, three (3) e-commerce stores are operating in Greece, Cyprus and Bulgaria.

Retail trading of sporting goods (INTERSPORT and TAF stores): The segment currently operates one hundred and twenty (120) INTERSPORT Stores [fifty three (53) in Greece, thirty four (34) in Romania, eighteen (18) in Turkey, nine (9) in Bulgaria and six (6) in Cyprus]. INTERSPORT Stores that were added to the network within the period 1/1 – 31/12/2020 are: three (3) new stores in Greece, at Ermou Street in Athens (11/5/2020), Outlet Kifisos Peristeri (1/10/2020), Outlet at Athens International airport at Paiania (31/10/2020). Additionally, three (3) new stores in Romania, Targu Mures (16/7/2020), Targoviste (20/8/2020) and Afi Brasov (21/10/2020). Also, in Turkey five (5) stores terminated their operation Adana Optimum (30/4/2020), Ist. Istabul (30/8/2020), Brs Anatolium (1/9/2020), Ist. Kozzy (31/12/2020) and Bursa Marka (31/12/2020). Moreover, in Greece, Romania, Cyprus and Bulgaria and Turkey e-commerce Stores are operating. TAF Stores operating on 31/12/2020 are seventeen (17), fourteen (14) of which in Greece and three (3) in Turkey. Within the period 1/1-31/12/2020, one (1) new TAF Store started operating at Ermou Street in Athens (11/5/2020).

5. Stock Price Evolution

Below is a chart providing a comparison between FOURLIS HOLDINGS S.A. (black line) share price and Athens Stock Exchange General Index (red line) for the period 1/1/2020 to 31/12/2020.

6. Stock Option Plan

The Ordinary General Assembly of the Company on 16/6/2017, under the context of Stock Option Plan, approved the disposal of 2.566.520 stock options and authorized the Board of Directors to regulate the procedural issues and details. The program will be implemented in four waves, with a maturity period of five years per wave. Options must be exercised within five years since their maturity date. In case that there are undisposed options, after the allocation of options mentioned above, these options will be cancelled. The underlying share price of each wave is the closing stock price of the share at the decision date of the General Assembly regarding the approval of the SOP.

On 20/11/2017, the BoD granted 641.630 stock options, which compose the first of the four waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 5,768 per share which is the closing stock price of the share adjusted with the share capital decrease which was implemented after the date of the General Assembly.

On 19/11/2018, the BoD granted 641.630 stock options, which compose the second of the four waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 5,666 per share which is the closing stock price of the share adjusted with the share capital decrease which was implemented after the date of the General Assembly.

On 20/11/2018, the BoD of the Company issued an Invitation to the beneficiaries of the SOP which was approved by the Extraordinary General Assembly held on 27/9/2013 and the Ordinary General Assembly held on 16/6/2017 regarding the exercise of their options. 16 beneficiaries responded to this Invitation and exercised their option for the purchase of 163.626 shares, of nominal value € 0,91 and underlying price € 3,28 per share and paid the total amount of € 537.069,61.

It is noted that the underlying price of shares to which the distributed options reflect, had been initially determined at the amount of € 3,40 per share, which was the closing stock price of the share on the date of the resolution of the General Assembly regarding the SOP since 27/9/2013 (Extraordinary General Assembly date). Due to corporate events (capital return by cash payment), the historical closing price of the share was readjusted and formed at the amount of € 3,34 per share (following the BoD resolution of 20/11/2017). Following the resolution of Ordinary General Assembly of 15/6/2018, there was a change in the historical share price resulting from corporate action relevant with the share capital decrease of the Company with reduction of the nominal value of the share by the amount of € 0,10 and the capital return to shareholders. Therefore, after the aforementioned adjustment, the historical share price is now amounting to € 3,28.

Also, the underlying share price, which was established by resolution of the Ordinary General Assembly of shareholders of the Company held on 16/6/2017, to which the distributed options reflect, had been initially determined at the amount of € 5,87 per share, which was the closing stock price. Due to corporate events (capital return by cash payment), the historical closing price of the share was readjusted and formed at the amount of € 5,77 per share (following the BoD resolution of 20/11/2017).

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Following the resolution of Ordinary General Assembly of 15/6/2018, there was a change in the historical share price resulting from corporate action relevant with the share capital decrease of the Company with reduction of the nominal value of the share by the amount of € 0,10 and the capital return to shareholders. Therefore, after the aforementioned adjustment, the historical share price is now amounting to € 5,67.

On 26/1/2018, a) the share capital increase of the Company by the amount of € 303.879,66 through cash payment and the issue of 313.278 new shares of nominal values € 0,97 and underlying price € 3,34 each and b) the certification of the payment of the aforementioned share capital increase by the total amount of € 303.879,66, were registered in the GECR. The Corporate Actions Committee of Hellenic Exchanges - Athens Stock Exchange, on their meeting held on 30/1/2018 approved the trading of the 313.278 new common nominal shares of the Company. According to the decision of the Company, the new shares started trading in ATHEX on 1/2/2018.

On 22/1/2019, a) the share capital increase of the Company by the amount of € 148.899,66 through cash payment and the issue of 163.626 new shares of nominal values € 0,91 and underlying price € 3,28 each (Code Registration Number 1638212) and b) the certification of the payment of the aforementioned share capital increase by the total amount of € 148.899,66 and share premium by the amount of € 388.169,95 (Code Registration Number 163269), were registered in the GECR.

On 19/11/2019, the BoD granted 641.630 stock options, which compose the third of the four waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 5,5637 per share which is the closing stock price of the share adjusted with the share capital decrease which was implemented after the date of the General Assembly.

On 19/11/2019, the BoD of the Company issued an Invitation to the beneficiaries of the SOP which was approved by the Extraordinary General Assembly held on 27/9/2013 and the Ordinary General Assembly held on 16/6/2017 regarding the exercise of their options. 18 beneficiaries responded to this Invitation and exercised their option for the purchase of 197.647 shares, of nominal value € 0,81 and underlying price € 3,2226 per share and paid the total amount of € 636.937,23.

It is noted that the underlying share price to which the distributed options reflect, had been initially determined at the amount of € 3,40 per share, which was the closing stock price on the date of the resolution of the General Assembly for the Sop (27/9/2013). Already, following the BoD resolutions of 20/11/2017, 19/11/2018 and 18/11/2019 (relevant minutes of the BoD 389/20.11.2017, 399/19.11.2018 and 407/18.11.2019), a readjustment has become at the historical price of the Company's share and as result the implemented exercise price of the stock options is accounted at the amount of € 0,2226 (€ 3,2226) per share.

On January 24, 2020 the General Commercial Registry (G.E.MI.) by virtue of announcement 2062748 approved and registered the increase of the share capital by Euro 160.094,07, corresponding to the nominal value of the new 197.647 shares of nominal value Euro 0,81 each and exercise price of Euro

3,2226.

The Corporate Actions Committee of Hellenic Exchanges - Athens Stock Exchange, on their meeting held on January 29, 2020 approved the new 197.647 shares trading.

Friday January 31, 2020 is the first trading day in the Athens Stock Exchange of 197.647 new common shares.

On November 23, 2020 the BoD granted 641.630 stock options, which compose the fourth of the four waves. The underlying share price to which the granted stock options refer, is determined to the amount of euros 5,5637 per share which is the closing stock price of the share adjusted with the share capital decrease which was implemented after the date of the General Assembly.

On December 16, 2020 the BoD of the Company issued an Invitation to the beneficiaries of the SOP which was approved by the Extraordinary General Assembly held on 27/9/2013 and the Ordinary General Assembly held on 16/6/2017 regarding the exercise of their options. 10 beneficiaries responded to this Invitation and exercised their option for the purchase of 87.040 shares, of nominal value € 1,00 and underlying price € 3,2226 per share and paid the total amount of € 280.495,10.

It is noted that the underlying price of shares to which the distributed options reflect, had been initially determined at the amount of € 3,40 per share, which was the closing stock price of the share on the date of the resolution of the General Assembly regarding the SOP since 27/9/2013 (Extraordinary General Assembly date). The historical closing price of the share was readjusted and formed at the underlying price of € 3,226 each (following the BoD resolutions of 20/11/2017, 19/11/2018, 18/11/2019 407/18.11.2019).

On December 21, 2020, the extraordinary General Meeting of Shareholders decided the increase of the share capital by Euro 9.880.942,59 by capitalizing part of the reserve formed by retained earnings of previous years (retained earnings). The increase of the share capital took place with a corresponding increase of the nominal value of the share from eighty one cents of the euro (0.81 €) to one euro (1.00 €).

After the above increase, the share capital reached the amount of € 52.004.961,00 through the issue of 52.004.961 new shares of nominal values € 1,00 per share.

On January 01, 2021 the Company Department of General Secretariat for Trade Consumer and Protection in Ministry of Development and Investments 3258/13.01.2021 approved the amendment of the third paragraph of the article of Association and proceed with the registration to the General Electronic Commercial Registry (GECR) on (Code Registration Number 2448494)

The Corporate Actions Committee of Hellenic Exchanges - Athens Stock Exchange, on their meeting held on January 21, 2021 informed about the increase of share value. Consequently the new shares' value of €1,00 started trading in ATHEX on Tuesday 26/01/2021

On 26 January, 2021 started the trading of 87.040 new common nominal shares of the Company which resulted from the shareholding increase (87.040 shares x €1,00) and €193.455,10 that transferred to "Share Premium reserve"

The above increase came by the response of 10 beneficiaries regarding the exercise of their options at the nominal value € 3,2226 , according to the Second Stock option plan, the resolution of the Extraordinary General Assembly of the shareholders held on 27/9/2013 and the BoD resolutions held on 25/11/2013, 24/11/2014 and 23/11/2015 .

On January 15, 2021 the share capital increase of the Company by the amount of € 87.040,00 through cash payment and the issue of 87.040 new shares of nominal values € 1,00 and underlying price € 3,2226 each were registered in the GECR. It is noted that, after the aforementioned increase, the share capital now amounts to € 52.092.001,00 divided into 52.092.001 nominal shares of nominal value € 1,00 per share. The Corporate Actions Committee of Hellenic Exchanges - Athens Stock Exchange, on their meeting held on 21/1/2021 approved the trading of the 87.040 new common nominal shares of the Company. A decision of the Company stipulates that the above new shares are negotiable on the ATHEX from January 26, 2021. From the same date, the starting price of the Company's shares on the ATHEX will be adjusted in accordance with the ATHEX Regulations no. 26 of the of the ATHEX as in force, the new shares will have been credited to the shares and securities accounts of the eligible shareholders in the Intangible Securities System (DSS).

During period 1/1 – 31/12/2020, beneficiaries waived their right to exercise 0 options (2019: 2.378) which were granted by the BoD on 25/11/2013, beneficiaries waived their right to exercise 0 options (2019: 4.677) which were granted by the BoD on 24/11/2014 and also beneficiaries waived their right to exercise 0 options (2019: 6.720) which were granted by the BoD on 25/11/2015.

7. Information about Group's plan of development

2020 was mainly affected by the COVID-19 pandemic, which disrupted global economies and had a significant negative impact on many activities. In Greece, the temporary suspension of the activity of many companies and the great recession of tourism, led to a big drop in GDP which is estimated to have reached -8,2% compared to 1,9% in 2019.

After the restrictions were lifted in May and June, domestic demand for goods and services recovered. However, tourist arrivals were extremely low during the summer, due to uncertainty about the health crisis and restraint policies in Greece and other countries applied to travelers. This significantly affected demand, turnover, employment and exports.

In the third quarter of 2020, the revenues of the tourism and catering sector were 50% lower than in 2019. This has contributed to the reduction of domestic demand, with significant reductions in revenues in the wholesale and retail trade and industry. Low demand has also had a significant impact on job creation, although support measures have helped minimize job losses.

Following the widespread recurrence of COVID-19 cases, from November 2020, Greece imposed new restrictions and suspension of physical stores, like most European countries. The economic climate index of Foundation of Economic & Industrial Research (IOBE) in 2020 closed at 91,5 points compared to 109,5 points in 2019.

The Group, with a sense of responsibility towards people, customers and society as a whole, responded immediately to the recent developments, taking the appropriate information, prevention and protection measures to mitigate the spread of the Covid-19 pandemic.

The Group implemented work from home for employees of each subsidiary’s management buildings. In addition, individuals belonging to vulnerable groups and parents of students were facilitated with special purpose vacations, in accordance with the respective legal framework of the countries in which they operate. At the same time, business trips were limited to the absolutely necessary, trainings were carried out remotely and information messages and recommendations were constantly sent to avoid numerous meetings and crowded places. Moreover, the cleaning and disinfection of the facilities was intensed, as well as the guidance of the human resources in the field of personal hygiene, according to the guidelines and the suggestions of the governments and the WHO.

In particular, for the Group's stores network, instructions were immediately sent regarding the preventive measures, the observance of the individual hygiene rules and social distancing, as well as the way of managing any cases. Indicatively, during the reopening of the stores, the following measures were applied:

• Mandatory use of mask by all human resources.

• Temperature measurements to human resources.

• Counting and control of the maximum number of visitors, depending on the area of each Store.

• Placement of signs for keeping the distances and protective plexiglass in the cash registers and in the info desks.

• Antiseptics available for both customers and human resources.

• Disinfection of clothes and shoes that were tested / returned by customers (INTERSPORT and TAF Stores).

• Ventilation / air conditioning maintenance.

• Disinfection of correspondence.

• Disinfection of strollers in commercial areas

Estimates for the development of the Greek economy in 2021 will be determined by the effects of the spread of the Covid-19 pandemic, the quantification of which is changing dynamically and the macroeconomic variables that may affect the development of the Group.

The Management of the Group estimates that in 2021 it will be improved in terms of financial results compared to 2020. The above estimate for the improvement of the financial data of the Group in 2021, are directly dependent on the developments regarding the spread of the coronavirus and the developments in the economic and political environment, especially in Greece, where most of the revenues still come from (58,5% in 2020).

A detailed presentation of the effects of the pandemic on the business activities, the financial situation and the financial performance of the Group is given in section 8.

With the expectation that in the year 2021 in Greece the prospects of the economy will improve if the health crisis is addressed and the economic growth of 2019 will continue, the Management of the Group aims at:

a) to further increase its profitability,
b) in the continuation of strictly selected investments in both retail sectors in which it operates,
c) to further strengthen the synergies and economies of scale within the Group by making a new investment of mechanical equipment to automate the provision of storage and distribution of e shop for all Group companies in the retail sporting goods segment from the company TRADE LOGISTICS SA,
d) to continue the utilization of new investment opportunities which includes the approval received by the Hellenic Capital Market Commission on 28/2/2019 for operating license in the company under establishment under the name "TRADE ESTATES Real Estate SA", for its operation as: a) Real Estate Investment SA in accordance with the provisions of law 2778/1999 and b) Alternative Investment Organization with internal management, according to the provisions of law 4209/2013. In the same context were included the Group's actions for the establishment of companies in the field of real estate management in Cyprus and Bulgaria and for the strategic planning of TRADE ESTATES Real Estate Investment Corporation which includes the finding of a strategic partner who will make a significant investment in established company which together with the forthcoming public offering will amount to at least and above 50%,
e) to continue investing in innovation and technology and upgrading its services following the rapid changes in consumer habits and the physiognomy of retail,
f) enhancing the meeting of the growing expectations of its consumers and the creation of an integrated positive experience for the customer,
g) The harmonious combination of e-commerce with the "traditional" development model, making the most of digital media and new technologies, to offer an omnichannel experience both offline and online.

Taking into consideration the above, the Management will proceed with the implementation of its business plan by making selective investments both in Greece and in the other countries in which the Group operates, as follows:

In the field of retail sale of sports goods, with a network at the end of 2020 one hundred and twenty (120) INTERSPORT Stores in Greece, Romania, Turkey, Bulgaria and Cyprus as well as five (5) E-commerce Stores in Greece, Cyprus , Bulgaria, Romania and Turkey, within the year 2021 is expected to add to the network one (1) INTERSPORT Store. At the end of 2021, the sportswear sector is expected to have a network of one hundred and twenty one (121) INTERSPORT Stores and seventeen (17) TAF Stores, while the INTERSPORT E-commerce Stores will be fully operational in Greece, Romania, Turkey, Bulgaria and Cyprus and the TAF e-commerce Store in Greece.

The home equipment and furniture sector that operates with nine (9) IKEA Stores, nine (9) Pick Up & Order Points and three (3) E-commerce Stores in Greece, Bulgaria and Cyprus , will add to its network two medium-sized IKEA Stores, one (1) in Athens and one (1) in Sofia. Based on the development plan in the three countries where the Group operates IKEA stores, five (5) IKEA stores of medium size 5,000 - 12,000 sq.m will be opened and ten (10) small stores of 1,000 - 2,000 sq.m. in the next five years.

The education and training of human resources, its regular and fair evaluation at all levels as well as its commitment to the values of the Group - "Integrity", "Mutual Respect" and "Efficiency" - continue to be important comparative advantages through of which the Group seeks to achieve its objectives.

8. Fourlis Group – Major Threats & Uncertainties

a) Financial Risk Management

The Group is exposed to financial risks such as foreign exchange risk, interest rate risk and liquidity risk. The management of risk is achieved by the central Treasury department, which operates under specific guidelines set by the Board of Directors. The Treasury department identifies, determines and hedges the financial risks in cooperation with the Groups' subsidiaries. The Board of Directors provides written instructions and directions for the general management of the risk, as well as specific instructions for the management of specific risks such as foreign exchange risk and interest rate risk.

Foreign Exchange Risk:

The Group is exposed to foreign exchange risk arising from transactions in foreign currencies (RON, USD, TRY, SEK) with suppliers which invoice the Group in currencies other than the local. The Group, in order to minimize the foreign exchange risk, according to the needs, in certain cases pre - purchases foreign currencies.

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 interest rate risk.

Coronavirus spread risk:

The Group carefully monitors the events regarding the spread of coronavirus, in order to adjust in the special conditions arising exclusively for the treatment and restriction of spread of coronavirus COVID-19. It complies with the official instructions of the competent authorities for the operation of its physical stores and headquarters in the countries in which it operates. It harmonizes with the current legislation and continues its commercial transactions in physical stores according to the instructions. The quantitative and qualitative effects of the phenomenon on the operation of the Group and the Company, taking into account the recommendations of the Hellenic Capital Market Commission, can be summarized as follows:

1. Reduction of the Group's sales in the year 1/1/2020-31/12/2020 by an amount of euro 95,7 million compared to last year and reduction by 2,1% of the gross profit margin for the same period. It should be noted that in the fiscal year 1/1/2020-31/12/2020 the Group's sales through its electronic Stores (e-commerce) increased by 78% compared to the comparative period while investments in innovation and technology continued and upgrading services, following the rapid changes in consumer habits and the physiognomy of retail.
2. Increase of the Group's cash and cash equivalents in the year 1/1/2020-31/12/2020 by the amount of euro 74,5 million compared to last year due to the utilization of open credit lines and financial support measures to address the pandemic.
3. Reduction of the Group's operating expenses in the year 1/1/2020-31/12/2020 by an amount of euro 18,6 million in relation to the previous year and specifically reduction of the salary costs by an amount of euro 11,0 million, of third party services (rights, leases, energy, etc.) in the amount of Euro 3,4 million, of other expenses (advertising, storage, transport, etc.) in the amount of Euro 3,6 million and taxes in the amount of Euro 0,6 million.
4. The Group has utilized in all the countries where it operates the state support measures to deal with the consequences of the pandemic, whether they were related to salary costs, or rent costs, or tax reliefs, or financing, or payment facilitation.
5. The Group secured "freeze" agreements of payments to its main suppliers during the period of suspension of the operation of the Branches as well as modification of the payment terms for the period after the end of the suspension.
6. The availability of goods during the fiscal year 2020 was not significantly affected compared to the previous fiscal year.
7. The Management of the Group has implemented telework in all the countries in which it operates.
8. The portfolio management service continues to identify, assess and hedge financial risks and to provide guidance on the management of this exceptional risk, in order to provide protection to investors.
9. The Group has strengthened its infrastructure both in terms of information systems and the operation of logistics centers, in order for its business and commercial operation not only to continue smoothly but also to be further strengthened. In this context, new investments are

being made by the subsidiary TRADE LOGISTICS SA for the expansion of the e-commerce storage and order management buildings and the automation of the provision of the relevant services. Moreover, in order to enhance the coverage of the growing expectations of its consumers and to create a complete positive experience for the customer, the Group seeks the harmonious combination of e-commerce with the "traditional" development model, making the most of digital media and new technologies to offer an omnichannel experience both offline and online.

10. The Group continues the strictly selected investments in both retail sectors in which it operates. In this context, in May 2020, it opened an INTERSPORT Store and a TAF Store in the center of Athens (Ermou). These two Stores are the flagship stores of all Stores in the sports retail sector. Also, in September 2020, the first IKEA Small Store IKEA Store in Varna, Bulgaria, with an area of 8,000 sq.m., was added to the network of stores in the home equipment and furniture sector, and in December 2020, the second IKEA Small Store IKEA Store in Piraeus, 2,000 sq.m.
11. The Group in the context of the approval received from the Hellenic Capital Market Commission for an operating license in the company under establishment under the name "TRADE ESTATES Real Estate Investment SA", for its operation as: a) Real Estate Investment SA 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, continues the implementation of its strategic plan. Also, within the first half of 2020, it has acquired an indirect participation in the real estate management company MANTENKO SA, while in the second half of 2020 and specifically in July, it proceeded to the acquisition of a new corresponding indirect participation of 50% in the real estate management company POLIKENCO SA.

b) Legal Issues

There are no litigations or legal issues that might have a material impact on the Company and the Group's Annual Financial Statements for the period 1/1 - 31/12/2020.

9. Alternative Performance Measures (APMs)

Under the implementation of ESMA Guidelines (05/10/2015|ESMA/2015/1415), FOURLIS Group adopted as Alternative Performance Measure (APM) the earnings before taxes, interest and depreciation & amortization (EBITDA). Alternative Performance Measures (APMs) are used under the context of making decisions for financial, operational and strategic planning as well as for the assessment and publication of performance. Alternative Performance Measures (APMs) are taken into account combined with financial results which have been conducted according to IFRS and under no circumstances they do not replace them.

Definition **EBITDA (Earnings Before Interest, Taxes, 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 included 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 thousands euros)

	Group Consolidated Results	
	1/1-31/12/2020	1/1-31/12/2019
Operating Profit	**9.611**	**35.831**
Depreciation/Amortization/Impairment	33.481	66.582
Earnings before interest, tax, depreciation, amortization & impairment (EBITDA)	**43.092**	**66.582**

	Retail trading of home furniture and household goods segment (IKEA Stores)	
	1/1-31/12/2020	1/1-31/12/2019
Operating Profit	**16.875**	**26.349**
Depreciation/Amortization/Impairment	13.412	13.344
Earnings before interest, tax, depreciation, amortization & impairment (EBITDA)	**30.288**	**39.693**

	Retail trading of sporting goods segment (INTERSPORT and TAF Stores)	
	1/1-31/12/2020	1/1-31/12/2019
Operating Loss/Profit	**(6.058)**	**11.186**
Depreciation/Amortization/Impairment	20.407	17.047
Earnings before interest, tax, depreciation, amortization & impairment (EBITDA)	**14.349**	**28.233**

10. Social Responsibility and Sustainable Development

This Non-Financial Statement contains is part of Annual Report of the Board of Directors information on all the activities of FOURLIS Group on the following thematic aspects, as defined in Section 7 "Non-Financial Statement" of circular 62784/2017, in accordance with the provision of law 4403/2016:

- Business model/Main non-financial risks.
- Social and labor issues.
- Respect for human rights.

- Anti-corruption and issues related to bribery.
- Environmental issues.
- Supply chain issues.

Additionally, this Statement and in accordance with the notification by the Hellenic Capital Market Commission, dated 5/11/2020, includes the thematic aspect "Impact of the COVID-19 pandemic on non-financial issues".

The content of this non-financial statement has been drafted by taking into consideration the GRI Standards, as well as the Environmental, Social, Governance (ESG) Reporting Guide of the Athens Stock Exchange (2019). (https://www.athexgroup.gr/el/web/guest/esg-reporting-guide).

Material Topics/Stakeholder engagement [Metric A-S1, Metric A-G2, GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-47]

In the context of the continuous improvement of the approach to sustainable development and social responsibility topics, the Group conducts a materiality analysis to prioritize the topics that present the most significant economic, social and environmental impacts, as well as those that have a significant impact on its stakeholders.

The Group recognizes as stakeholders those who have an impact or are affected by its activities. Having identified and prioritized its stakeholders, the Group invests in continuous and two-way communication with them, in order to maintain a consistent flow of information from and to the Group, about their requests, concerns and expectations. The main stakeholder groups of the Group are: employees, shareholders/institutional investors, financial analysts, customers, suppliers/partners, wider society, local communities, government and supervisory authorities/state, business community/associations, media, NGOs and competitors. The Sustainable Development and Social Responsibility 2019 (pp. 23-25) includes a description of the stakeholder groups and the engagement method, as well as of the frequency at which the Group communicates with its stakeholders.

The methodology used for the materiality analysis is based on the GRI Standards. The Sustainable Development and Social Responsibility Report 2019 (p. 26-32) includes a description of all the steps of the materiality analysis, as well as the material topics derived through that process.

The results of the new materiality analysis will be included in the Group's Annual Sustainable Development and Social Responsibility Report for 2020, which will be published in June 2021 and will be posted on the website www.fourlis.gr.

a) Brief description of business model

FOURLIS Group, (headquarters located at 18-20 Sorou Street (Building A), 15125 Maroussi), is one of the largest trading groups of consumer goods in Greece, Cyprus, Bulgaria, Romania and Turkey, in the following business activity fields:

- Retail trading of home furniture and household goods through the IKEA stores in Greece, Cyprus and Bulgaria.
- Retail trading of sporting goods through the INTERSPORT stores in Greece, Cyprus, Bulgaria, Romania and Turkey and The Athlete's Foot stores in Greece and Turkey.

The aforementioned activities are complemented by online stores (e-commerce), while, in the context of exploiting synergies between the Group companies, the supply chain services for both sectors and for all countries are provided by TRADE LOGISTICS S.A., a Group's subsidiary.

The Group plans to enter the real estate investment sector through its under development subsidiary TRADE ESTATES S.A. which will have a portfolio of quality retail real estate and e-commerce infrastructure and will invest in this kind of real estate

The Group's parent company's, FOURLIS HOLDINGS S.A. (Company) activity is the investment in domestic and foreign companies of all types, regardless of their objectives and corporate form. The Company's scope of work includes the provision of services to companies of all kinds, in the fields of general management, financial management and IT. In order to exploit synergies and for better coordination in decision-making and implementation, the centralization of the Group's support services in Greece was implemented, namely financial planning and control services, human resources, IT, corporate governance, treasury management, personal data protection, sustainable development and social responsibility.

More information regarding the business environment, strategy, objectives and main progress and factors that could influence the Group's development, are available in the following chapters of the Group's Board of Directors' Annual Report:

- 4. Operating performance-Important developments
- 7. Information about the Group's plan of development
- 8. Major threats and uncertainties faced by the Group,

as well as in the following chapters.

b) Main non-financial risks

In the context of the sustainable development approach, the Group consistently identifies and prioritizes the topics that are linked to its activities and may cause negative impacts to its stakeholders and to the wider society and the environment in the countries where it operates.

At Group level, the Regulation of Operations, based on article 14 of the L. 4706/2020, describes the organizational structure, the risk management system and the internal control system. The Board of Directors of the Company is responsible for monitoring the risk management system. The responsibility for risk management lies with the FOURLIS Group Management. Specifically, in the area of Sustainable Development and in particular in the Group's Sustainable Development and Social Responsibility Report for 2019 (pp. 28-32), the Group's sustainable development material topics are described, including information on the potential risks associated with them. The Group's Report on Sustainable Development and Social Responsibility for 2020 will include the material topics of Sustainable Development, as those will have emerged from the new materiality analysis.

c) ESG Strategic Objectives [Metric A-G3]

Indicative examples of ESG performance objectives are:

	TOPIC	OBJECTIVES 2020	RESULTS 2020	OBJECTIVES 2021
For our People	**Employment creation**	Increasing the number of employees according to the Group's business plans	Based on the Group's business plans for 2020, the number of employees was maintained at approximately the same level as 2019	Increasing the number of employees according to the Group's business plans
	Protection of employee health, safety and well-being	Reducing the rate of injuries, occupational diseases, lost workdays	The objective was set according to the GRI 403-2 disclosure which was modified from 1/1/2021, so the objective was adjusted to zero fatalities and/or serious work accidents, which was achieved	Zero incidents of fatalities and/or high-consequence work-related injuries
	Protection of human rights in the workplace	Maintain zero incidents of human rights violations in the Group	Zero cases of human rights violations in the Group	Maintaining zero incidents of human rights violations in the Group
	Investing in employee training and development	Training and development of employees with the aim of continually improving their knowledge, skills and abilities, both for their personal development and for achieving the Group's goals	Due to the COVID-19 pandemic, it was not possible to fully implement the initial training plan	Carrying out the scheduled training plan*
For the	**Creation and distribution of**	Maintaining donations and sponsorships at least at 2019 levels	Donations/sponsorships decreased compared to 2019	Maintaining donations and sponsorships at least at 2020 levels*

direct economic value to stakeholders		as the implementation of specific programs was affected due to the COVID-19 pandemic	
Active and responsible social contribution	Expansion of the Group's active and responsible social contribution programs, with the aim to bring benefits to as many social groups as possible	Implementation of new programs, expanding the beneficiary social groups (actions for supporting the victims of the medicane IANOS in Thessaly, as well as actions for handling the COVID-19 pandemic)	Maintaining social contribution programs at least at 2020 levels*
Regulatory compliance and business ethics	Full compliance with relevant legislation and zero major fraud or corruption incidents	Full compliance with relevant legislation. 1 case of fraud of limited scope and insignificant financial size.	- Full compliance with the new Corporate Governance Law - Zero cases of fraud/corruption
Product compliance, labeling and responsible communication	Maintain a level of full compliance with regulations and voluntary codes, regarding product labeling and responsible communication	Zero incidents of non-compliance with regulations and voluntary codes concerning product labeling and responsible communication. However, the subsidiaries HOUSEMARKET (IKEA stores) and INTERSPORT of the FOURLIS Group proceeded, in 2020, to preventively and voluntarily recall of 2 products in total (1 for each subsidiary)	Maintain a level of full compliance with regulations and voluntary codes regarding product labeling and responsible communication
Protection of customer and visitor health and safety	Maintain zero incidents of non-compliance with regulations and voluntary codes, relating to health and safety issues	Maintaining zero incidents	Zero incidents of non-compliance with regulations and voluntary codes relating to customer and visitor health and safety issues

**The specific objectives are subject to revision as their implementation depends on the evolution of the COVID-19 pandemic.*

d) Social & labor issues

A. Social Issues

1. Health & safety of customers, business partners and visitors at our facilities

Corporate policies and due diligence

The Group, in compliance with the applicable legislation, implements a Health & Safety Policy (included in the Internal Labor Regulations of its companies that is applicable to all its subsidiaries. It includes a wide range of relevant procedures, measures and initiatives related to the safe stay of visitors, customers and partners at its facilities. Any variations in the Group's relevant procedures by country or region, depend on the size of the facilities, as well as on the existing legislation in the countries where the Group's companies operate.

In this context, some of the practices the Group implements are the following:

- Cooperation with an external service provider on accident protection and prevention.
- Written occupational risk assessment, according to existing methodology and legislation.
- Measures taken for reducing "emergency pick" incidents, in order to prevent accidents at the IKEA stores.
- Training of First Aid Teams.
- Training of Fire Safety and Firefighting Teams.
- Infirmaries equipped with medical beds and automatic external defibrillators in all the IKEA stores, as well as in the TRADE LOGISTICS AEBE distribution center.
- Provision of wheelchairs at the entrance of all the IKEA stores, as well as of accessible lavatories and parking spaces, aiming to provide safe accommodation and transportation for people with disabilities.

Moreover, employees receive regular training, in order to respond to emergency incidents that can affect both their own and visitors' safety at its facilities. Also, in an effort to ensure compliance with the Health and Safety Policy, regular inspections are conducted by safety technicians, in all Group activities.

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

In the context of the policy, all incidents concerning the Health and Safety of customers, partners, and visitors, occurring within the Group's premises and stores are reported, while a Safety Report is compiled for each store, as well as a consolidated one for all of them. The report includes information not only on the number and type of incidents, but also on the way they are addressed. Through these reports the Group is able to receive useful information on policies' effectiveness and to improve its practices, where and if needed.

The implementation of the Health and Safety policies had significant results for 2020. Indicatively, it is mentioned that there were no incidents in the playgrounds of IKEA stores and in addition, there were no fatal accidents and/or serious accidents of customers, visitors, partners in the stores and facilities of the Group companies.

2. Product compliance, labeling and responsible product marketing and promotion

I. Product compliance and labeling

Corporate policies and due diligence

The Group manages this topic through the compliance of the products sold by its subsidiaries in all the countries where it operates, with manufacturer and supplier specifications, with European and/or national legislation, as well as with all existing laws and regulations concerning their labeling and use (e.g. CE approval).

- **Household Goods and Home Furniture (IKEA stores)**: IKEA products have special labeling and indications aiming to provide information and advice to consumers regarding the products' manufacturing details, their origin, their environmentally friendly character, their dimensions, their lifespan, whether the use of the product is designed only for adults, etc. It is also worth mentioning that at IKEA, a perennial product guarantee is offered, which in some cases reaches 25 years. IKEA also adheres to and applies a product withdrawal policy. If necessary, and depending on the importance of the incident, the withdrawal case is publicly disclosed. In addition and in compliance with the relevant European Union legislation and more specifically with the Regulation on Energy Labeling (EU) 2017/1369, since November 2020 a transition period has begun, with transitional preparatory actions, for the implementation of the new directives for the launch of new energy labels, through which customers will be informed about the energy consumption of electrical appliances and light bulbs. From March 2021, the new energy labels will be available on products sold in both physical and online retail stores. More information is available on the project website, www.label2020.gr.
- **Sporting Goods (INTERSPORT & The Athlete's Foot stores):** The Commercial Department of INTERSPORT and The Athlete's Foot, which is responsible for product compliance, oversees adherence to market regulations, as well as the European Union CE labeling. The products hold special labeling and indications in order to provide information and advice to consumers regarding their use, as well as information concerning the manufacturing and the materials of the products, etc. Both INTERSPORT's and The Athlete's Foot's policies focus on the inclusion of terms in their contracts with suppliers, which stipulate the compliance with all applicable regulations and laws, regarding the products that INTERSPORT & The Athlete's Foot buy from them. In cases of defective products, INTERSPORT & The Athlete's Foot immediately proceed to their withdrawal and replacement and initiates all the necessary procedures in order to inform all the pertinent institutions, such as the Ministry of Development and Investments, consumers' associations and consumers in general, via a specific press release.

II. Responsible product marketing and promotion

Corporate policies and due diligence

For the advertising and promotion of the Group's IKEA products, in all countries of operation, the communication code applied by IKEA worldwide is followed, as well as all conduct, marketing and communication codes and the market regulations that there is an obligation to comply with, while also taking into consideration local needs. Regarding the promotion of the IKEA products, the relevant policy is adapted to local consumer needs and specificities. For this reason, the setup of the IKEA stores varies according to their location, in order to meet local community's standards and local culture.

Respectively, INTERSPORT's marketing and communication strategy is set in accordance with its vision, which is to *bring Sports to the people*, whereas The Athlete's Foot's strategy is set according to its own vision, which is to *bring style to sports*, while always having as a principle the consumers' needs and particularities. Both companies' marketing strategies focus on two areas: corporate communication and product promotion. The product communication and promotion methods chosen by the companies include various mass media such as tv, radio broadcasting and online advertising, while they respect all codes of conduct, marketing and communication, including market regulations that they are obliged to adhere to, in all the countries of operation.

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

- There were no incidents of non-compliance with the legislation and/or voluntary codes concerning impact on Health and Safety of the products of FOURLIS Group **[GRI 416-2]**. Nevertheless, in 2020 IKEA proceeded with a precautionary recall of the TROLIGTVIS travel mug. More information is available on the website https://www.ikea.gr/en/product-recall/. Similarly, INTERSPORT voluntarily recalled the Scooter Firefly ST 100 (Model No. 260166) in Greece and Cyprus.
  More information is available in the Press Release of the General Secretariat of Industry https://www.ggb.gr/sites/default/files/press-releases-files/ **[SS-S1]**.
- There were no incidents of non-compliance concerning product and service information and labeling **[GRI 417-2]**.
- There were no cases of non-compliance with regulations and voluntary codes regarding marketing communication, including advertising, promotion and sponsorships **[GRI 417-3]**.

3. Personal data protection

The Group adheres not only to the European Legislation, but also to the local legislations of the countries where it operates, regarding personal data protection of the parties who transact with the Group. Respecting privacy is a core element of both the Code of Conduct and the policies that are embedded in Group and its subsidiaries operations.

Corporate policies and due diligence

FOURLIS Group values the trust of all those who enter into a transaction with the Group and has designed and implements a personal data and sensitive personal data protection policy for all natural persons (visitors, partners, customers, suppliers, current, former and candidate employees). The Group makes sure to protect, with due diligence, all personal information collected for business needs, after obtaining legal consent, and to safeguard the rights of natural persons, in accordance with the existing legislation and Data Protection Authority guidelines (GDPR), in all countries where the Group companies operate. It is worth mentioning that all the Group employees in all counties where it operates, have received training in GRDP issues, either via classroom seminars or via e-learning. GDPR training is also part of the induction program for all new employees. Compliance with the relevant legislation and data security is examined at Group companies Board of Directors level.

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

- Unrestricted implementation of policies and procedures in relation to personal data protection.
- The Competent Authority has not ascertained any violation of the provisions of the GDPR and Law 4624/2019 **[GRI 418-1, Metric C-G3]**.

4. Society and local communities support

Corporate policies and due diligence

FOURLIS Group operates daily for the realization of its commitment and vision: *the establishment of the preconditions for a better life for all*. In this context, the Group seeks to be in constant connection with the citizens and the wider society in the countries where it operates, aiming to be informed about their needs and to understand them.

Then, it proceeds with the evaluation and prioritization of the needs, in order to design programs and actions that are in line with the Group Principles and Values, which respond to the most important of these, but also to those aligned with the strategy and nature of its activities. These programs and actions focus mainly on supporting vulnerable social groups, as well as children.

In addition, in cases where there are special circumstances (e.g. pandemic, natural disasters), the Group either adjusts its programs or includes actions aimed at addressing these emergencies for the relief of society and citizens.

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

The following are some of the most significant programs and actions implemented during 2020 to support society. The implementation of some programs was affected by the COVID-19 pandemic. Additional information will be included in the Group's annual Sustainable Development and Social

Responsibility Report, which will be published in June 2021 and will be uploaded to www.fourlis.gr. In more details:

- Implementation of "Furnished With Joy" program, through which the subsidiary HOUSEMARKET S.A. (IKEA stores in Greece) fully equipped 5 municipal kindergartens and nurseries, in cooperation with the Municipal Authorities, which host more than 190 children, in various regions of Greece.
- Offer of free equipment from the IKEA stores for the realization of 14 children's wishes supported by Make A Wish Organization (Greece).
- Donation of meals to foundations and organizations in Greece from the IKEA stores' restaurants, in collaboration with the non-profit organization "BOROUME".
- In the context of responding to emergencies, the subsidiary HOUSEMARKET S.A. (IKEA stores), in cooperation with the relevant authorities, proceeded to the support of the victims of the medicane IANOS in Thessaly (Municipalities of Mouzaki, Karditsa and Farsala) through the provision of IKEA products, while continuing to implement a discount policy for those affected by the fires in Eastern Attica.
- The subsidiary INTERSPORT ATHETICS S.A., in collaboration with the Association of Women with Breast Cancer "ALMA ZOIS", implemented in October, the month of prevention and information about breast cancer, the action "Give energy for life!", and offered 10% of the sales of women's Energetics clothing collection, during the period of 16-31/10/2020, for the implementation of a new program of the Association, the online Pilates team, which will take place between November 2020-April 2021.
- Support from the FOURLIS Group subsidiaries of the #mazitisgiortes campaign of the Association "Together for the Child", providing all the necessary items for the festive table of 40 families with minor children who have been financially affected by the measures applied for reducing the pandemic. FOURLIS Group employees were also invited to voluntarily participate in the activity.
- Collection of basic necessities by the Group's employees in Cyprus and Bulgaria, during the Christmas holidays, which were offered to the organizations "Be a Hero" and "Vasilitsa" respectively, to support vulnerable fellow humans.
- Support, by the Company, of the "DIAZOMA" association, the non-profit organization "OPHELTES-THE FRIEND OF NEMEA", the "SOCIETY FOR THE REVIVAL OF THE NEMEAN GAMES" and the "ELLINIKI ETAIRIA SOCIETY FOR THE ENVIRONMENT AND CULTURAL HERITAGE".
- Implementation of actions, from HOUSEMARKET Bulgaria EAD (IKEA Bulgaria stores), for supporting children from vulnerable social groups. In 2020 the subsidiary:
    - donated the total proceeds from the sales of SAGOSKATT plush toys to support UNICEF programs for children,
    - supported the "For Our Children" organization by offering items for the day center for children with disabilities,
    - offered products to the organization "SOS Children's Villages" for the creation of the youth centers "Dreamers",

- set up play corners in public libraries in Bov and Elena areas, as well as in the children's museum "Museiko".

B. Work related issues

1. Employment

Corporate policies and due diligence

FOURLIS Group is its People, all those who support its operations on a daily basis. Its approach to employment and its relationships with its employees directly affect their performance, retention and development, while these issues are also significant for the Group's long-term sustainable development. The following are the main pillars of the policy, regarding the recruitment of staff and the professional development of its human resources:

- Common recruitment evaluation criteria for all the Group's companies, to ensure equal opportunities and to fight discrimination.
- Provision of equal development opportunities to all Group employees, through internal transfer and promotion processes.
- The compensation and benefit policy, which is based on the financial results of the Group, on the employee's performance appraisal conducted on an annual basis and on retail market trends in relation to compensations.
- Taking into consideration the balance when it comes to gender, nationality, religion, political or other opinions, as well as issues such as disability, sexual orientation, etc. during the selection and development processes of employees, as well as in the compensation and benefits policy.

When in any of the companies there are job openings, those are readily covered either via internal transfer/promotion of employees (through the Open Resourcing Policy), or via a direct transfer/promotion of an employee (for Executives), or via a new recruitment.

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

On 31/12/2020, FOURLIS Group's total number of employees was 4,105.

Total workforce by region and gender

(temporary and permanent, full-and part-time)

	2020		
Region	Men	Women	Total
Greece	1.163	1.329	2.492
Cyprus	197	182	379
Romania	212	246	458

Bulgaria	210	335	545
Turkey	132	99	231
Total	**1.914**	**2.191**	**4.105**

2. Employee training and education

Corporate policies and due diligence

The Group believes that the employees' need for training is continuous and ever increasing, as the competition and the current market demands are constantly generating new training and educational needs. For this reason, the training of each Group employee begins upon his/her recruitment, while ensuring the continuous training and education of employees is achieved through adherence to the training plan drawn up at the completion of the annual performance appraisal.

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

Education

The first training program for every Group employee is an induction program, through which it is ensured that all the newly hired employees are informed about the Group's Structure, Values, Code of Conduct and Internal Labor Regulation of each company. This program is implemented both in classroom and via e-learning. Also, all the employees of the Group are members of the Training Academy of the Group "FOURLIS Learning Academy", which has been operating since 2011, and participate in programs according to the requirements of their role and their needs for personal development.

In the context of the Academy, the FOURLIS Retail Diploma program was launched in 2016. The program was created with the main objective to provide high level knowledge from University Professors and Senior Executives of both the market and the Group, in a range of fields mainly focusing on Retail Management. The program is attended by employees of all the Group companies from all countries of operation. By the end of 2020, the program has been attended by a total of 60 employees from all counties of operation of FOURLIS Group and 47 employees have graduated. During 2020, due to the COVID-19 pandemic, there was not a new class.

In 2020, all trainings were implemented remotely either through e-learning or through an asynchronous training platform.

Performance Appraisal and Development

Since 2008 an annual Performance Appraisal and Development Review System for all the Group employees is adopted, in order to ensure that the evaluation process is and will remain transparent. The performance Appraisal and Development Review Procedure, which includes both the assessment of the agreed measurable objectives and the employees' skills and behavior, is conducted once a year for all employees in all the Group companies **[GRI 404-3]**.

In 2020, the Appraisal and Development Review procedure was renewed to meet current business needs. More information and data regarding the results of the policies in matters of training and education of the Group's employees, as well as for the new Appraisal and Development Review procedure will be included in the Group's annual Sustainable Development and Social Responsibility Report 2020.

[GRI 404-1]

Average hours of training by gender	
2020	
Men	**Women**
8.8	9.5

Average hours of training by employee category		
2020		
Employee	**Supervisor**	**Manager**
8.3	13.9	12.4

3. Employee health, safety and wellbeing at work

Corporate policies and due diligence

Given that the creation of a safe and healthy work environment is a fundamental Principle for the Group, as it is also depicted in its Values, not only the clauses of the relevant labor legislation are followed in all the countries where the Group operates, but also potential risks the Group may face are assessed so as to take the necessary measures in order to prevent potential accidents.

An important priority is to safeguard compliance with the Health & Safety Policy by carrying out intensive inspections led by safety technicians in all the Group companies' facilities, and by having the safety technician conduct an occupational risk assessment study. The Group, as a minimum prerequisite, complies with the requirements of the local legislative frameworks and the "ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases". The Group also invests in the continuous and regular training of all employees, so that they can respond to emergencies affecting their own safety but also clients', visitors' and business partners' in its stores. Especially at the IKEA stores, internal Safety, Fire Protection and First Aid teams have been created, while at the INTERSPORT and The Athlete's Foot stores, specific employees have been trained to be able to handle with relevant issues.

In addition, aiming to inform employees on health and wellbeing issues and to encourage them to adopt a healthier lifestyle, the Group's Social Responsibility Division implemented the EF ZIN (WELLBEING) program for the 10th consecutive year. In the context of this program, a number of actions that concern healthy diet, health and prevention, exercise, etc. are taking place every year.

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

- In 2020, there were no work related fatal and/or serious accidents in all the Group companies.
- As a result of the overall management regarding Health and Safety topics in the workplace, the Employee Insight Survey, conducted in 2018, indicated that the area that gathered the greatest satisfaction of the human resources, was safety. The survey was not implemented in 2020 due to the COVID-19 pandemic and is scheduled to be implemented in the last quarter of 2021.
- In 2020, in the context of the EF ZIN program, some indicative activities that took place was a Mediterranean Diet program which was implemented in collaboration with dieticians and nutritionists in Greece, Cyprus and Bulgaria and for employees of the Group in Greece, online fitness classes, online psychology seminars and a counseling/psychological support line for employees and their relatives (spouses, children). The line operates 24/7/365 in collaboration with psychologists.

Below are the benefits offered to full-time and part-time employees (not seasonal employees), based on significant operating locations throughout the FOURLIS Group **[GRI 401-2]**.

	GREECE		CYPRUS		BULGARIA		ROMANIA		TURKEY	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Life Insurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Healthcare	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Disability and inability coverage	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Parental leave	*	*	*	*	*	*	*	*	*	*
Retirement provision benefits**	✓	✓	✓	✓	-	-	-	-	-	-
Stock option plan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

** Parental leave is granted based on relevant law.*

*** No retirement benefits are offered in Romania, Bulgaria and Turkey, as this is not a common practice in these countries.*

More information on the results of Group's employees' Health and Safety policies will be included in the Group's annual Sustainable Development and Social Responsibility Report 2020.

e) Respect for Human Rights

Corporate policies and due diligence [Metric C-S5]

The Group approaches the issues of respect and protection of Human Rights in a systematic way through policies and initiatives. This effort is comprised of:

- Participation in the UN Global Compact, through which the Group commits to uphold the respective Principles such as those relating to the respect of freedom of association, the abolishment of child and forced labor and discrimination in the workplace and its supply chain.
- The Internal Labor Regulations.
- The Code of Conduct.
- The Health and Safety Policy.
- The responsible product policies of the Group's subsidiaries.

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

All Group employees have signed, independently of their position in the corporate hierarchy, the detailed or concise version of the Code of Conduct, (the concise version is available on the website www.fourlis.gr).

In addition, the Code of Conduct Line of the Group is available 24 hours a day and anyone may call the Line, in order to report (anonymously or not), any concerns related to Code of Conduct violations or non-compliance with the legislation. For the period 1/1-31/12/2020 no incident was reported in relation to human rights abuses or/and violations and no discrimination incident also based on race, gender, religion, age, disability, nationality, political beliefs, etc., including harassment throughout the Group's activities **[GRI 406-1]**.

f) Anti-corruption and issues related to bribery

Corporate policies and due diligence [Metric C-G2]

Aiming to fight corruption, bribery and fraud, the Group has established and implements the following. (The information presented below is indicative. More information is available at www.fourlis.gr):

- Corporate Governance Code: The Company has decided, through the Board of Directors' decision in 28/2/2011, to voluntarily comply with the Greek Code of Corporate Governance for Listed Companies. The Code is adapted to the Greek legislation and business reality and constitutes a best practices standard for corporate governance. It aims at enhancing Greek companies' transparency and increase the investors' confidence both on listed companies overall, as well as in each one individually, while it broadens the horizons to attract investment capital.
- Code of Conduct: The Code of Conduct focuses on creating a work environment that promotes respect and protection of Human Rights. Through the Code, the Group promotes and applies a policy of equal opportunities for all employees, as well as a policy that prohibits sexual harassment, in full compliance with labor legislation. Furthermore, the Group's violence prevention in the workplace policy, as it is set out in the Code, strictly prohibits acts of violence, threatening messages or behavior and the use or possession of weapons by any person in the workplace or during any transactions with external business partners. All Group employees are obliged to adopt and implement the Code of Conduct.

- Code of Conduct Line: The Group Code of Conduct Line is available 24 hours a day and anyone can call in order to report, anonymously or not, any concerns related to Code of Conduct violations or non-compliance with the legislation. The Code of Conduct line is accessible via mobile phone or fixed line at (+30) 210 6293010, or via sending email at the email address: codeofconduct@fourlis.gr.
- Regulation of Operations: The Regulation of Operations of the parent company of the Group (FOURLIS HOLDINGS S.A.) is approved by the Board of Directors. It describes the organizational structure, the risk management and the internal audit system. It includes the basic principles of operation and the relevant procedures, while also describes the composition and responsibilities of the Audit Committee, the Nomination and Remuneration Committee and the Internal Audit Department. Additionally, it contains the basic principles of the transaction Code for its securities and compliance with the applicable legislation. The Regulation of Operations was renewed in 2020 based on the requirements of the recent Corporate Governance Law 4706/2020.
- Audit Committee: The operation of the Board of Directors of FOURLIS HOLDINGS S.A. is supported by the Audit Committee. The Audit Committee is appointed by the General Meeting of Shareholders and operates in accordance with article 44 of law 4449/2017 as amended by article 74 of law 4706/2020, articles 10, 15 and 16 of law 4706/2020 and EU Regulation No. 537/2014, the Greek Code of Corporate Governance voluntarily adopted by the Company (https://www.athexgroup.gr/web/guest/esed) and the provisions of the Company's Regulation of Operations and the Regulation describes the responsibilities, the duties and obligations of the Audit Committee in relation to the above framework.

The Audit Committee has been set up to support the Board of Directors in its tasks related to:

- financial information,
- internal controls systems,
- the Internal Audit Department,
- regulatory compliance and risk management systems and
- the supervision of the regular auditor of the corporate and consolidated financial statements of the Company.

The Audit Committee Charter has been approved by the Board of Directors of the Company. For 2020, the Audit Committee has submitted a report, which refers to the Sustainable Development Policy followed by the Company.

- Internal Audit Department: The Group's Internal Audit Department is organized in a way that allows it to carry out an independent, confirmative and advisory role and designed to add value and improve the company's processes. The Department supports the Group to achieve its objectives through assessment, which contributes to the improvement of the corporate governance, internal audit and risk management systems. The operation of the Internal Audit Department is supervised by the Audit Committee and is in accordance with articles 15 and 16 of law 4706/2020, the Greek

Code of Corporate Governance that the company has voluntary adopted (https://www.athexgroup.gr/en/esed) as well as the provisions of the Regulation of Operations. The Internal Audit Department has the Audit Committee Charter that has been approved by the Board of Directors of the Company and describes its responsibilities, duties and obligations. The Audit Committee Charter is posted on the Company's website.

- Nomination and Remuneration Committee: The Nomination and Remuneration Committee is responsible for the procedure of electing Board members, selecting Senior Executives and preparing proposals for the Board of Directors regarding the remuneration (basic salary, bonuses or financial incentives and benefits) of Executive Directors and key senior executives. Issues related to remuneration are included in the Compensation Policy (based on article 110 L.458/2018 – article 9a of Directive 2007/36/EC, Directive 2017/828 EU) and the Compensation Report (according to art. 112, law 4548/2018) which have been approved by the General Assembly and are posed on the website www.fourlis.gr **[Metric A-G4]**. There is also a relevant report in the Corporate Governance Statement which is also available on the website www.fourlis.gr.
- Implementation of a specific procedure for informing the Senior Management and the Internal Audit Department on any fraud or corruption incident.
- Supervision of Sustainable Development: The sustainability topics are discussed at least once a year in the Executive Committee, where Executives of the Group companies as well as Executive Board Members participate and who then notify these sustainability topics to the rest of the Board Members in order, based on the materiality analysis results, to define priorities and relevant targets **[Metric C-G1]**.

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

While implementing the Senior Management informational procedure for addressing fraud and corruption incidents, during the period of 1/1-31/12/2020, one (1) case of limited-scale fraud with non-material financial scale was recorded at a subsidiary. This incident was identified by the Group's companies' internal controls processes and was assessed as non-significant, while all the necessary measures were implemented. There was no other notification or complaint relating to corruption or bribery incidents that the Group's Management is aware of.

g) Environmental issues

Corporate policies and due diligence

In the Group, since Environmental issues have not emerged as a material topic through the latest materiality analysis, the risks that may arise from climate change in relation to the Group's business model are not recorded. In the new materiality analysis, if environmental issues arise as a material topic, the Company will manage them accordingly.

However:

- the effects of the activities are monitored and a series of voluntary actions and interventions are being carried out, aimed at reducing environmental impact, saving and recycling of natural resources, as well as raising awareness of employees and the public on environmental issues and adopting a responsible attitude towards life. The results of the applied practices are communicated in the annual Report on Sustainable Development and Social Responsibility, as well as in the Progress Report "Communication on Progress" of the Group, regarding the observance of the ten Principles of the United Nations Global Compact.
- in the context of the commitments undertaken by IKEA worldwide, the subsidiary HOUSEMARKET (IKEA stores) of FOURLIS Group is committed to reduce food waste by 50% in IKEA restaurants in Greece, Cyprus and Bulgaria, by the end of 2022, as well as to raise public awareness about reducing food waste at home.
- 2 charging stations for electric cars have been installed and are operating in the IKEA Sofia store in Bulgaria and IKEA is now a member of the Eldrive network which provides more than 150 charging points for electric cars. At the same time, it now has electric trucks that can be rented on very privileged prices by customers who have no car at all or have a small car, in order to transport their purchases to their destination.

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

The data monitored at the Group facilities, where possible, include the following:

Energy

ENERGY CONSUMPTION (FOURLIS Group in total)*:

2020
Electricity (kWh): 50,451,240
Heating oil (lt): 116,463 **
Natural gas (m^3): 554,828

** The above consumption may be modified, as at the date of issuance of this Report (Statement) not all accounts were available.*

*** The difference that arises in relation to the corresponding consumption for 2019, is due to the fact that the year 2020 includes the consumption from the IKEA Cyprus store.*

- CARBON EMISSIONS: Since 2012, the subsidiary TRADE LOGISTICS S.A. calculates its CO_2 emissions for all of its operations, aiming to find the most compatible solutions for emissions reduction. The results for 2020 will be available in the Group's Sustainable Development and Social Responsibility Report 2020, which will be published in June 2021.
- PHOTOVOLTAIC SYSTEMS: Since 2013, the subsidiary TRADE LOGISTICS S.A. has installed on its building's roof and operates a photovoltaic system of 1,400 MWh average annual capacity for

producing electricity. In 2020, the total electricity production was 1,432 MWh. In addition, during the same period, 1,296 metric tons of CO_2e were not released into the atmosphere, due to the fact that the electricity from the photovoltaic park is produced from renewable energy sources.

Respectively, the subsidiary HOUSEMARKET S.A. is in the process of implementing the installation of electric power generation systems on its buildings' roofs, with the aim to maximize the use of installations that do not further burden the environment. In this context, in 2019, the process of installing a photovoltaic system with offsetting was completed in the IKEA Cyprus store and is expected to operate in 2021.

LAMPS REPLACEMENT PROGRAM

In 2020, the subsidiary INTERSPORT S.A. continued the replacement program of high-consumption lamps with LED bulbs in INTERSPORT and The Athlete's Foot stores. The program will continue during 2021. At the same time, at the stores that are being renovated, energy-efficient technology air conditioners are being installed.

Materials

RECYLING OF MATERIALS (FOURLIS Group in total)

2020
Paper (kg): 1,811,703
Batteries (kg): 5,279
Cooking fat (lt): 14,445
Lamps (kg): 2,205
Aluminum (kg): 5
Glass (kg): 78
Plastic (kg): 86,419
Metal (kg): 23,285
Timber (kg): 111,070

APPROPRIATE MATERIAL MANAGEMENT

- The IKEA Airport store manages organic waste, which is promoted for composting. For 2020 this quantity was 239 kg.
- Since September 2016, HOUSEMARKET S.A. (IKEA stores in Greece) has implemented an electronic archiving system for copies of invoices and credits, with significant benefits in saving paper. Characteristically, through this practice it is estimated that in 2020 the printing of a total of 211,409 A4 pages was avoided in the stores, in the e-shop, as well as in IKEA Pick Up and Order points.

- A similar practice is followed by INTERSPORT Greece which, since November 2017, has conducted the electronic archiving of copies of sales documents, an intervention which, in 2020, resulted in the avoidance of printing 2,227,956 copies of documents.
- In 2018, INTERSPORT Greece proceeded to the replacement of the cardboard boxes with reusable plastics for the transport of its goods from its central warehouse (TRADE LOGISTICS) to its stores in Attica and Thessaloniki. In 2020 this practice was applied also for the stores of Patras and, as a result, it is estimated that unused cardboard boxes in 2020 reach a total of about 90,000 pieces.

Water

WATER CONSUMPTION (FOURLIS Group in total*)

2020**
74,070,494 **(lt)**

** FOURLIS A.E HOLDINGS (FOURLIS Group Headquarters), as well as INTERSPORT stores in Bulgaria, INTERSPORT & The Athlete's Foot in Turkey and the IKEA Pick Up and Order Point in Heraklion, Crete, are excluded.*

*** The above consumption may be modified, as at the date of issuance of this Report (Statement) not all accounts were available.*

Sustainable products

- IKEA stores have sustainable products which are presented in detail on its website (https://www.ikea.gr/en/much-more-than-what-you-can-imagine/sustainable-products/).
- In 2020, the gradual withdrawal of all non-rechargeable alkaline batteries from the global product line of IKEA and their replacement by rechargeable batteries began. The withdrawal will take place gradually and will be completed by October 2021.
- IKEA worldwide is committed to the use of renewable and recycled materials in all its products, by 2030. In this direction, in 2020 the process of removing disposable plastics from the restaurants of IKEA stores (e.g. glasses, lids, straws, plates, forks, etc.) began as well as their replacement by similar alternatives made from paper or wood.

In addition, flat packaging reduces pollutant emissions from transport from factory to store and from store to home while also reducing transport costs.

In relation to the food available in the restaurant of the IKEA stores and sold by the IKEA Swedish Food Store, the following are worth mentioning:

- The salmon served at the IKEA store restaurant and sold by the IKEA Swedish Food Store, comes from responsible aquaculture according to the ASC standard.

- Seafood served at the IKEA store restaurant and sold by the IKEA Swedish Food Store, comes from sustainable fishing certified according to the MSC standard.
- IKEA chocolates and coffee are UTZ certified. This means that both the cocoa and the coffee are sourced from sustainable farms that create better living opportunities for the producers and their families.
- In 2020, IKEA launched the new vegetable meatballs HUVUDROLL, which are produced from pea protein, oats, potatoes, onion and apple and which have the same taste and texture as the classic IKEA meatballs. The plant ingredients of this new product come from sustainable sources, with a very small environmental footprint (4%).

Overall, the IKEA stores' restaurant maintains a Food Safety System according to the international standard ISO 22000. For the IKEA stores of Greece and Cyprus, the certification of the Food Safety System expired in December 2019 and the certification body provided an extension of 6 months. Certification procedures could not be performed due to the conditions created by the pandemic. For this reason, they will be conducted as soon as the stores return to normal operation. The IKEA store in Bulgaria is in the process of certification.

Respectively, INTERSPORT also has sustainable products, such as:

- Adidas fitness & running products with Primeblue materials, such as W.N.D. jackets. Primeblue is a high-performance recycled material from Parley Ocean Plastic, i.e. recycled plastic waste collected from islands, beaches and coastal communities to reduce ocean pollution.
- Energetics fitness & running products with Dry Plus eco technology, such as Gumsy wms tights or Braviana wms bra. The moisture management membrane material is made from seed oil-based materials (MidoriTM). The products are recyclable and comply with OEKTEX 100 standards.
- The Mc Kinley RUMBAK UX hiking jacket whose breathable membrane material is renewable, durable and 100% PCF free (PFC free). PFC treated fabrics are environmentally friendly (without fluorocarbons). These fabrics are durable, water repellant and offer very good breathability. Like all products with Aquamax ECO technology for heat management, it is recyclable and complies with OEKTEX 100 standards. Its thread has been processed by S.Cafe. The innovative S.Cafe technology uses the casing of already-used coffee bean to produce yarn. The fabric thus dries quickly, controls odor and offers a comfortable feeling.
- Mc Kinley ski thermal underwear with merino wool material such as Riku II ux. Merino is a renewable, 100% natural resource with many inherent protective and functional properties including insulation, breathability, moisture management and protection from ultraviolet radiation.

The Athlete's Foot has sustainable products, such as:

- The CONTINENTAL 80 Shoe from adidas. The shoes are made up of foam, based on natural materials (algae), which contribute to the cleaning of at least 10 liters of contaminated lake water. Made by Primegreen, a range of high-performance recycled materials. The upper layer includes 70% recycled material.
- Stan Smith, Supercourt & Super Star Shoes by Adidas, with the upper layer made of 70% recycled material. None of the materials in these products, including glue and paints, contain ingredients of animal origin. Made by Primegreen, a range of high-performance recycled materials.

Information in relation to revenues from eco-friendly products sales is classified as confidential by the Company and therefore is not published **[Metric A-S5].**

h) Supply chain issues

FOURLIS Group seeks to continuously improve its relationship with suppliers by communicating the terms of cooperation and the key framework of principles and values that govern their partnership. The Group's business continuity is critical to the continuous delivery of high-quality products and services. The Group aims to maximize the client satisfaction and develop mechanisms, aimed at identifying and responding to situations that may adversely affect the business continuity of its critical operations, such as the availability of its products. In order to ensure business continuity, the Group assesses its weaknesses and investigates threats that may affect its business model and are related to its supply chain and takes relevant precautionary measures.

Concerning its supply chain FOURLIS Group is in the process of evaluating the possibility of implementing within the next 2 years, the following practices:

- Incorporation of FOURLIS Group Code of Conduct into its supplier contracts.
- Integration of ESG criteria during the selection and evaluation of potential and existing suppliers.

The main supply chain services provider for the Group is the subsidiary TRADE LOGISTICS. TRADE LOGISTICS (TRADE LOGISTICS S.A.) purpose is to provide supply chain services, like the receipt, storage and transport of goods, the creation of promotional and other packaging, the supply of business units and the management of all relevant information. More specifically, its activities are:

1. Storage and distribution services for the below stores:
    - IKEA in Greece, Cyprus and Bulgaria
    - INTERSPORT in Greece, Cyprus, Romania, Bulgaria and Turkey (central warehouse)
    - The Athlete's Foot in Greece and Turkey
2. Delivery of e-commerce orders directly to the customers in Greece for:
    - IKEA's e-shop (www.ikea.gr) and
    - INTERSPORT's e-shop (www.intersport.gr)

TRADE LOGISTICS, with its specialized and experienced personnel, the use of technology and the adoption of innovative methods in the Logistics field, aims at the proper operation of all storage and delivery procedures, as well as at the development of its activities.

f) Impact of the COVID-19 pandemic on non-financial issues

Corporate policies and due diligence

Health, safety and wellbeing of employees

To ensure the health, safety and wellbeing of employees, FOURLIS Group undertook the strict implementation of the legislation for every labor issue. In Greece, but also in other countries (Cyprus, Bulgaria, Romania, Turkey), the Group initially distributed regular and thorough information on the issues of the COVID-19 pandemic to its employees. The briefing included general information and guidelines about the virus, such as:

- correct application of personal and public hygiene rules,
- procedure in case of symptoms or in case of contact with COVID-19 case,
- use of public areas and public transport,
- use and disposal of masks, gloves, the use of antiseptics and
- keeping distance.

In addition, there was constant communication between the employees and the occupational physicians, while business travel was limited to what was absolutely necessary.

Prior to the enactment of the measure, which required citizens to wear masks, the Company distributed masks to all employees. Each employee received 4 winter and then 4 summer masks.

Suppliers and partners

The Group respectively took protection measures for its partners and suppliers. In this context and following the legislation, it proceeded to the cessation of live meetings in its workplaces, implementing online meetings using digital media (Microsoft Teams). In cases where there was the need for a live meeting, such as when sampling products, the official guidelines were completely followed by taking all the necessary safety measures. For the partners who were in the workplace, the policies and guidelines concerning the employees of the Group were followed.

Customer health and safety

And for its customers, the Group proceeded with the strict implementation of all laws related to retail stores and thus limited the number of customers and visitors for the period that they remained open. In addition, in all areas of the stores the following were put in place:

- special markings to maintain distances,
- hand sanitizers,
- equipment for disinfecting objects,
- special bins for disposing of masks and disposable gloves,

- plexiglass at checkouts and other places where the employee comes into contact with the customer.

In addition, signs were placed in all stores to encourage the use of lifts only by people in need and only with the mandatory use of a face mask. During payments, the use of debit / credit cards was encouraged, to avoid direct contact with used banknotes and further spread of the virus.

Social contribution programs

From the first moment the COVID-19 pandemic broke out, FOURLIS Group and its subsidiaries (IKEA, INTERSPORT, TRADE LOGISTICS) responded immediately to the increased demands of society as a whole, mainly in the field of Public Health, offering products to reference hospitals, as well as in other structures, to support vulnerable groups.

In this context, IKEA products were offered to the Army Pension Fund Hospital (N.I.M.T.S.), to the University General Hospital of Thessaloniki (AHEPA), to the University General Hospital of Patras, to the University Pulmonary Clinic of Alexandroupolis and to the City of Athens Homeless Shelter (KYADA), while INTERSPORT products were offered to the nurses of the Hospital for the exclusive treatment of patients with COVID-19 "Pammakaristos". During the Christmas period, the Group companies provided the essentials for the festive table of 40 families with minor children living without income on the edge of poverty, due to the consequences of the pandemic, through the #mazistisgiortes campaign organized by the "Together for Children" Association. The campaign was voluntarily supported by the Group's employees, by offering any amount they wished for this purpose, through the Association's crowdfunding platform.

In Cyprus, IKEA stores offered products at the General Hospital of Nicosia, the Makario Children's Hospital and the Famagusta General Hospital. In Bulgaria, IKEA stores offered products at the Pernik Pulmonary Clinic that operates for the care of patients with COVID-19.

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

To address the unprecedented challenge of the COVID-19 pandemic, the Group immediately implemented its emergency response plan with the aim of its smooth operation and the health and safety of its employees, customers and partners. In this context, the crisis management team held daily meetings, so that it could make the necessary decisions in accordance with the daily rapid developments on the pandemic front. Always in compliance with the current legislation, but also based on the contingency plan, during the 1st and 2nd lockdown, but also in the intermediate periods, the Group put most of its office employees in teleworking status (at a rate higher than what was set as the minimum by law). Despite the adverse conditions created due to the COVID-19 pandemic, the availability of goods during both lockdown periods was not significantly affected compared to the respective periods of 2019. In addition, the Group strengthened its infrastructure both in terms of its information systems as well as the operation of its logistics centers, in order for its business and commercial operations to continue smoothly, responding to the needs of its customers.

FOURLIS GROUP OF COMPANIES

11. Related parties transactions

As Related parties are considered the Company, the subsidiary companies, the associate companies and joint ventures, the Management and the first line managers and their connected individuals and legal entities (IAS 24). The major transactions, which were eliminated for the purposes of consolidation of financial statements between Group companies, are mainly selling goods among companies in the same segment and logistics services - supply, maintenance - repairs and management fee.

Detailed information on the related parties' receivables/ payables for the Group and the Company for the period 31/12/2020 and 31/12/2019 is analyzed as follows (all amounts in th. euros):

		Group		Company	
		31/12/2020	**31/12/2019**	**31/12/2020**	**31/12/2019**
Receivables from:	HOUSE MARKET SA	0	0	10.464	6.488
	H.M. HOUSE MARKET (CYPRUS) LTD	0	0	12	26
	INTERSPORT SA	0	0	449	654
	INTERSPORT (CYPRUS) LTD	0	0	3	3
	RENTIS SA	0	0	1	2
	GENCO TRADE SRL	0	0	100	21
	GENCO BULGARIA	0	0	5	6
	HOUSE MARKET BULGARIA EAD	0	0	39	37
	INTERSPORT ATLETIK	0	0	107	675
	TRADE LOGISTICS SA	0	0	22	24
	TRADE ESTATES CYPRUS LTD	0	0	5	0
	TRADE ESTATES BULGARIA EAD	0	0	5	0
	VYNER	0	140	0	0
	TRADE STATUS SA	106	111	106	111
	SOFIA SOUTH RING MALL AED	62	6	0	0
	SW SOFIA MALL ENTERPRISES LTD	0	94	0	0
	TOTAL	**168**	**351**	**11.319**	**8.047**
Payables to:	INTERSPORT SA	0	0	10.000	3
	TRADE LOGISTICS SA	0	0	1	1
	TRADE STATUS SA	0	1	0	0
	Management members	46	60	46	60
	TOTAL	**46**	**60**	**10.046**	**64**

Third Parties transactions for the period 1/1 to 31/12/2020 and for the period 1/1 to 31/12/2019 are analyzed as follows:

	Group		Company	
	1/1 - 31/12/2020	**1/1 - 31/12/2019**	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**
Revenue	60	64	4.217	4.424
Other income	3	17	1.227	1.149
Dividends	0	0	7.000	6.200
Total	**63**	**81**	**12.444**	**11.773**

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
Administrative expenses	171	234	6	13
Distribution expenses	0	0	0	0
Total	**171**	**234**	**6**	**13**

During the years 2020 and 2019 the following transactions have been applied among FOURLIS HOLDINGS SA and the subsidiaries of the Group:

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
Revenue	44.617	46.950	4.157	4.361
Cost of sales	25.583	32.567	0	0
Other income	2.513	2.385	1.224	1.145
Administrative expenses	4.891	5.109	6	12
Distribution expenses	16.613	11.659	0	0
Other operating expenses	43	0	0	0
Dividends	7.000	8.200	7.000	6.200

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Trade receivables	31.616	19.470	11.214	7.936
Inventory	281	281	0	0
Creditors	31.616	19.470	10.001	4

12. Human Recourses of the Group

The total number of employees of the Group as at 31, December 2020 was 4.105 (4.198 την 31/12/2019). Respectively, the human resources of the Company on 31/12/2020 are 102 people (100 on 31/12/2019).

13. Treasury shares

The Ordinary General Meeting of the shareholders of the Company "FOURLIS HOLDINGS SA" of 14/6/2019 approved the purchase by the company of its treasury (own) shares, up to the number of 2,590,365 shares (5% of the paid-up share capital) 24 months from the approval, ie until 14/6/2021, with a minimum acquisition limit of one euro (1.00) per share and a maximum acquisition limit of eight euros (8.00) per share, in accordance with Article 49 of Law 4548/2018 and authorized the Board of Directors of the Company to determine, within the aforementioned frameworks, the exact time, number and price of the shares to be acquired.

On 6/3/2020, FOURLIS HOLDINGS SA, pursuant to the decisions of the Ordinary General Meeting of shareholders of 14/6/2019 and the decisions of the Board of Directors of 13 January 2020, announces the start of implementation of the Treasury (Own) Shares Purchase Program which provides for the purchase of its treasury (own) shares up to the number of 2,590,365 shares until 14/6/2021, with a minimum acquisition limit of one euro (1.00) per share and a maximum acquisition limit of eight euros (8,00) per share.
On 31/12/2020 the Company holds 604,051 treasury shares, a percentage of 1.16% of the total shares of the Company (0 on 31/12/2019).

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

a. The Company's share capital

The share capital on December 31, 2020 amounted to euro 52,092,001.00 divided into 52,092,001 shares with a nominal value of 1.00 euros each. The share capital on December 31, 2019 amounted to Euro 42,124,018.41 divided into 52,004,961 shares with a nominal value of 0.81 eighty one cents of Euro each.

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

The transfer of shares of the Company is made as prescribed by law and there are no restrictions as to their transfer by the Company's Articles of Incorporation.

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

On 31/12/2020, the following shareholders owned more than 5% of the voting shares of the Company:

- KEM DAFNI A. FOURLIS: (17,20%)
- MARATHON ASSET MANAGEMENT LLP (5,04)

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 resulting in restrictions to transfer of shares or to their voting rights as it is prescribed by the Company's Articles of Incorporation.

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 Codified Law 4548/2018.

The rules for the appointment and replacement of members of the Board of Directors and the amendment of the Articles of Incorporation do not differ to those prescribed by 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 49 of Law 4548/2018

A. According to Art 24 par 1 of Law 4548/ 2018 and the Art 4 par. 1 of the Articles of Incorporation of the Company, during a 5-year period from the Shareholders General Assembly resolution, the board of directors has the right, based on a majority of 2/3 of total members, to increase share capital through the issue of new shares for an amount that cannot exceed three times the paid-up share capital at the date that board was awarded the aforementioned right and this authority of the board of directors can be renewed from the general assembly with a resolution for a time spread that will not exceed 5 years for every granted. The resolutions of the general assembly for grant or renewal of authority for increase of the share capital from the board are subjected to publicity. Share capital increases that are decided according to the aforementioned (extraordinary increases) compose an amendment of Articles of Incorporation.

Moreover, in accordance with the provisions of article 25 par. 2 of Law 4548/2018 and article 4 par. 4 of the Company's Articles of incorporation, in case of a share capital increase, which is implemented by resolution of the general assembly, which is made with increased presence and majority (ordinary increase), the general assembly can authorize the Board of Directors to decide on the underlying price of the new shares. The validity period of the authorization is defined at the relative resolution of the general assembly and can not exceed one (1) year. In that case, the payment deadline of the capital in compliance with article 20 of Law 4548/2018 begins with the decision of the Board of Directors, with which the underlying price of the shares is determined. The authorization is subjected to publicity.

B. 1) The Extraordinary General Assembly of shareholders of the Company "FOURLIS Holdings SA" of 27/9/2013, acting under the provisions of paragraph 13 of Article 13 and paragraphs 3 and 4 of Article 29 and paragraph 2 of Article 31 of Law 4548/2018, decided the implementation of a stock option plan - hereinafter "Program A" - to executives of the Company and its affiliated companies within the meaning of paragraph 5 of article 42e of this Act and authorized the Board of Directors, to regulate procedural matters and details. The Board of Directors, under the terms of the plan and the law gives to recipients, who exercised their right, certificates of right to obtain shares and issue and deliver the shares to these recipients, increasing the share capital of the Company and certifying the capital increase. These increases in share capital are not amendments to Articles of Incorporation. The Board of Directors during the last month of the fiscal year within which capital increases occurred, as determined above, must adjust, with its resolution, the article of Articles of Incorporation regarding capital, so as to predict the amount of capital, as shown after these increases, made public in compliance with Article 7b.

Under the context of the implementation of the aforementioned Program A, within the year 2020, 87.040 options were exercised (hereinafter "the Options"). Following the resolution of the Board of Directors of

28/12/2020 (relative minutes of the BoD with number 417/28.12.2020), the exercise of the aforementioned options by their beneficiaries of the SOP was certified by payment of the exercise price of the new shares.

It is noted that the underlying price of shares to which distributed stock options correspond, was initially determined at the amount of € 3,40 per share, which was the closing stock price of shares on the date of the General Assembly's resolution regarding the Program (27/9/2013). Following the BoD resolutions of 20/11/2017, 19/11/2018 and 18/11/2019 (relevant minutes with number 389/20.11.2017, 399/19.11.2018 and 407/18.11.2019), a readjustment has been made at the historical share price of the Company, and therefore the exercise price implemented for the stock options is € 0,2226 (€ 3,2226) per share.

Following the certification of the exercise price payment of Options by their beneficiaries, namely the total amount of € 280.495,10, 87.040 new common nominal shares were issued and delivered towards their relevant beneficiaries of the Program, of nominal value € 1,00 per share while the share capital of the Company increased by the amount of € 87.040,00, which reflects to the nominal value of the new shares. Also, consequently to the exercise of the aforementioned Options by payment of the exercise value € 3,2226 per share, the share premium of total amount of € 193.455,10was transferred to "share premium reserve".

The aforementioned change was registered to the General Electronic Commercial Registry (GECR) on 15.01.2021 (Code Registration Number 2450940), with the relevant 4511/15.01.2021 resolution of the Minister of Finance and Development.

2) The Ordinary General Assembly of shareholders of the Company "FOURLIS HOLDINGS SA" of 16/6/2017, acting under the provisions of paragraph 13 of Article 13 and paragraphs 3 and 4 of Article 29 and paragraph 2 of Article 31 of Law 4548/ 2018, decided the implementation of a stock option plan - hereinafter "Program B" - to executives of the Company and its affiliated companies within the meaning of article 32 of L. 4308/2014 as it stands and authorized the Board of Directors, to regulate procedural matters and details. The Board of Directors, under the terms of the plan and the law gives to recipients, who exercised their right, certificates of right to obtain shares and issue and deliver the shares to these recipients, increasing the share capital of the Company and certifying the capital increase. These increases in share capital are not amendments to Articles of Incorporation. The Board of Directors during the last month of the fiscal year within which capital increases occurred, as determined above, must adjust, with its resolution, the article of Articles of Incorporation regarding capital, so as to predict the amount of capital, as shown after these increases, made public in compliance with Article 7b.

No stock options were exercised within the year 2019 under the context of the aforementioned Program B.

Regarding programs that refer to new shares issue for the period 1/1 – 31/12/2020, more data are mentioned above, in the Board of Directors Report in paragraph 6 Stock Option Plan.

C) The Ordinary General Assembly of shareholders of the Company FOURLIS HOLDINGS S.A. on

14/6/2019, approved the purchase of treasury (own) shares from the company, up to the number of 2.590.365 shares (5% of paid up share capital) within 24 months since the approval, namely until 14.06.2021, with a minimum acquisition limit of € 1,00 per share and a maximum acquisition limit of € 8,00 per share, according to article 49 of Law 4548/2018 and authorized the Board of Directors of the Company to define, within the aforementioned contexts, the precise time, number and price of the shares to be acquired.

Pursuant to the above decision of the General Meeting, until 31/12/2020 the Company had purchased and held 604,051 treasury shares, corresponding to 1.16% of its total 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 this

There are no significant agreements the Company has entered into, which come into force, are amended or terminate in the event that there are changes in control 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 public offering

There are no agreements that the Company has entered into with members of the Board of Directors or its employees, which provide for indemnity in the event of termination or redundancy.

16. Corporate Governance Statement for the period 1/1 – 31/12/2020

According to L. 4548/2018 article15, the Board of Directors of the Company declares the following:

a) Reference on the Corporate Governance Code which the Company is coming under or has voluntarily decided to comply with and the website that can be found.

The Company after the Board of Directors resolution dated 28/2/2011, has voluntarily decided to apply the Hellenic Corporate Governance Code which has been prepared by a recognised body. More specifically, the Hellenic Corporate Governance Code was initiated by SEV (Hellenic Federation of Enterprises) and then amended in the context of its first revision (28/6/2013) by the Hellenic Corporate Governance Council (ESED). The Hellenic Corporate Governance Code is adapted to Greek law and business reality and has been drafted based on the principle of "compliance or explanation", thus including issues that go beyond existing laws and regulations. The Code does not impose obligations, but explains how to adopt good practices and facilitates the formulation of corporate governance policies and practices that will meet the specific conditions of each company. The Hellenic Corporate Governance Code is posted on the website of the Hellenic Corporate Governance Council, at the address: http://www.helex.gr/el/esed.

The Hellenic Corporate Governance Council (HCGC) has been established at 2012 as a non-profit company with the joint initiative of Athens Stock Exchange and the Hellenic Federation of Enterprises (SEV). Since October 2018, the Hellenic Banking Association has become a regular member of the HCGC while, as of June 2019 Hellenic Fund and Asset Management Association is a regular Member of the HCGC.

The purpose of HCGC is incessant growth of Greek market's credibility among international and domestic investors and improvement of competitiveness of Greek companies. It operates as a specialized body for the expansion of the principles of the corporate governance and aims to develop the culture of good governance in Greek economy and society. Its general plan of action includes: formation of views regarding institutional framework, submission of proposals, participation in deliberations and working groups, organization of educational and informational activities, monitoring and assessment of corporate governance practices and implementation of corporate governance codes, subscription tools supply and rating of Greek companies' performance.

HCGC, as a Non-Profit company, has Members, which are distinguished in Founding (Athens Stock Exchange and SEV), Regular (HBA, HFAMA), Participating and Other. HCGC's supreme body is the General Assembly (GA). HCGC is directed by Administration Council consisted of 7 members elected by the GA and has a term of 5 years. Besides the Administration Council, the HCGC also operates Corporate Governance Council, in which specialists from different sectors participate (audit, investment, business, supervision, legal, consulting, banking and stock market).

Since October 2018, a Working Committee has been established with the participation of representatives of Founding Members and the Regular Members (Athens Stock Exchange, SEV, HBA, HFAMA) with responsibilities to implement the action plan, organize other actions (conferences, events, promotional actions), find sponsors and other resources, as well as fulfill and implement other purposes of HCGC.

The Company, following its BoD resolution of 28/2/2011, has decided to voluntarily implement the Hellenic Corporate Governance Code which was conducted on the initiative of SEV (Hellenic Federation of Enterprises) and afterwards modified under the context of its first revision (28/6/2013) from Hellenic Corporate Governance Council (HCGC).

The purpose of Hellenic Corporate Governance Code is the constant improvement of the greek institutional framework and general business environment, as well as the increase of investors' confidence not only towards the listed companies as a whole but also each one of them and the broadening of attraction horizons of investment capitals.

The Hellenic Corporate Governance Code contains two types of provisions: "general principles", which are addressed to all companies, listed or not and "special practices" which only refer to listed companies. The purpose of General principles is to provide a general framework within which principles can be addressed and more issues of corporate governance can be resolved, either of a listed company or not. Each principle is followed by one or more specific practices that further develop the general principles and guide their implementation within the regulatory and ownership structure of listed companies. The Code follows the approach of compliance or explanation and has the following demands of the listed companies which chose to implement it: the disclosure of their intention and either their compliance with all the specific practices of the Code or their explanation of the reasons leading them not to comply with these specific practices. In the Hellenic Corporate Governance Code, where reference is made to existing, mandatory legal regulations, a definite present tense is used in order to distinguish these requirements from the voluntary practices of the Code

The general principles of the Code cover the following topics:

- Role and responsibilities of the Board
- Size and composition of the Board
- Role and profile of the Chairman of the Board
- Duties and conduct of Board members
- Nomination of Board members
- Functioning of the Board
- Board evaluation
- Internal audit system
- Level and structure of remuneration
- Communication with shareholders

- General Assembly of shareholders

b) Reference to the corporate governance practices implemented by the Company beyond the requirements of the Law and the website that can be found

Indicative, the following Corporate Governance practices applied by the Company either by adopting the Hellenic Corporate Governance Code or the best international corporate governance practices or the earlier compliance with articles 1-23 of L.4706 / 2020 and which exceed the applicable (during 2020) legal requirements on corporate governance (Law 3016/2002, Law 3693/2008 ar. 37, Law 4403/2016 ar. 2, Law 4449/2017 ar. 44 and Law 4548/2018 wherever it covers the relevant topics):

- The Board of Directors consists of nine (9) members, five (5) of which are non-executive members (including independent non-executive members). More specifically four (4) members are independent non-executive members and one (1) is non-executive member (par.f of Corporate Governance statement). The BOD should comprise a majority of non-executive members (including independent non-executive members) and at least two (2) executive members. The term of this Board of Directors expires in June 2022. The detailed CVs of the members of the Board of Directors and senior executives are presented in section 16.1 of the Corporate Governance Statement.
- The Board of Directors is assisted by a competent, suitably qualified and experienced company Secretary who shall attend all its meetings. All Board Members have access to the services of the company Secretary, whose role is to provide practical support to the Chairman and other Board members, both as a group and individually, and ensure that the Board complies with internal rules and relevant laws and regulations. The company Secretary keeps the minutes of the meetings of the Board of Directors and its committees and ensures the efficient flow of information between the Board of Directors and its committees as well as between the Senior Management and the Board of Directors. The company Secretary plans the introductory briefing program for the newly elected members of the Board of Directors immediately after their election and ensures that they are provided with ongoing information and training on issues related to the Company. Also, the company Secretary ensures the effective organization of the General Assembly Meetings. The detailed CV of the Corporate Secretary is presented in section 16.1 of the Corporate Governance Statement.
- The Board of Directors has established a three (3) member Nomination and Remuneration Committee consisted of independent non-executive member (par.f of Corporate Governance statement). The Nomination and Remuneration Committee has an operating regulation which defines, among others, its role and the process of its existence as well as the process of meetings convocation, which is posted on the Company's website (http://www.fourlis.gr).
- The responsibilities of the Chairman are clearly established by the Board of Directors, clearly distinguished from those of the Chief Executive Officer and are reflected in the Internal Regulation of

the company which is updated, issued and approved by the Board of Directors and its summary is posted on the Company's website (http://www.fourlis.gr).

- The Board of Directors has appointed independent Vice-Chairman coming from its independent members given that the Chairman of the BoD has executive responsibilities (par.f of Corporate Governance statement).
- The Board of Directors, taking into account the size, nature, scope and complexity of the Company's activities, has defined and supervises the implementation of the Company's corporate governance system which includes an adequate and effective Internal Audit Control System (IAC), including risk management systems and compliance regulations, adequate and effective procedures for the prevention, detection and suppression of conflict of interest situations, adequate and effective communication mechanisms with shareholders and remuneration policy that contributes to the business strategy, the long-term interests and the sustainability of the Company. It has also defined the process of periodic evaluation of the corporate governance system in order to determine its effectiveness and to take the necessary corrective and / or preventive actions. The main characteristics of the corporate governance system of the Company are described in the Internal Regulation Charter, a summary of which is posted on the Company's website (http://www.fourlis.gr).
- The Chairman of the Board of Directors should be available to meet shareholders of the company to discuss eventual governance concerns. The Chairman of the Board of Directors should ensure that the views of the shareholders are communicated to the whole Board. It facilitates the exercise of shareholders' rights and the shareholder engagement. The shareholders engagement is described in the Internal Regulation Charter, a summary of which is posted on the Company's website (http://www.fourlis.gr).
- The Audit Committee ensures the operation of the internal audit department and the implementation of an internal control framework in accordance with international standards for the professional implementation of internal audit and best practices. The Internal Regulation Charter of the Internal Audit Department of the Company, which is posted on its website (http://www.fourlis.gr), presents the framework for ensuring the independence and objectivity of its internal auditors.
- The Audit Committee applies a procedure of periodic evaluation of the efficiency of its operation as mentioned in Internal Regulation Charter which is posted on its website (http://www.fourlis.gr).

c) Description of the main characteristics of internal control and risk management of the company in relation to the process of preparation of financial statements

The Company has developed and implements a process for issuing the financial statements (consolidated and separate) and the Financial Report. The Group companies record their transactions in their information systems and through automated procedures the consolidation application is updated. Crosschecking of data is performed and is reviewed (intra - group transactions, receivables and payables, etc.). Elimination and consolidation entries are recorded and the financial statements with the associate notes are developed. After the completion of audit procedures, the Financial Report that includes the financial statements is submitted to the Board of Directors for approval. Prior to the approval of the Board of Directors, the Audit Committee has conducted a review of the Financial Report in order to assess its completeness and consistency in relation to the information provided to it as well as the accounting principles applied by the Company and informs the relevant Board of Directors

The main characteristics of internal control and risk management systems employed by the Company in connection with the process of preparation of the financial statements and the Financial Report are the following:

- Adequate knowledge, skills and availability of personnel involved with clearly separated roles and areas of responsibility.
- Existence of recorded and updated procedures related to the issuance of financial results.
- Regular review and audit of accounting principles and policies.
- Use of information systems for the publication of financial statements and the preparation of financial reports related to the ERP of the Company, accessible with distinct roles and rights of use to all the consolidated Group of companies.
- Existence of control activities relevant to information systems used.
- Regular communication between the external auditors, Executive Management and the Audit Committee.
- Regular communication of the Audit Committee members with the Financial Director and the head of the Internal Audit Unit.
- Confirmation by the Board of Directors of the yearly fulfillment of independence criteria of the independent members of the Board of Directors and in any case before the publication of the annual financial report.
- Regular meetings for validation and registration of the significant estimations affecting the financial statements.
- Existence of risk management methodology and documentation for its implementation. Presentation of the results of risk management to the Board of Directors.
- Existence of unique Chart of Accounts for all Group companies and centralized management.
- On the recommendation of the Audit Committee, annual evaluation by the Board of Directors of the internal control and risk management systems applied for the issuance of financial statements.

d) <u>Additional Information pursuant to sections c), d), f) g) and h) of Article 10 par.1 of the 2004/25/EK</u>

Directive of the 21st of April 2004, regarding the Takeover Bid, since the Company is subject to the Directive

During the year no Takeover Bids or Business Combination took place.

e) Information about the General Shareholders Assembly, mode of operation, description of the rights of the shareholders and how these can be exercised

The convocation of General Assembly of Shareholders of the Company is in accordance with the Law 4548/2018, as in force.

Regarding the operating method of the General Assembly, the Company follows the practices mentioned below:

- The Shareholders of the Company are informed in advance and up to schedule, for the convocation of the General Assembly, in accordance with the Law.
- The Company publicizes on its website the Invitation of the General Assembly, the representation mode of the Shareholders, the deadlines and the mode of exercise of their rights as well as the voting results for each topic of the agenda.
- The Company publicizes on time on its website Explanatory Note regarding the agenda, the relevant proposals by Board of Directors, the required quorum and majority for the approval of the proposals. The Explanatory Note is also available in hard copy in Company's Head Office and is distributed to the Shareholders entering in the General Assembly.
- Ensuring that each shareholder is able to participate at the General Assembly either by wording their views or by submitting their questions.

The Company, takes all measures for the consistent process and to ensure the Shareholders rights according to the existing legislation. More analytically:

The General Assembly Meeting of Shareholders of the Company is its supreme body and is entitled to decide on any case concerning the Company. The shareholders exercise their rights related to the management of the Company only by participating in the General Assembly Meeting. Each share entitles itself to one vote at the General Assembly Meeting. In particular, the General Assembly is solely responsible for deciding on:

• Revival or dissolution of the Company, as well as amendments to the Articles of Association and the increases and reductions of the share capital, except of those explicitly assigned by law to the Board of Directors,

• Election of members of the Board of Directors and Auditors,

• Approval of the overall management according to article 108 of Law 4548/2018 and discharge of the Auditors,

• Approval of the annual and any consolidated financial statements,

• Distribution of annual profits,

• Approval of remuneration or advance payment of remuneration according to article 109 of Law 4548/2018,

• Approval of the remuneration policy,

• Merger, split, conversion, revival, extension or dissolution of the Company,

• Appointment of liquidators and

• Any other issue provided by law.

The responsibilities of the General Assembly Meeting are mentioned in the Articles of Association of the Company, codified in its current form, which is posted on its website: http://www.fourlis.gr. The last amendment of the Company's Articles of Association was made during the Extraordinary General Meeting of 21/12/2020 for the purpose of adaptation and harmonization with the provisions of articles 120 and 125 of Law 4548/2018, in relation to the possibility of holding General Meetings remotely in real time and the participation of shareholders in them.

The General Meeting meets at least once a year, within the first half of each corporate year. The Board of Directors may convene an extraordinary meeting of the General Assembly Meeting of Shareholders, when it deems it expedient or necessary.

The General Assembly, with the exception of the recurring meetings and those assimilated to them, must be convened at least twenty (20) full days before its scheduled meeting. It is clarified that non-working days are also included. The day of the publication of the invitation of the General Assembly and the day of its meeting are not counted.

It is allowed to participate in the General Meeting remotely by audiovisual or other electronic means, without the physical presence of the shareholder at the venue. It is also allowed to participate in the voting by distance, by electronic means or by mail, held before the Assembly. By decision of the Board of Directors, the above possibilities are activated, divisively or cumulatively, regarding one or more General Assembly Meetings or for a defined period of time, the relevant technical and procedural details are determined and procedures are adopted to ensure the identity of the participating person and attendance, as well as the security of the electronic or other connection.

The General Meeting is in quorum and meets validly on the issues of the agenda when at least 20% of the paid-up Share Capital is represented in it. The decisions of the General Assembly are taken by an absolute majority of the votes, which are represented in this Assembly. Exceptionally, the General Meeting is in quorum and meets validly on the issues of the agenda, if at least half (1/2) of the paid-up capital are represented in it when it comes to decisions concerning: the change of the Company's nationality, the change of the company’s operation, the increase of shareholders' liabilities, the regular capital increase unless required by law or done by capitalization of reserves, the reduction of capital unless done in accordance with paragraph 5 of article 21 of Law 4548/2018 or par. 6 of article 49 of Law 4548/2018, the change of the means of profit distribution, the merger, the division, conversion, revival, extension of the duration or dissolution of the Company, the provision or renewal of power to the Board of Directors for capital increase according to par. 1 of article 24 of Law 4538/2018 as well as in any other case stipulated by the Law that the General Assembly decides with increased quorum and with a majority.

The General Assembly Meeting is temporarily chaired by the Chairman of the Board of Directors or his deputy when disabled. He can be appointed by the Board of Directors on a special decision under this purpose. The duties of company secretary are temporarily performed by the person appointed by the President. After the list of shareholders entitled to vote is approved, the General Assembly Meeting proceeds to the election of its final Chairman and a secretary who also acts as teller. Decisions on these issues are taken by a majority of 2/3 of the votes represented in the General Assembly Meeting.

The discussions and decisions of the General Assembly are limited to the items on the agenda. The agenda is prepared by the Board of Directors and includes the proposals of the Board of Directors to the General Assembly Meeting, as well as any proposals of the auditors or shareholders representing 1/20 of the paid-up share capital. For the issues discussed and the relative decisions taken in the General Assembly Meeting, minutes are kept, which are signed by the President and its Secretary. The list of shareholders present or represented at the General Meeting is recorded at the beginning of the minutes.

Anyone who appears as a shareholder in the Company's book-entry shares system is entitled to participate in the General Assembly Meeting, which is kept electronically in the company "Hellenic Central Securities Depository Societe Anonyme" (ELKAT) at the beginning of the 5th day preceding the initial meeting (registration date). The above recording date is also valid in the case of postponed or repeated meeting since the postponed or repeated meeting is not more than 30 days from the recording date according to article 124 of Law 4548/2018.

The shareholder status can be identified by any legal means and in any case based on information received by the Company directly by electronic connection of the Company with the ELKAT files. The right to participate and vote in the Company’s Ordinary General Meeting has only whoever holds the status of shareholder on the above registration date. In case of non-compliance with the provisions of article 124 of Law 4548/2018, the shareholders participate in the Ordinary General Meeting only after its permission.

The exercise of these rights does not presuppose the pledge of the beneficiary's shares or the observance of another similar procedure, which limits the possibility of selling and transferring them during the period between the registration date and the date of the General Assembly Meeting.

The shareholders entitled to participate in the General Meeting can vote either in person or through representatives. Each shareholder can appoint up to 3 representatives. The shareholder may appoint a representative for one or more General Assembly Meetings for a certain period of time. The appointment and revocation or replacement of the shareholder's representative is made in written form at least 48 hours before the date of the Annual General Assembly Meeting. The shareholder representative is obliged to notify the Company, before the beginning of the General Assembly Meeting, of any specific event that may be useful to the shareholders for the assessment of the risk that the representative will serve interests other than shareholder's interests.

Other shareholders rights are provided in par. 2, 3, 6 and 7 of article 41 of Law 4548/2018.

f) Composition and functioning of the Board and any other administrative, management or supervisory bodies or committees of the Company

The Board, its independent members and all members of Audit Committee, have been elected by the Annual General Assembly of shareholders held on 16/6/2017 while in the Annual Ordinary General Assembly of shareholders on 14/6/2019 a member of the Audit Committee resigned and a new one was elected. The term of Board members in accordance with the articles of Incorporation and the term of members of Audit Committee, is five years and is automatically extended until the first ordinary General Assembly after its termination.

The new BoD was constituted as follows:

Chairman of the BoD, Executive Member	Vassilis S. Fourlis
Vice – Chairman of the BoD, Executive Member	Dafni A. Fourlis
Independent Vice – Chairman, Independent Non – Executive Member, Member of Nomination and Remuneration Committee	Eftichios Th. Vassilakis
CEO, Executive Member	Apostolos D. Petalas
Director, Executive Member, Corporate Social Responsibility Director	Lida S. Fourlis
Director, Non – Executive Member	Ioannis Ev. Brebos
Director, Independent Non - Executive Member, Member of Nomination and Remuneration Committee	Pavlos K. Triposkiadis
Director, Independent Non – Executive Member, Member of Audit Committee	David A. Watson

Director, Independent Non – Executive Member, Chairman of Audit Committee, Member of Nomination and Remuneration Committee	Ioannis A. Kostopoulos

Mr. Stelios M.Stefanou is the new member of the Audit Committee for the rest of the term of the resigned Mr. Ioannis Ev.Brebou according to the provisions of article 44 of law 4449/2017. Mr. Stelios M. Stefanou is independent to the Company, within the meaning of the provisions of Law 3016/2002, and has proven extensive knowledge and experience in matters of auditing and accounting and sufficient knowledge in the field in which the company operates, as required by law.

Short CV's of the members of the Board of Directors, the Company's Secretary Mr Ioannis Zakopoulos as well as the newly appointed by the General Assembly meeting member of the Audit Committee are presented in unit 16.1 of the Corporate Governance Statement.

The Articles of Incorporation of the Company provide for the Board of Directors to be composed of 7 to 9 members. The Company has elected its Board with the maximum permitted number of Directors to ensure the diversity of gender, age, knowledge, qualification and experience serving the objectives of the Company as well as the balance between executive and non-executive members. On 1/1/2020 the Board of Directors consisted of 9 members, 4 (44%) of them were independent. The intention of the Company is to strengthen the independence of its Board of Directors in the Annual General Assembly Meeting of 2021 taking into account the relevant provisions of Law 4706/2020.

The Role and the responsibilities of the Board of Directors

According to the Company's Articles of Association, the Board of Directors is responsible for its management and representation, the assets management and the general pursuit of its purpose. Decides on all general issues concerning the Company, within the framework of the corporate purpose, with the exception of those which according to the Law and the Articles of Association belong to the exclusive competence of the General Assembly Meeting.

The main responsibilities of the Board of Directors according to the Articles of Association include:

- Approving the overall long - term strategy and operational goals of the Company.
- Approving annual budgets and business plans and deciding on major capital expenditures, acquisitions and divestitures which are under the final approval of the General Assembly Meeting.
- Selecting and replacing, if necessary, the executive leadership of the company and overseeing succession planning.
- Monitoring the performance of senior management, and aligning executive remuneration with the longer term interests of the company and its shareholders taking into consideration the proposals of the Nomination and Remuneration Committee.
- Preparation and approval of the remuneration policy of the members of the Board of Directors which is subject to the final approval of the General Assembly Meeting of the Company's shareholders, taking

into account the proposals of the Nominations and Remuneration Committee.

- Preparation and approval of the annual remuneration report of the members of the Board of Directors which is submitted for information to the General Assembly Meeting of the Company's shareholders, taking into account the proposals of the Nominations and Remuneration Committee.
- Approval of crisis or risk management as well as when it is required to take measures which are reasonably expected to significantly affect the Company.
- Ensuring the adequate and efficient operation of the Internal Audit System (IAS) that aims at the consistent implementation of the business strategy with the effective use of available resources, the identification and management of essential risks associated with the business and operation of the Company, the effective operation of the internal control unit, in ensuring the completeness and reliability of the data and information required for the accurate and timely determination of the financial situation of the Company and the preparation of reliable financial statements as well as the non-financial situation, in compliance with the regulatory and legal framework as well as the internal regulations governing the Company..
- Ensuring that the functions of the Internal Audit System (IAS) is independent of the business sectors they control and that it consists of the appropriate financial and human resources as well as the powers to operate them effectively.
- Definition and supervision of the implementation of the Corporate Governance System, monitoring and evaluation periodically every three (3) years, of its implementation and effectiveness by taking the appropriate actions to address shortcomings. The Corporate Governance System includes an adequate and effective Internal Audit System (IAS), including risk management and regulatory compliance systems, adequate and effective procedures for the prevention, detection and suppression of conflicts of interest, effective and efficient communication with the shareholders to facilitate the exercise of their rights and the active dialogue with them (shareholder engagement) and remuneration policy, which contributes to the business strategy, the long-term interests and the sustainability of the Company.
- Approval of the Fit the proper policy of the members of the Board of Directors and any amendment which is submitted for final approval to the General Assembly Meeting of the Company's shareholders.
- Appointment of a vice-president among its non-executive members in cases that the President is an executive member.
- Ensuring compliance with independence criteria and the designation of a member of the Board of Directors as an independent member. Review at least annually and in any case before the publication of the annual financial report, the fulfillment of the independence criteria. In case it is found that the criteria are not met for the independent non-executive member, take the appropriate replacement actions.

- Appointment of the members of the Nominations and Remuneration Committee and the Audit Committee in the event that the General Assembly Meeting of the Company's shareholders has decided to consist exclusively of non-executive members of the Board of Directors.
- Vigilance regarding existing and potential conflicts of interest between the Company and its Management, members of the Board of Directors or major shareholders (including shareholders with direct or indirect authority to shape or influence the composition and conduct of the Board of Directors). Appropriate handling of such conflicts and the Board of Directors shall adopt a transaction supervision procedure with a view to transparency and the protection of corporate interests.
- Responsibility for making relevant decisions and monitoring the effectiveness of the Company's management system, including decision-making procedures and the assignment of powers and duties to other executives.
- Formulation, dissemination and application of the main values and principles of the Company that govern its relations with all interested parties, related to the Company.
- Defining the sustainable development policy of the Company and monitoring its implementation.
- Approving the Internal Regulation Charter, Corporate Governance Code embraced and applied by the Company, Code of Conduct and their revisions.
- Approval of the Rules of Procedure of the Internal Audit Department, the Rules of Procedure of the Audit Committee and the Rules of Procedure of the Nominations and Remuneration Committee and their revisions.
- Examining the internal audit reports submitted every quarter to the Board of Directors through the Audit Committee including its recommendations.
- Approving equal opportunities and diversity policy, including gender balance between board members.

The Role and the responsibilities of the Executive, Non-Executive and Independent Members of the Board

The Executive Members of the Board deal with the issues involved in the day-to-day Management of the Company and supervise the implementation of the Board's resolutions. The following are included in their role:

- The implementation of the strategy determined by the Board of Directors.
- Regular consultation with non-executive members of the Board of Directors on the appropriateness of the strategy implemented.
- The written information either jointly or separately of the Board of Directors in existing situations of crises or risks as well as when it is required to take measures that are reasonably expected to significantly affect the Company, such as when decisions are to be made regarding business development and risks taken, which are expected to affect the financial situation of the Company. The information is provided without delay, submitting a relevant report with their assessments and

suggestions.

The executive members of the Board of Directors participate in a strictly limited number of other Boards of Directors (apart from the Group companies).

Non-Executive Members are charged with supervising the implementation of the Board's resolutions as well as with other issues or areas of activity of the Company that have been specifically assigned to them by resolution of the Board of Directors. In their role the following are included:

- The monitoring and examination of the Company's strategy and its implementation as well as the achievement of its goals.
- Ensuring effective oversight of executive members, including monitoring and controlling their performance.
- Examining and expressing views on proposals submitted by executive members, based on existing information.

A non-executive member of the Board of Directors is considered independent if at the time of his appointment and during his term does not directly or indirectly hold a percentage of voting rights greater than 0.5% of the Company's share capital and is exempt from financial, business, family or other dependent relationships, which can influence his decisions and his independent and objective judgment.

The independent non-executive members submit jointly or individually, reports to the regular or extraordinary General Assembly Meeting of the Company's shareholders, regardless of the reports submitted by the Board of Directors.

In the meetings of the Board of Directors that have as subject the preparation of the financial statements of the Company or are included in the agenda issues that their approval needs the General Assembly Meeting decision with increased quorum and majority according to Law 4548/2018, the Board of Directors is in quorum when at least two (2) independent non-executive members are present.

The Role of the Chairman

The Chairman is responsible for ensuring the smooth, orderly, lawful and efficient operation of the Company, in accordance with the strategic objectives, business plans and action plan, as determined by decisions of the Board of Directors, the general meeting of shareholders and the legal / regulatory frame. The Chairman participates and reports to the Board of Directors of the Company and implements the strategic choices and the important decisions of the Company.

The Role of Vice Chairman of the Board

The Vice President of the Board of Directors replaces the Chairman of the Board of Directors in all his responsibilities, when he is absent or disabled.

The Role of Lead Independent Director

The Lead Independent Director of the Board of Directors replaces the Vice-Chairman of the Board of Directors in all his responsibilities, when he is absent or disabled. It also chairs the meetings of the non-executive members of the Board of Directors and monitors and ensures the smooth and effective communication between the Committees of the Board of Directors and the Board of Directors. Coordinates the non-executive members of the Board of Directors, including the independent members, in the fulfillment of their obligations. He is available and attends the General Assembly Meetings of the Company's Shareholders in order to discuss corporate governance issues with them, if they arise.

The Role of the Chief Executive Officer

The Chief Executive Officer is responsible for ensuring the smooth, orderly, lawful and efficient operation of the Company, in accordance with the strategic objectives, business plans and action plan, as determined by decisions of the Board of Directors and the General Meeting and the legal / regulatory frame. The CEO participates and reports to the Board of Directors of the Company and implements the strategic choices and important decisions of the Company.

The Role of the Company Secretary

The Board of Directors and its Committees are supported by a competent, specialized and experienced Company Secretary. The role of the Company Secretary is to provide practical support to the Chairman and the other members of the Board of Directors, collectively and individually, based on the compliance of the Board of Directors in accordance with the internal rules and the relevant laws and regulations. The responsibilities of the Company Secretary include:

- Checking the legality of the suggestions to the Board of Directors as defined in detail in the procedures and regulations of the Company and by the decisions of the Board of Directors.
- Legal elaboration of the agenda items for the meetings of the Board of Directors of the Company.
- Ensuring a good flow of information between the Board of Directors and its Committees as well as between the top Management and the Board of Directors.
- Ensuring the effective organization of shareholders' meetings and the generally good communication of the latter with the Board of Directors, based on the compliance of the Board of Directors with the legal and statutory requirements.
- Keeping records of members of the Board of Directors for compliance with the legislation (indicatively independence, conditions of members of the Audit Committee and the Nominations and Remuneration Committee, conflict of interest, updated detailed curriculum vitae, etc.).

The appointment of the Company Secretary and his dismissal is a matter for the Board of Directors as a collective body. All members of the Board of Directors have access to the services of the Company

Secretary.

Operation of the Board of Directors

The operation of the Board of Directors is described in detail in the Rules of Operation of the Board of Directors of the Company. This Regulation includes the following:

- Election of the Board of Directors
- Members of the Board of Directors
- Determining the independence of candidates or incumbent members of the Board of Directors
- Term of the Board of Directors
- Composition of the Board of Directors in a body
- Responsibilities of the Board of Directors
- Duties and behavior of the members of the Board of Directors
- Committees of the Boards of Directors
- Prohibitions
- Meetings of the Board of Directors
- Quorum of the Board of Directors and decision making
- Support for the operation of the Board of Directors
- Minutes of Board meetings
- Policy of suitability of members of the Board of Directors
- Remuneration policy of members of the Board of Directors
- Introductory information program for the members of the Board of Directors

The Board of Directors arrange meetings with the necessary frequency, in order to perform its duties effectively. At the beginning of each calendar year, the Board of Directors adopts a meeting calendar and a 12-month action plan, which can be revised according to the needs of the Company.

The evaluation of the Board of Directors and its Committees is carried out annually using questionnaires filled in by the members of the Board of Directors, which are processed by the Company Secretary and presented to the Board of Directors annually (usually at the November meeting).

After the assumption of the duties of the new members of the Board of Directors, a special induction program of the new members is implemented, which includes informative meetings, presentations and discussions with the key executives of the Board in order to understand the purpose and nature of the work of the company. In addition, the new members are informed about their obligations regarding the Code of Ethics, the Code of Corporate Governance, the Rules of Procedure, the stock market legislation and in general the policies and procedures that govern the operation of the Company. The introductory briefing program also includes meetings with the Company's regular auditors. The Board of Directors met nine (9) times during the year 2020. The participation rate of the members of the Board of Directors in the meetings of 2020 was 93%. In the meetings of the Board of Directors that had as subject the preparation of the financial statements of the Company or the agenda of which included issues for the approval of which the decision was foreseen by the General Meeting with increased quorum and majority, according to Law 4548/2018, the Board of Directors was in quorum and at least two (2) independent non-executive members were present.

The operation of the Board of Directors is supported by two Committees: the Audit Committee and the Nomination and Remuneration Committee.

Audit Committee

The Audit Committee operates in accordance with article 44 of law 4449/2017 as amended by article 74 of law 4706/2012, articles 10, 15 and 16 of law 4706/2012 and EU Regulation No. 537/2014 , the Greek Corporate Governance Code that the Company has voluntarily adopted (http://www.helex.gr/el/esed) and the provisions of the Company's Operating Regulations. The Audit Committee has the following obligations:

a) Regarding the supervision of the regular audit:

- Is responsible for the selection process of the regular auditor and makes proposals to the Board of Directors regarding the appointment, reappointment and removal of the regular auditor, as well as for the remuneration and the terms of employment of the regular auditor under Article 44 of the "Audit Committee". Law 4449/2017 and article 16 of Regulation (EU) 537/2014 which will be approved by the General Assembly.
- Examines and monitors the independence of the regular auditor and the objectivity and effectiveness of the audit process, taking into account the relevant professional and regulatory requirements in Greece.
- Examines and monitors the provision of additional services to the Company by the auditing company to which the regular auditor/s belongs for this purpose, has developed and implements a procedure for approving the receipt of non-auditing services by the auditing company that performs the statutory audit of the individual and consolidated financial statements of the Group companies and supervises its implementation.
- Reviews the financial reports before their approval by the Board of Directors in order to assess their completeness and consistency in relation to the information provided as well as the accounting principles applied by the Company and informs the Board of Directors.
- Arrange meetings with the Management / competent executives during the preparation of the financial reports as well as the certified auditor during the planning and control stage, during its execution as well as during the preparation stage of the audit reports.
- It is informed about the procedure and the schedule for the preparation of the financial information by the Management and for the annual program of mandatory audit by the certified auditor.

- Receives from the regular auditor a supplementary report pursuant to Article 11 of Regulation (EU) 537/2014 which includes the results of the statutory audit and any weaknesses in the internal control system, in particular the weaknesses of the financial reporting procedures of the financial statements and informs the Chairman, the CEO and the Board of Directors of the company.
- Informs the BoD of the outcome of the statutory audit and explains how the statutory audit contributed to the integrity of the financial information and what the EU's role was in the process.
- Monitors the performance of the external auditors taking into account any findings and conclusions of the competent authority in accordance with paragraph 6 of Article 26 of Regulation (EU) No. 537/2014.

b) With regard to the financial information process and the system of internal control, regulatory compliance and risk management, the Audit Committee:

- Monitors the financial information process and submits recommendations or proposals to ensure its integrity and the reliability of the Company's financial statements.
- Supervises any official announcement regarding the financial performance of the Company (announcements, press releases), informs the Board of Directors about its findings and submits improvement proposals if it deems necessary.
- Inspects the Company's internal financial controls and monitors the effectiveness of the Company's internal control, regulatory compliance and risk management systems. To this end, the Audit Committee periodically reviews the company's internal control and risk management system to ensure that key risks are properly identified, addressed and disclosed. It informs the Board of Directors of its findings and submits proposals for improvement if it deems it necessary.
- Examines and evaluates in detail important issues such as:
    - Significant judgments, assumptions and estimates in the preparation of the financial statements
    - The valuation of assets at fair value.
    - Assessing the recoverability of assets.
    - The adequacy of disclosures about the significant risks faced by the Company.
    - The significant transactions with related parties.
    - The significant unusual transactions.
    - Adherence to accounting principles and standards and any changes from the previous year.
- Examines conflicts of interest during the Company's transactions with related parties and submits relevant reports to the Board of Directors,
- Examines the existence and content of those procedures, according to which the Company's employees may, in confidence, express their concerns about possible illegalities and irregularities

in matters of financial information or other issues related to the operation of the Company. The Audit Committee ensures that there are procedures for the effective and independent investigation of such issues, as well as for their appropriate treatment.

- Examines the regulatory compliance system that includes the establishment and implementation of appropriate and up-to-date procedures, in order to achieve in time the full and continuous compliance of the Company with the applicable regulatory framework and to have at all times a complete picture of the degree of achievement of this purpose.
- Examines the policy and procedure for conducting periodic evaluation of the internal control system by persons who have proven relevant professional experience and do not have dependency relationships according to article 14 of Law 4706/2020.

c) Regarding the supervision of the Internal Audit Department, the Audit Committee:

- Ensures the efficient operation of the Internal Audit Department in accordance with standards for the professional implementation of internal audit.
- Identifies and examines the operating regulations of the Company's Internal Audit Department.
- Monitors and inspects the proper functioning of the Internal Audit Department and examines the quarterly audit reports of the Directorate.
- Ensures the independence of internal control, proposing to the Board of Directors the appointment and dismissal of the head of the Internal Audit Department.
- Has regular meetings with the head of the Internal Audit Department to discuss issues within his competence as well as problems that may arise from the internal audits.
- The head of the Internal Audit Department reports administratively to the Chief Executive Officer and functionally to the Audit Committee.
- The head of the Internal Audit Department submits to the Audit Committee an annual audit program and the requirements of the necessary resources as well as the consequences of limiting the resources or the audit work of the unit in general. The annual audit program is prepared based on the assessment of the Company's risks after taking into account the opinion of the Audit Committee. The annual audit program is approved by the Board of Directors.
- Receives quarterly from the Director of Internal Audit a report on the progress of the work of the Internal Audit Department of the Company and presents it to the Board of Directors of the Company along with its observations and findings.

e) Regarding sustainable development

- Includes in the report of activities submitted to the annual regular General Assembly Meeting, a description of the sustainable development policy followed by the Company.

The operation of the Audit Committee is described in detail in the Rules of Operation of the Audit

Committee (Audit Committee Charter) approved by the Board of Directors of the Company and posted on the Company's website (http://www.fourlis.gr). The Audit Committee shall use any resources it deems appropriate to fulfill its purpose, including the services of external consultants.

The Audit Committee from its establishment (beginning of 2003) until the end of 2020 held 77 meetings. Especially for the year 2020, the Audit Committee met eight (8) times and the participation rate of its members in the meetings was 88%. The 2020 meetings were attended on a case-by-case basis by the irector of Internal Audit, the Director of Controlling & Planning, the Director of Social Responsibility and Sustainable Development, and the external auditors. The discussions and decisions of the Audit Committee are recorded in minutes according to article 74 of L.4706 / 2020, which are approved via e-mail by the present members, according to article 93 of L.4548 / 2018. The duties of Secretary of the Audit Committee are exercised by the Secretary of the Board of Directors.

For the year 2020, the Audit Committee has prepared an Annual Report to the annual General Assembly Meeting of Shareholders of the Company which is included in section 17 of the Management Report of the Board of Directors.

In the context of its role, the Audit Committee for the year ended 31/12/2020, approved for the Company, fees of the regular auditors amounting to 7 thousand euros that relate to services beyond the control of financial statements (excluding regular audit services and issuance of a tax certificate amounting to EUR 37 thousand). Therefore, the percentage of non-audit services in relation to the audit services provided by the statutory auditor is 19.3%.

Nominations and Remuneration Committee

The Committee for the Promotion of Nominations and Remuneration of the Company has been established in order to support the Board of Directors, in the fulfillment of its obligations to the shareholders, regarding the assurance that the nomination of candidates for the Board of Directors is done in a meritocratic and objective manner, smooth succession of its members as well as the top executives with the aim of the long-term success of the Company. In the context of its role, the Nominations and Remuneration Committee identifies and proposes to the Board of Directors persons suitable for the acquisition of the status of a member of the Board of Directors, based on a procedure provided in its Rules of Procedure. For the selection of the candidates, it takes into account the factors and criteria determined by the Company, in accordance with the Suitability Policy that it adopts.

The Nominations and Remuneration Committee formulates proposals to the Board of Directors regarding the Remuneration Policy submitted for approval to the General Meeting (law 4548/2018, no. 112) and the remuneration of persons falling within the scope of the Remuneration Policy and executives of the Company, in particular the head of the internal control unit and examines the information included in the final draft of the annual salary report, providing its opinion to the Board of Directors before submitting the report to the General Meeting. The remuneration policies and practices adopted by the Company are characterized by fairness and responsibility and clearly link the performance of the Company with that of the individual.

In the context of its role, the Nomination and Remuneration Committee:

- Participates in the determination of the selection criteria and the procedures of promotion of the members of the Board of Directors.
- Submits proposals for the Diversity Policy including gender balance.
- Submits proposals to the Board of Directors for the nomination of its candidate members in the context of the approved Eligibility Policy.
- Carries out the process of determining and selecting candidate members of the Board of Directors within the approved Suitability Policy.
- Submits proposals to the Board of Directors for the revision of the Suitability Policy if required.
- Periodically evaluates the size and composition of the Board of Directors and submits proposals for consideration regarding its desired profile.
- Evaluates the existing balance of qualifications, knowledge, views, skills, experience related to corporate goals as well as between the sexes and based on this evaluation, describes the role and skills required to fill vacancies.
- Informs the Board of Directors about the results of the implementation of the Suitability Policy of the members of the Board of Directors and the taking of any measures in case of deviations.
- Examines the Annual Remuneration Report of the members of the Board of Directors.
- Submits proposals to the Board of Directors regarding the salaries of the members of the Board of Directors within the approved Remuneration Policy.
- Submits proposals to the Board of Directors for the revision of the Remuneration Policy if required.
- Informs the Board of Directors about the results of the implementation of the Remuneration Policy of the members of the Board of Directors and the taking of any measures in case of deviations.
- Submits proposals to the Board of Directors regarding the salaries of the Company's executives, in particular the head of the internal control unit.

For the year 2020, the Nominations and Remuneration Committee met three (3) times and the percentage of participation of its members in the meetings was 100%.

The operation of the Nominations and Remuneration Committee of the Board of Directors is described in detail in the Rules of Procedure of the Committee approved by the Board of Directors of the Company and posted on the Company's website (http://www.fourlis.gr). The Nominations and Remuneration Committee uses any resources it deems appropriate to fulfill its purpose, including services by external consultants.

Executive committee

In addition to the above Committees of the Board of Directors, an Executive Committee has been established and operates in the Company with advisory and recommendatory character as well as executive, to the extent that it is assigned specific executive responsibilities by the Board of Directors. The Executive Committee includes the Executive Members of the Board of Directors, the Managing Directors of its important subsidiaries and the Managers of Human Resources, Informatics and Finance Planning and Control and Management of Cash, Investor Relations and Risk Management.

Information on the number of shares held by the members of the Board of Directors and the executives of the Company

The total percentage of shares held by the members of the Board of Directors and the Executives is less than 20%.

The Company's Corporate Governance System includes:

- Diversity Policy
- Related Party Transfer Pricing Policy
- Policy of Conflict Interest
- Remuneration Policy
- Fit and Proper Policy
- Code of Conduct
- Internal Regulation Charter
- Risk Management System
- Internal Control System
- Regulatory Compliance System
- Internal Audit Unit
- Investors Relations and Corporate Announcements

In more details:

Policy of equal opportunities and diversity

Company's policy of equal opportunities and diversity is posted on its website (http://www.fourlis.gr) and briefly includes the following:

FOURLIS Group is committed to provide equal opportunities for all employees and qualified applicants for employment, at all levels of hierarchy, regardless of race, color, religion, national origin, gender, sexual orientation, age, disability, marital status, or any other characteristic protected by law. FOURLIS Group expressly prohibits any discrimination or harassment based on these factors.

Affirmative action will be taken to ensure that all employment decisions, including but not limited to those involving recruitment, hiring, promotion, training, compensation, benefits, transfer, discipline, and discharge, are free from unlawful discrimination.

The Group encourages a safe and healthy work environment, free from discrimination, harassment and retaliation. All employment-related decisions are based on an individual qualification, performance and behavior, or other legitimate business considerations.

FOURLIS Group will provide reasonable accommodation to otherwise qualified employees with a disability consistent with the law. What constitutes a reasonable accommodation depends on the circumstances and thus will be addressed by the Group on a case-by-case basis.

With a view to achieving a sustainable and balanced development, the Group sees increasing diversity at the Board & Executive Officers level as an essential element in supporting attainment of its strategic objectives and its sustainable development.

Certain minimum qualifications for Board members & Executive Officers candidates should possess, including strong values and discipline, high ethical standards, a commitment to full participation to the Board and its committees. Candidates should possess individual skills, experience and demonstrated abilities that help meet the current needs to the Group.

Board & Executive Officers' diversity is based on a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

All Board & Executive Officers appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Below, data on the proportion of each gender and age of Board members and Senior Executives are presented:

Representation percentages by gender and age of the Board of Directors and the management of FOURLIS HOLDINGS SA	2019	2020
Board of directors		
Men	78%	78%
Women	22%	22%
50- 60 years old	55%	55%
>60 years old	45%	45%
Executives		
Men	60%	60%
Women	40%	40%
50- 60 years old	100%	100%
Managers		
Men	44%	44%
Women	56%	56%
40 – 50 years old	63%	63%

50- 60 years old	38%	25%
>60 years old	0%	13%

Policy of Transfer Pricing transactions with related parties

The policy of conducting transactions between subsidiaries of the Company and related parties aims at the timely information of the desired transaction and approval obtaining before its implementation. The policy applies at any transaction value. In case of existing transactions, approval is required for substantial modification of contract terms in force (new customer, new transaction, expansion of the duration, credit terms amendment, pricing conditions amendment etc).

Policy of Conflict Interest

The Company has and implements a Conflict of Interest Policy in accordance with article 14 of Law 4706/2020. The Conflict of Interest Policy includes procedures for the prevention of conflicts of interest, measures for the disclosure and management of conflicts of interest and any cases and conditions that would exceptionally be acceptable for a member of the Board of Directors or Chief Executive Officer to have such interests that are significantly limited or properly managed.

All actual and potential conflicts of interest are subject to adequate communication, discussion, documentation, decision-making and proper management (ie, the necessary measures to reduce conflicts of interest are taken).

Remuneration Policy

The policy and principles of the Company regarding the form of executive and non-executive board members' remuneration as well as the calculation method of remuneration, including quantitative and qualitative criteria taken into consideration, are included in Remuneration Policy which has been approved by the Extraordinary General Assembly on 24/1/2020 and has been uploaded in the Company's website http://www.fourlis.gr. The Policy refers to the members of the Board of Directors (BoD) of

FOURLIS HOLDINGS SA and was conducted according to the EU Directive regarding stock options of shareholders (Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017) as it has been integrated in Greek legislation with L. 4548/2018.

Remuneration policy contributes to business strategy, long-term interests and viability of the Company and clarifies the manner of contribution. It sets out in detail not only the existing rights of the Board of Directors members and the Company's liabilities towards them, but also the terms based on which the remuneration will be provided in the future. The policy applies for four (4) years, unless revised and/or amended earlier with resolution of the Shareholders' General Assembly of FOURLIS HOLDINGS SA.

Nomination and Remuneration Committee will review on an annual basis if the policy is still compatible with the Company's business strategy or if amendments need to be proposed to the Board of Directors.

Every four (4) years or earlier if an amendment need arises following recommendation of the Committee, the Board of Directors will submit for approval any Policy changes they consider appropriate at the General Assembly of the Company's shareholders.

Remuneration Committee takes into consideration the existing legislation, good corporate governance practices, Greek Code of Corporate Governance, Articles of Incorporation and Rules of Procedure on Internal Organization of the Company. The Policy recognizes the current rights and obligations at members of the Board of Directors and defines the terms based on which the future remuneration may be provided to the existing or/and new members of Board of Directors for as long as the policy is valid.

No member of the Board of Directors does not make decisions nor is responsible for its own remuneration. The Remuneration and Nomination Policy will secure the fact that no person will be present at the discussion regarding its remuneration.

More analytically:

The Company pays both the executive and the non-executive members of the Board of Directors taking into account the principle of fair and reasonable remuneration for the best and most appropriate individual for the relevant position considering at the same time the level of responsibility as well as the knowledge and the experience required in order to meet the expectations, ensuring at the same time its short-term and long-term business plan, so that it can continue to create value for the customers, the shareholders, the employees and the economy of the countries in which it runs its business activities.

Remuneration Policy of executive members of the Board of Directors

Remuneration Policy of executive members of the Board of Directors contributes in business strategy, long-term interests and viability of the Company:

- Providing a fair and proper level of a standard fixed remuneration which allows the executive members to focus on the creation of a viable long-term value.
- Balancing the short-term and the long-term remuneration in order to be ensured that short-term goals which will lead long-term to the creation of a value are targeted.
- Offering short-term variable remuneration with performance criteria which harmonize the interests of the executive member to the interests of the shareholders.
- Including long-term variable remuneration against titles with long-term performance criteria, which contribute in the creation of a value.

The Policy does not provide for variable remuneration for the non-executive members of the Board of Directors so that it can be guaranteed that there is no conflict of interests in decision-taking of the non-executive members and in their option to doubt the decisions of the Board of Directors when these result in risk-taking by the Company.

The Remuneration Policy of Board Executive members, apart from the aforementioned, also takes into account other significant factors for the determination of the remunerations such as the knowledge and the experience required for the achievement of the objectives of the Business plan of the Company.

The Committee on Nominations and Remunerations and the Board of Directors are informed regularly about the structure of the remuneration and the policies followed inside the Company, as well as about the market trends in the specific issue (annual researches on remuneration and benefits). These data are considered upon revision of the Policy.

Remuneration of the executive members of the BoD include a standard/fixed remuneration, participation in short-term program of variable remuneration MBO (Management by Objectives), participation in long-term program for the provision of incentives (Stock option rights), retirement benefit, liability insurance for Directors and Officers and other benefits such as private health insurance, life insurance, company car / car benefit and fuel card.

Remuneration Policy of non-executive members of the Board of Directors

In the determination of the remuneration level of the non-executive members of the Board of Directors, the market practice is taken into account, regarding the companies of a similar size on the basis of the stock market value, revenues, profits, complexity, structure and international dimension.

The non-executive members of the Board of Directors receive the basic remuneration and are paid additional remuneration in order to exercise the duty of presiding at the committees. The non-executive members of the Board of Directors do not have a participation right in any program for the provision of incentives.

To the non-executive members of the Board of Directors a remuneration is paid, which is standard and fixed and covers the time required for the exercise and execution of their duties. The said standard remunerations cover the attendance time in up to five (5) meetings of the Board of Directors and in up to five (5) meetings of the Committees of the Board of Directors including the time for transfers and preparation.

The maximum amount of the annual total basic remuneration is specified by the Board of Directors after proposal of the Committee on Nominations and Remunerations and is subject to approval by the Annual Ordinary General Meeting of shareholders.

There is no pre-determined level of annual remuneration or increase of remuneration nor a pre-specified maximum level of remuneration.

Fit and Proper Policy

The Company has a Fit & Proper Policy of the members of the Board of Directors which is approved by its Board of Directors and is submitted for final approval to the General Assembly Meeting of Shareholders of the Company. The first issue of the Fit & Proper Policy of the members of the Board of Directors based on the provisions of Law 4706/2020 will be submitted for approval to the Annual General Assembly Meeting of Shareholders of 2021. After its approval the Suitability Policy will be posted on the Company's website. The basic concepts and principles of the Company Suitability Policy are the following:

- Fit & Proper Policy is the set of principles and criteria that are applied at least during the selection, replacement and renewal of the term of office of the members of the Board of Directors in the context of the assessment of individual and collective suitability.
- Individual suitability is the degree to which a person is considered to have as a member of the Board of Directors sufficient knowledge, skills, experience, independence of judgment, moral guarantees and a good reputation for performing his duties as a member of the Board of Directors of the Company, according to the criteria suitability set by the Company Fit & Proper Policy.
- Collective suitability is the suitability of the members of the Board of Directors as a whole.
- The Fit & Proper Policy aims to ensure the quality staffing, efficient operation and fulfillment of the role of the Board of Directors based on the overall strategy and medium-term business aspirations of the Company in order to promote the corporate interest.
- The Fit & Proper Policy is clear, adequately documented and governed by the principle of transparency and proportionality.
- The criteria for assessing individual suitability are general and apply to all members of the Board of Directors, regardless of their capacity as executive, non-executive or independent non-executive members.
- The composition of the Board of Directors reflects the knowledge, skills and experience required to exercise its responsibilities. This includes the requirement that the Board of Directors has an adequate understanding of the areas for which members are collectively responsible and has the necessary skills to exercise the actual management and supervision of the Company, including:

Its business activity and the main risks associated with it,

- Strategic planning,
- The financial reports,
- Compliance with the legislative and regulatory framework,
- Understanding corporate governance issues,
- The ability to identify and manage risks,
- The impact of technology on its activities,
- Adequate gender representation.

- The Fit & Proper Policy explicitly provides for adequate representation by gender of at least 25% of all members of the Board of Directors and in case of a fraction, this percentage is rounded to the previous whole.
- The Fit & Proper Policy refers to the Company's Equal Opportunities and Diversity Policy to ensure

that it has been taken into account when appointing new members of the Board of Directors.

- Monitoring the implementation of the Suitability Policy is the responsibility of the Board of Directors. The implementation of the Suitability Policy is assisted by the Internal Audit Unit, the Regulatory Compliance Unit, the Nominations and Remuneration Committee and the Corporate Secretary where required. The results of the Conformity Policy assessment are recorded as well as the actions to be taken to address any deficiencies identified at both the individual and collective level of conformity.
- The documentation regarding the approval of the Suitability Policy and any amendments thereto are kept in an electronic file.

Code of Conduct

The Company has adopted high standards of professional ethics ensuring the commitment and cooperation of all its executives. Its Code of Conduct includes the following standards:

Adherence to professional ethics

The employees of the Company undertake to behave ethically and lawfully, regardless of the position they hold or the place where they work and do not let their professional transactions be affected or appear to be influenced by their personal or family interests.

Corporate announcements

Only individuals authorized by the Board of Directors of the Company can contact the public bodies and the media and announce information about the activities and results of the Company's companies. The employees of the Company must ensure in every way the confidential nature of the privileged information they hold.

The working environment

The basic principle of operation of the Company is respect for people. The Company shows its respect for all those working by providing a positive, productive and safe working environment. The employees of the Company use its property, facilities and resources (human and material) only for the activities of the Company and not for personal reasons.

The Company recognizes the possibility of conflict of interest that may arise if relatives work in the same company. The Company has established policies regarding the use of personal electronic devices (computers, tablets, mobile phones, personal e-mails) for the access of employees to corporate systems / applications.

The Company respects the right to freedom of speech of all its employees as well as their right to use Social Media. The Company's employees, by voluntarily participating in the public or politics, not only improve their own social environment, but also contribute to the strengthening of the consumer's credit and the good name of the Company.

Trade and competition

The Company recognizes its responsibility in the interests of the countries where it trades. Complies with all laws and regulations and does not engage in commercial foreclosure.

Any agreement or liability (formal or informal, express or implied) between competitors to increase, decrease or stabilize prices is illegal and strictly prohibited.

Protection of the natural environment

The Company is committed to maintaining a responsible environmental attitude.

Confidentiality and protection of personal data of individuals

No employee may have access to the Company's confidential information unless he / she has a specific need related to the performance of his / her work.

The employees of the Company comply with all applicable provisions on the protection of personal and sensitive personal data and fully cooperate in any audits or investigations carried out both internally by competent executives of the Company and by public authorities and / or by private bodies that have undertaken this project.

Communication of cases of unethical behavior

The Company Code of Conduct is open 24 hours a day, and by calling it, one can report anonymously or anonymously, any concerns about violations of the Code of Conduct or non-compliance with applicable law.

Access to the Code of Conduct is achieved by calling from a mobile or landline, the number 210-6293010 while the email address: codeofconduct@fourlis.gr is also valid.

Internal Regulation Charter

The Company has an updated Operating Regulation in accordance with article 14 of Law 4706/2020 which includes:

- The organizational structure, the objects of the units, the committees of the Board of Directors or other standing committees as well as the duties of their heads and their reference lines.
- The report of the main characteristics of the Internal Audit System (IAC) which includes the internal control unit, risk management and regulatory compliance.
- The process of recruiting top executives and evaluating their performance.
- The process of compliance of persons holding managerial duties and persons having close links with them, with the obligations of Article 19 of Regulation (EU) 596/2014.
- The process of notifying any dependent relationship of the independent non-executive members of the Board of Directors and the persons who have close ties with these persons.
- The process of compliance with the obligations arising from the law on transactions with related

parties.

- The policies and procedures for the prevention and treatment of conflict of interest situations.
- The policies and procedures of compliance of the Company with the laws and regulations that regulate its organization and operation as well as its activities.
- The procedure available to the Company for the management of privileged information and the correct information of the public, in accordance with the provisions of Regulation (EU) 596/2014.
- The policy and procedure for conducting periodic evaluation of the Internal Audit System (IMS), by persons who have relevant professional experience and do not have dependent relationships.
- The training policy of the members of the Board of Directors, the executives as well as the other executives of the Company, especially those involved in internal control, risk management, regulatory compliance and information systems.
- The sustainable development policy followed by the Company.

The Company's Internal Regulation Charter and any amendments thereto are issued and approved by the Board of Directors. A summary of it is included on the Company's website.

Risk Management System

Risk management presupposes the definition of objective goals based on which the most important events that can affect the Company are identified, the relevant risks are assessed and the Company's response to them is decided.

The adequacy of the Risk Management System is based on:

• The nature and extent of the risks it faces,

• To the extent and categories of risks that the Board of Directors deems to be within acceptable limits for the Company,

• The possibility of implementing the risks,

• The Company's ability to reduce the impact of the risks that are ultimately realized,

• The operating costs of specific safeguards, in relation to the benefit of risk management.

Risk management is a process that:

• is carried out by the executives and other employees of the Company.

• is designed to identify potential events that may affect the Company.

• manages the risks in the context of taking risks determined by the Board of Directors, in order to have reasonable certainty about the achievement of the Company's objectives.

The methodology used for risk management is divided into four phases:

• Defining objective objectives: The objectives of the Company are defined at a strategic level, in collaboration with the Management. The Company faces various risks from external and internal sources.

Setting clear objectives is a prerequisite for effectively identifying, evaluating and addressing risks / events. The objectives of the Company are in line with the view of the Management for taking risks.

• Risk identification: Risk identification is based on the accumulated knowledge and experience of the Management, employees and other bodies of the Company and is carried out through structured discussions. Each working group has a facilitator who leads the discussion about the risks that may affect the achievement of the Company's goals.

• Risk assessment: The probability of risk is assessed based on the following approaches depending on whether the risk is recurrent or not: a) for recurrent risks, the frequency of their occurrence during the year, b) for continuous risks or risks that characterized by an incident, the probability of occurrence of the hazard in a given period of time. To assess the impact of a risk, the impact it will have on the assets and resources of the Company and the Group is examined. The effects can be: a) financial (loss of revenue, decrease in profits, decrease in return on investment), b) commercial (loss of customers or contracts, decrease in customer satisfaction), c) human and social (physical damage) integrity, degradation of the social climate, the requirements of liability), d) the image and reputation of the Company that are taken into account by all stakeholders (customers, suppliers, regulators, the general public).

• Risk response: After assessing the relevant risks, Management determines how the Company reacts. During this process, the Company examines the relevant costs and benefits of the risk response options, taking into account the measurable direct and indirect costs associated with the risk response. Opportunity costs associated with using resources to respond to risk are also taken into account.

The Company uses its Risk Management Methodology (Enterprise Risk Management Methodology) which follows the COSO Framework.

Internal Control System

The Internal Control System of the Company, includes all the policies, procedures, tasks, behaviors and other elements that characterize it, which are implemented by the Board of Directors, the Management and its other employees and have as objectives:

• The consistent implementation of the business strategy with the effective use of available resources.

• The identification and management of essential risks associated with the business and operation of the Company.

• The efficient operation of the internal audit unit.

• Ensuring the completeness and reliability of the data and information required for the accurate and timely determination of the financial situation of the Company and the preparation of reliable financial statements as well as the non-financial situation,

• Compliance with the regulatory and legislative framework as well as the internal regulations governing the Company.

The business objectives, the internal organization and the environment in which the Company operates are constantly changing. As a result, the risks it faces are changing. Therefore, an adequate and effective Internal Control System (ICS) requires periodic reassessment of the nature and extent of the risks to which it is exposed. In any case, the purpose is not the elimination (which is impossible), but the management of these risks in a framework desirable for the Company.

There are 5 key components of an Internal Control System (IAC):

• the control environment,

• risk assessment,

• the safety valves,

• information and communication,

•the monitoring.

Control Environment

The control environment is the foundation of the Internal Control System (ICS) applied by the Company. It affects the way business strategies and goals are developed, the structure of corporate processes as well as the process of identification, evaluation and overall management of business risks. It also affects the design and operation of safety valves, information & communication systems as well as the monitoring mechanisms of the Internal Control System (ICS).

The control environment is essentially the sum of many sub-elements that determine the overall organization and management and operation of the Company.

Risk Assessment

The adequacy and effectiveness of the Company's Internal Control System (ICS) is based on: a) the nature and extent of the risks it faces, b) the extent and categories of risks that the Board of Directors deems acceptable to undertake, c) the probability of implementation of the d) the Company's ability to reduce the impact of the risks that are ultimately implemented and e) the operating costs of specific safety valves, in relation to the benefit of risk management.

Risk assessment presupposes the definition of objective objectives. Based on these, the important events that may affect them should be identified, the relevant risks assessed and the Company's response to them decided.

Control Activities

Safety valves are the policies, procedures, techniques and mechanisms that are put in place to ensure that the decisions of the Board of Directors regarding the management of risks that threaten the achievement of the Company's objectives are implemented. They concern the whole Company and are executed by the executives of all levels (Board of Directors, Management, other employees) and in all corporate operations.

Safety valves consist of many categories of actions that vary in cost and degree of effectiveness, depending on the circumstances. They include approvals, authorizations, confirmations, operational performance reviews, asset security. They are part of the day-to-day work of employees and are integrated into corporate policies and procedures, which should be reviewed periodically in order to be properly updated.

Each applicable safety valve should be associated with the existence of relative risk, as otherwise its operation burdens the company with costs (direct or indirect), without providing benefits in terms of achieving its business goals. The cost-benefit ratio is taken into account when choosing between possible alternative safety valves to cover a risk.

Information & Communication

An element of the Internal Control System (ICS) is the way in which the Company ensures the recognition, collection and communication of information, at such a time and in a way that allows its various executives to perform their responsibilities. This flow can be in all directions, inside (from top to bottom, from bottom to top, horizontally) and outside the Company.

Monitoring

The monitoring of the Internal Control System (IMS) of the Company lies in the continuous evaluation of the existence and operation of the components of the internal control framework. This is achieved through a combination of ongoing monitoring activities as well as individual evaluations. The identified deficiencies of the Internal Control System should be reported to the highest levels of the Company, while the most important of them to the top management and the Board of Directors.

Periodic evaluation of the Internal Control System (ICS)

The periodic evaluation of the Internal Control System (ICS) is carried out in particular for the adequacy and effectiveness of financial information, on a separate and consolidated basis, as risk management and as regulatory compliance, in accordance with recognized evaluation and internal control standards. as well as the implementation of the corporate governance provisions of the current legal framework. The evaluation of the Internal Audit System is performed by an independent person who has proven relevant professional experience, according to the best international practices (indicative of the International Auditing Standards, the International Professional Standards Framework for Internal Audit and the Internal Audit of the COSO).

Regulatory Compliance System

The main mission of regulatory compliance is the establishment and implementation of appropriate and up-to-date policies and procedures, in order to achieve timely and full compliance of the Company with the applicable regulatory framework and to have at all times a complete picture of the degree of achievement of the purpose. The complexity and nature of the Company's activities, including the development and promotion of new products and business practices, have been assessed in order to establish the relevant policies and procedures.

Internal Audit Unit

The Internal Audit Unit operates in accordance with articles 15 and 16 of law 4706/2020, the Greek Code of Corporate Governance voluntarily adopted by the Company (http://www.helex.gr/el/esed) and the provisions of the Regulation Operation of the Company. The operation of the Internal Audit Unit is described in detail in the Rules of Operation of the Internal Audit Unit (Audit Committee Charter) approved by the Board of Directors of the Company and posted on the Company's website (http://www.fourlis.gr).

The responsibilities of the Internal Audit Unit include monitoring, control and evaluation:

• the application of the Company's Rules of Procedure, in particular as to the adequacy and correctness of the financial and non-financial information provided, risk management, regulatory compliance and the corporate governance code adopted by the Company.

• quality assurance mechanisms,

• corporate governance mechanisms,

• compliance with the commitments contained in newsletters and the Company's business plans regarding the use of funds raised from the regulated market.

The responsibility of the Internal Audit Unit includes the following:

• providing assurance that the risk recognition and management procedures applied by Management are adequate;

• providing assurance on the effectiveness of the internal control system,

• provision of assurance regarding the quality and reliability of the information provided by the Management to the Board of Directors regarding the internal control system.

The Internal Audit Unit is distinctly the 3rd line of defense of the Company and is independent of the other organizational units of the Company (IIA - The Three Lines Model).

The head of the Internal Audit Unit is appointed by the Board of Directors of the Company following a proposal of the Audit Committee, is a full-time employee, personally and functionally independent and objective in the performance of his duties and has the appropriate knowledge and relevant professional experience. It reports administratively to the Chief Executive Officer and operationally to the Audit Committee.

The Head of the Internal Audit Unit submits to the Audit Committee the annual audit program and the requirements of the necessary resources, as well as the consequences of limiting the resources or the audit work of the Internal Audit Unit in general. The annual audit program is prepared based on the assessment of the Company's risks after taking into account the opinion of the Audit Committee.

The head of the Internal Audit Unit attends the general meetings of the shareholders.

For its areas of responsibility, the Internal Audit Unit prepares reports to the audited units with any findings, the risks arising from them and suggestions for improvement if any.

These reports after the integration of the relevant views by the audited units, the agreed actions if any or the acceptance of the risk of non-action by them, the limitations on the scope of its control if any, the final internal audit proposals and its results response of the audited units of the Company to its proposals, are submitted quarterly to the Audit Committee. Also, the Internal Audit Unit applies periodic follow-up of the degree of implementation of the agreed actions and informs the Audit Committee. In addition, the Internal Audit Unit submits reports to the Audit Committee at least every three (3) months, including its most important issues and proposals regarding the above tasks, which the Audit Committee presents and submits with its comments to the Audit Committee. Board of directors. The Internal Audit Unit is responsible for the absolute safeguarding of the confidentiality of the data and the general confidentiality.

The Internal Audit Unit cooperates and coordinates its work with other organizational units of the Company that constitute the first and second line of defense and have similar security objectives (eg Regulatory Compliance Unit, Financial Planning and Control Direction) for the purpose of efficient and effective coverage of all areas of control interest (operational, financial, compliance), without overlapping with each other.

The Internal Audit Unit, at the request of the Management, may provide consulting services on issues such as: evaluation of procedures, information systems so that they are in accordance with the Internal Audit systems. The undertaking of consulting projects is approved by the Audit Committee and their type and duration should not interfere with the objectivity and independence of the Internal Auditors.

In case the subsidiaries operate separate Internal Audit Units, the Internal Audit Unit of the parent company ensures the uniform development and implementation of internal audit in the Group companies.

The head of the Internal Audit Unit provides in writing any information requested by the Hellenic Capital Market Commission, cooperates with it and facilitates in every possible way the task of monitoring, controlling and supervising by it.

Investors Relations & Corporate Announcements

The Investors Relations & Corporate Announcements takes care of:

- direct, accurate and equal information of the shareholders as well as their support, regarding the exercise of their rights based on the current legislation and the Company's Articles of Association,
- distribution of dividends and free shares, the issuance of new shares with cash payment, the exchange of shares, the period of exercise of the relevant pre-emptive rights or the changes in the initial time limits, such as the extension of the time of exercise of the rights,
- providing information on the regular or extraordinary general assembly meetings and the decisions

taken by them,

- acquisition of treasury shares and their disposal and cancellation, as well as the programs of distribution of shares or free distribution of shares to members of the Board of Directors and the employees of the Company,
- exchange of data and information with the Central Securities Depository and intermediaries, in the context of shareholder identification,
- wider communication with shareholders,
- informing the shareholders in compliance with the provisions of the law for the provision of facilities and information by the Company,
- monitoring the exercise of shareholder rights, in particular with regard to shareholder participation rates and the exercise of voting rights in general meetings,
- monitoring the exercise of shareholder rights, in particular with regard to shareholder participation rates and the exercise of voting rights in General Assembly Meetings,
- informing the shareholders through the necessary announcements concerning regulated information (article 91 L.4548 / 2018) and corporate events (article 104 L.4548 / 2018),
- compliance with the obligations set out in Article 17 of Regulation (EU) 596/2014 regarding the disclosure of preferential information and other applicable provisions.

g) If the company deviates from the Corporate Governance Code that applies, the Corporate Governance Statement includes a description of that deviation with reference to the relevant parts of the Corporate Governance Code and provides explanation for the deviation. If the company does not comply with certain provisions of the Corporate Governance Code, the Corporate Governance Statement includes a reference to the provision that is not applied and explains the reasons for that deviation.

The Company complies with the Hellenic Corporate Governance Code with minor deviations that are presented and explained in the following table.

Greek Code of Corporate Governance (first modification June 2013)	**Explanation/ Justification of deviations from special practices of the Corporate Governance Greek Code with the exceptions for smaller listed companies**
The members of the Board of Directors should be elected by the shareholders with a maximum term of four (4) years (special practice 5.1, Nomination of candidate members of the Board of Directors).	An amendment to the Company's Articles of Association is required, which is a decision of the General Meeting. It will be proposed as a change at the end of the term of the members of the existing Board of Directors.

Greek Code of Corporate Governance (first modification June 2013)	Explanation/ Justification of deviations from special practices of the Corporate Governance Greek Code with the exceptions for smaller listed companies
The evaluation of the effectiveness of the Board of Directors and its committees should take place at least every two years and be based on a specific procedure. This process should be chaired by the Chairman and its results should be discussed by the Board of Directors, while following the evaluation, the Chairman should take measures to address the identified weaknesses. The Board of Directors should also evaluate the performance of its Chairman, a process chaired by the Independent Vice-Chairman or other non-executive member, in the absence of an Independent Vice-Chairman (special practice 7.1, Board Evaluation). Non-executive members should meet periodically, without the presence of executives, in order to evaluate the performance of the executive members and to determine their remuneration (special practice 7.2, Evaluation of the Board of Directors).	The responsibilities of the Board of Directors are also the evaluation of its Committees. To evaluate the effectiveness of the Board of Directors, the Company has decided to use questionnaires completed by the members of the Board of Directors, which are prepared by the Corporate Secretary and presented to the Board of Directors usually at the last meeting of each year. To evaluate the effectiveness of the Audit Committee, the Company has resorted to the use of questionnaires completed by the members of the Board of Directors which are processed by the Corporate Secretary and presented to the Board of Directors usually at the last meeting of each year. The special practice of meetings of non-executive members without the presence of the executive for 2020 has not taken place.
If options are granted, they should not mature in less than three (3) years from the date of grant (special practice 1.2, Level and structure of fees).	The new options program will provide for the options to mature over a period of more than three (3) years from
The contracts of the executive members of the Board of Directors should provide that the Board of Directors may demand the return of all or part of the bonus, which has been awarded due to revised financial statements of previous years or generally based on incorrect financial data, used for its calculation. bonus (special practice 1.3, Level and structure of remuneration).	The existing contracts of the Company do not include this term.

The Hellenic Corporate Governance Code is posted on the website of the Hellenic Corporate Governance Council, at the address: http://www.helex.gr/el/esed.

16. Detailed biographical notes of members of the Board of Directors and senior executives

<u>Vassilis Fourlis, Chairman of the Board, Executive Member</u>

Personal information:

Nationality: Greek

Year of birth: 1960

Current positions:

Chairman of the Board of Directors of FOURLIS HOLDINGS SA, Vice Chairman of the Board of HOUSEMARKET S.A. (IKEA) and member of the Board of Directors of INTERSPORT SA.

Vice Chairman of the Board of IMITHEA SA (Henry Dunant Hospital Center) and member of the Boards of Directors of the Hellenic Foundation for European & Foreign Policy (ELIAMEP) and the Hellenic Society of Environment and Culture.

Previous Professional Experience:

He has been a member of the Boards of Directors of the Association of Enterprises and Industries (SEV), of the Hellenic Corporate Governance Council (ESED) of the company SA. TITAN Cement, OTE SA, Piraeus Bank, Vivartia A.E. as well as National Insurance.

In 2004 he was awarded the "Kouros Entrepreneurship" award by the President of the Hellenic Republic.

Academic Qualifications:

Master of Science in Management (International Business), Boston University/ Brussels, graduation year 1989

Master of City Planning (Economic Development and Regional Planning), University of California /Berkeley, graduation year 1985

Bachelor of Arts (Honors in Economics and Urban Studies), College of Wooster, graduation year 1983

Dafni Fourlis

Vice Chairman, Executive Member

Personal Data:

Nationality: Greek

Year of birth 1966

Current Positions :

Executive Vice President of the Board of Directors of Fourlis Holdings,

President of Board of Directors of Intersport Athletics SA,

President of Board of Directors of HOUSE MARKET (IKEA) member of Board of Directors HOUSE MARKET BULGARIA EAD

Academic Qualifications

Degree in General Business BA Deree College

Previous Professional Experience :

1989 – 2000 Marketing Department Wholesale of FOURLIS BROS SA

Eftichios Vassilakis, Independent Vice Chairman of the Board of Directors, Independent Non-Executive Member of the Board of Directors, Member of the Nominations and Remuneration Committee

Born in 1967. He holds a BA in Economics from Yale University and an MBA from Columbia Business School of New York. From 1991 to 1996 he worked as Leasing Manager at Autohellas S.A. - HERTZ and from 1992 to 1999 as General Manager of Vitacar S.A. - OPEL. He is a member of the Board of Directors of Technocar S.A. - SEAT and Chairman of the Board of AEGEAN AIRLINES SA (AEGEAN AIRLINES). He is Vice President of the Board. and CEO of Autohellas S.A. and Independent Vice President of HOUSEMARKET A.E. (IKEA). Since 1994 he is a member of the General Council of the Association of Greek Industrialists.

Lida Fourlis, Executive Board Member, Director of Social Responsibility and Sustainable Development

Personal information:

Nationality: Ελληνική
Year of birth: 1965

Current positions:

Advisor-Executive member of the Board of FOURLIS A.E. HOLDINGS (since 2008)

Vice Chairman of the Board of INTERSPORT ATHLETICS S.A. (since 2005)

Chairman of the Board of TRADE STATUS SA (DP… am stores) (since 2006)

FOURLIS Group Social Responsibility Director (since 2008)

Previous Professional Experience:

1989- 1997: FOURLI BROS SA- Marketing Department

As an executive of the Marketing Department, I actively contributed to the development of the marketing campaigns that concerned all the home appliance brands that the company represented at that time.

1998-2008: Director of FOURLIS Human Resources Group

When the company FOURLIS BROS was transformed into FOURLIS S.A., I created the Group Human Resources Department (upgrading the existing Personnel Department) and introduced in the procedures and policies modernized Human Resources management tools such as Performance Appraisals, Job Descriptions, Job Descriptions, etc.

2008-present: Director of Social Responsibility of FOURLIS Group

I created the Social Responsibility Department of the FOURLIS Group in order to develop those tools with which the Group will be able to have a positive impact on local communities, its people and the environment and help create the conditions for a sustainable future for all.

Academic Qualifications:

BA - Honours in Economics, American College of Greece - Deree College

MBA – Amos Tuck School- Darmouth College U.S.A.

<u>Ioannis Kostopoulos, Independent non Executive Member of the Board of Directors, Audit Committee Chairman</u>

Personal Data:

Citizenship: British

Year of birth: 1956

Residing in UK and Greece

Current positions:

Non-Exec. Board Member of **Frigoglass S.A. (**since 2015**)**

Non-Exec. Board Member of Fourlis S.A. (since 2007) and subsidiary company Housemarket SA (since 2016). Audit Committee Chair for both entities.

Supervisory Board Member of Austriacard AG. (since 2016)

Non-Exec. Board Member of DMEP Ltd, London (since 2020)

Founder and Managing Director of CCML Consulting Ltd (UK) (since 2018)

Senior advisor to PwC's Advisory Services in strategy development and performance enhancement projects (since 2018)

Previous Professional Experience:

2015-2020 SETE S.A. Geneva and SETE (London) Ltd. Senior Advisor. Geneva and London.

Based in Geneva, Zurich and subsequently in London worked as Senior Advisor and business consultant for a large Family Office. Most of the work was in the areas of sector and company strategic and investment reviews, business development projects and operational enhancement reviews.

2007-2015 Hellenic Petroleum S.A. Group CEO. Athens.

From 2007 to 2015 as Group CEO led a major transformation and performance-enhancement programme that doubled the Group's EBITDA generation capacity and strengthened the organisation's capabilities while upgrading and modernising the productive assets and focusing more on sustainability.

2004-2007 Hellenic Petroleum S.A. Executive Member of the Board. Athens.

Responsible for the International and Domestic Retail Operations, as well as Corporate Strategy & Business Development. Initiated the development of a new corporate strategy to strengthen the competitiveness of the Group's core activities, broaden its regional footprint and transform it from a local oil refining player into a regional and broader-based energy Group.

2001-2003 Petrola S.A. CEO. Athens.

As CEO, drove a restructuring and cost-cutting programme, enhancing overall competitiveness and helped built market share in the domestic market. Subsequently, went on to develop a new regional growth strategy that led to the merger with Hellenic Petroleum S.A. and creating a group with the necessary scale to compete in the regional Southeast Europe and East Med. markets.

1997-2000 Johnson & Johnson. Athens and Zug. Regional Director, CEE Region.

As Regional Director, led the J&J Consumer businesses across the CEE region that included ten operating subsidiaries, during a difficult economic period. Achieved a successful turnaround and ensured that the businesses gradually returned to profitability and positive cashflow generation, while ensuring a sustainable future growth path.

1992-1997 Diageo Plc - METAXA. Athens and London. Managing Director

As Managing Director of DIAGEO's operations in Greece following the acquisition of the domestic distillery METAXA, was responsible for transforming and integrating a family-owned business into the global spirits Group. The business was completely and successfully transformed and delivered substantial market share gains and continuous profit growth over the 6-year period.

In addition to the MD's role, served also as the European region Programme Leader for two major Diageo Group initiatives.

1986-1991 Booz Allen & Hamilton. Principal. London.

As a Principal in the London office of this leading management consulting firm, initiated, led and successfully delivered numerous strategy and organisational development assignments for major clients in the financial services and the consumer goods sectors. Many projects led to repeat work and multi-million assignments for clients in Europe and the Middle East.

1982-1986 Chase Manhattan Bank. VP. New York and London.

Served as an Assistant Treasurer in the Corporate Division in New York for two years and as Vice President in Corporate Finance in London doing advisory work in risk management and project finance for European clients.

1980-1982 Procter & Gamble. Brand manager. Geneva.

As a Geneva-based Brand Manager in the Exports & Special Operations Division, was responsible for marketing a broad portfolio of P&G brands in the Arab Gulf markets and managing the local distributors' relationships.

Memberships in Industry Associations:

2008 to 2015 Member of the Board of SEV, the Hellenic Federation of Enterprises.
2011 to 2015 Vice Chairman of SEV's Sustainability Council.
2005 to 2009 Member of the Board of IOBE, the Institute of Economic Research of the Hellenic Federation of Enterprises.

Education:

BSc Honours in Economics - University of Southampton UK
MBA - University of Chicago USA

David W. Watson, Independent non Executive Member of the Board of Directors, Member of Audit Committee

Personal Data:

Citizenship: U.S. and Greek (European Union)

Year of birth: 1947

Residences: Casco, Maine, US and Athens, Greece

Current positions:

Currently serving as Non-Executive Director on two Boards:

easyGroup Holdings (since 2008), Monaco - easyGroup is the holding company for Sir Stelios Hadji-Ioannou's business interests in various easy-branded businesses. In addition to serving on the board I also serve as a protector for his Trust Company and as a member of the Stelios Philanthropic Foundation

Fourlis SA (since 2016), Athens, listed company on the ASE - Fourlis is a major retailing firm in Greece and southeastern Europe. It operates the IKEA franchise for Greece, Bulgaria and Cyprus. In addition to my role as a non-Executive Director I am also a member of the audit committee of the parent company and an audit committee member of its subsidiary company, Housemarket SA.

Previous Professional Experience:

- April 2002 to December 2005
  Business Manager at Eurobank

  Responsible for Subsidiary Banks in SE Europe, Athens, Greece

- June, 1998 to September, 2001
  Managing Director of Piraeus Bank, Athens, Greece

  Completed the operational merger of three banks.

- January, 1997 to May, 1998
  Country Corporate Officer for Citibank Egypt, Cairo, Egypt

- September, 1990 to December, 1996
  CEO of Xiosbank, Athens, Greece

  Xiosbank was a start up venture opening for business in 1990 during market deregulation.

- January, 1990 to August, 1990
  Deputy Division Risk Manager

  Citibank – Middle East and Southern Europe, London, UK

- April, 1987 to December, 1989
  Institutional Bank Business Manager for Citibank Greece, Athens, Greece

- June, 1985 to March, 1987
  Regional Manager of Business Risk Review

  Citibank – South East Asia, Manila, Philippines

- July, 1974 to May, 1985
  Citibank Greece

  Various Assignments - Corporate Banking

Academic Qualifications:

Northeastern University

Boston, Massachusetts

MBA

Elective emphasis on advanced accounting.

Miami University

Oxford, Ohio

BA

Seminars in Banking, Management and Business Strategy.

Ioannis Brebos, Non-Executive Member of the Board of Directors

He was born in 1940 in Fyli, Attica, has Greek citizenship and holds a Diploma in Electrical Engineering from the Technical University of Hannover, Germany. He worked at SIEMENS in Germany (1966-1967) and served as a Reserve Transmission Officer. In Drapetsonas Fertilizers (1969-1972) he worked as a Mechanical Engineer of new works and constructions. From 1972 to 1987 he worked in the company PITSOS SA starting as an Engineer - Investments and New projects, and then as Production Manager, Service Manager and finally as Marketing Manager of BLAUPUNKT. In the company ROBERT BOSCH SA (1987-1995) he worked as Commercial Director while at the same time he was a Member of the Board.

He was also a Member of the Board. of the company EUROSERVICE A.E. from 1993 to June 2002. From 1995 to 2002 he served as Managing Director and Deputy Chairman of the company BSP SA. From August 2002 to December 2005 he performed the duties of Managing Director of the company P. KOTSOVOLOS SA. He has been participating since 2002 as a non-executive member of FOURLIS HOLDINGS SA and until 2019 he was also a member of the Audit Committee.

Pavlos Tryposkiadis of Konstantinos Independent Non-Executive Member of the Board of Directors, Member of the Nominations and Remuneration Committee

He began his professional career at Coopers & Lybrand (1986-1987) in Chicago as a Business Consultant. He returned to Greece at the end of 1987 where he worked at Citibank N.A. (1987-1991) as Resident Vice President. Then he was a senior executive in industrial companies: VIVECHROM SA (1990-2002) initially as General Manager and then as CEO. PETZETAKIS SA (2002-2003) CEO. INFORM P. LYKOS SA (2003-2011) Executive Vice President and Deputy Chief Executive Officer. He then found himself in the field of private health, being the Managing Director of the Euroclinic of Athens and the Euroclinic of Children and a member of the Board of Directors of the Association of Greek Clinics.

He studied Business Administration at the Athens University of Economics and Business and holds an MBA from the Kellogg School of Management at Northwestern University.

He has been participating since 2013 as an independent non-executive member of FOURLIS HOLDINGS SA and since 2017 he is also a member of the Nominations and Remuneration Committee.

He was born in Athens in 1958 and has Greek citizenship. He is married and the father of three children.

Stelios Stefanou of Markos, Independent Member of the Audit Committee

Personal Data:

Nationality: Greek and Cypriot
Year of birth: 1962

Current positions:

2005 - to date Entrepreneur - MBO of METAXA plant. Exclusive producer of the METAXA brands, Skinos Mastiha, Green Cola soft drinks, 3 Cents soft drinks and other smaller brands. Haagen-Dazs Master Franchisee in Cyprus and Haagen-Dazs Franchisee in Greece.

2007 - to date Independent BoD Member and Audit Committee Chair of Elgeka SA

2016 - to date Independent BoD Member, Audit Committee and Remuneration Committee Chair of CNP Zois SA.

2020 - to date Independent BoD Member, Audit Committee and Remuneration Committees Chair of CNP Ασφαλιστική & CNP Cyprialife, in Cyprus.

2020 - to date Audit Committee Member of Fourlis Holdings SA and subsidiary company Housemarket SA.

Previous Professional Experience:

1985 – 1990 KPMG London Office - Last position, Senior Audit Supervisor

1990 - 1992 METAXA - Financial Planning & Analysis Manager

1992 - 1997 METAXA - Chief Financial Officer

1997 - 1999 METAXA - Managing Director and Head of UDV European Operations

1999 - 2005 METAXA - Managing Director and participation in JV with BOLS BV

2001 - 2004 Independent BoD Member of Hellenic Bank Unit Trust

Education:

1982 - 1985 THE LONDON SCHOOL OF ECONOMICS

Bsc in Econ Honours (Accounting & Finance)

1985 - 1990 KPMG PEAT MARWICK - London Office

FCA - Member of the Institute of Chartered Accountants in England and Wales

Apostolos Petalas, Chief Executive Officer, Executive Member of the Board of Directors

Personal Data:

Nationality: Greek

Year of birth: 1960

Professional Experience:

2007-Until today Fourlis Group

Group CEO

- IKEA Franchisee in Greece, Bulgaria, Cyprus
- Intersport Franchisee in Greece, Romania, Bulgaria and Turkey (140 stores)
- Distributor of Samsung, General Electric, Liebherr & Körting companies in Greece and Romania until 2011
- Main tasks include Strategic Directions, Development of New Activities, Organizational Planning & Development, Communication with Investors, Development of relationships with business partners and key shareholders, Setting goals & performance
- Report to the Board of Directors of the Group

1999 - 2006 PBG (Pepsi Bottling Group), Greece

Chairman & CEO

- Responsible for Greece (Production, Sales, Marketing & Distribution) and the Operation of PepsiCo Franchise Operations in Cyprus and the Balkans
- Complete portfolio of Carbonated Soft Drinks, Mineral Water (Natural & Carbonated), Natural Juices, Iced Tea and Isotonic Drinks
- Revenue € 130 million, 3 Production Factories, 200 Distributors, 700 Employees, Distribution Channels (Retail, On the Go, Wholesale, Exports)
- Reference to European and Global Central Administration

1996 - 1998 PEPSICO Greece

	Finance Director
	Reference to the General Directorate of Greece and the central Financial Administration
1990 – 1995	PEPSICO Greece
	Financial Controller
	Report to the Chief Financial Officer
1985 – 1990	Colgate–Palmolive Greece
	Cash and Costing Manager
	Report to the Chief Financial Officer

Academic Qualifications:

1992-1993	PepsiCo Executives Strategic Development Program (international)
1978-1982	University of Piraeus, Department of Business Administration

Other Information:

Independent Member of the Board and a member of its Audit Committee AS Company SA, Member of many Associations in Greece, indicative: SEVT, SELPE, SEV EASE, Hellenic American Chamber etc.

Ioannis Zakopoulos, Company Secretary

Personal Data:

Nationality: Ελληνική
Year of birth 1958

Professional activity:

1/1986 - today	Law - Legal Advisor of companies, with specialization in commercial law

Other activities:

6/2020 – today	Member of the Board of Directors of "FLEXUS INVESTMENT S.A. "

6/2012 - today	Member of the Board of Directors of the company "RENTIS REAL ESTATE INVESTMENTS SA"
2/2011 – today	Company Secretary of "FOURLIS HOLDINGS SA"

Academic Qualifications

1982 - 1983 DESS Banque et Finances, Université Paris I Panthéon - Sorbonne (Master's degree in Banking Law)

- Diploma thesis on "Le controle des changes relatif aux importations et aux exportations" (The exchange control related to imports and exports")
- Internship at the National Bank of Greece (France)

1981 - 1982	DEA Droit des Affaires et Droit Economique, Université Paris I Panthéon - Sorbonne (Master Degree in Business Law and Financial Law)
1976 - 1981	Degree in Law, Law School of the University of Athens
1970 - 1976	Varvakeios Model School

Military service:

1983 - 1985 Air Force

Foreign Languages:

English, French

George Alevizos, Chief Financial Officer (Treasury, IR and Risk Management)

Personal Data

Nationality: Ελληνική

Year of birth 1967

Current positions:

03/2000 - Today

Chief Financial Officer (Treasury, IR and Risk Management)

Key responsibilities:

Financing & Capital Purchase (Capital Markets)

Negotiation, documentation and structure of bond loans, syndicated loans, long-term loans, cross-border loans, leases and special purpose financing (project financing). Guarantees and letters of support. Relations with regulatory and supervisory authorities (including the Hellenic Capital Market Commission and the Athens Stock Exchange) and ensuring compliance with applicable law.

Transactions

«Buy-side» and «sell-side» transactions (In Greece and abroad)

Cash Management

Cash pooling, Relations with cooperating banks

Risk Management

Currency and interest rate risk, derivatives, counterparty risk, operating risk management and hedging techniques.

Investor Relation

Organization of presentations and events with investors, corporate communication, press releases, announcements, company website.

Insurance

Property insurance against all risks, Liability, transnational coverage, Executive Insurance (Directors & Officers liability).

Previous professional experience:

XIOSBANK A.E. (Banking Sector)

04/1995 - 02/2000

Treasury Dealer (Negotiator Money Market and FX)

Negotiator Money market (Bonds, interest rate swaps) and foreign exchange trader (Spot, Forwards, SWAPS, Options). Certification of type "A" trader of the Derivatives Exchange.

GIZA BROS SA (Wholesale)

08/1994 - 04/1995

Credit Control Manager

Claims management in a family business distributing fast-moving consumer goods, snacks and food products.

Boards:

RENTIS Real Estate Investments SA - CEO and member of the Board

Trade Status A.E. (DPAM) - Chief Financial Officer and Member of the Board

HM Housemarket Cyprus Ltd (IKEA Cyprus) - Member of the Board

Intersport Athletics Cyprus Ltd - Member of the Board

Genco Trade SrL (Intersport Romania) – Administrator

Genco Bulgaria EOOD (Intersport Bulgaria) - Administrator

WYLDES Ltd –Director

VYNER Ltd - Director

South Sofia Ring Mall EAD - Director

Academic Qualifications

ALBA Graduate Business School, Athens, Greece

09/1993 - 09/1994

Master of Business Administration

University of Patras, Department of Mathematics

09/1985 -10/1990

Degree in Statistics, Probability and Business Research

2nd Lyceum of Kalamata,

1985 Graduation with honors (18 & 5/10)

Professional Certifications:

Advanced Real Estate (Euromoney)
Real Estate Finance (Euromoney)
Valuation Skills Workshop (KPMG)
Derivatives Exchange (ADEX Dealer / Class A Certification)
The Euro – Opportunities and Practical Issues (Euromoney)
Practical Risk Management with Derivatives (Euromoney)
Financial Market Mathematics (Euromoney)
ACI Diploma, Forex Education Ltd. (D. C. Gardner Training)
F. X. Options, (Forex Club - Greece)
M. M. Basics, (Forex Club - Greece)

Manolis Vidoris, IT Director

Personal Data

Nationality: Greek

Year of birth: 1963

Current positions:

2012 – today: I work at FOURLIS HOLDINGS SA. I am responsible for the strategic planning and development of the Information and telecommunication systems and infrastructures of the Group. I participate in the Group Management Boards in regular meetings in order to coordinate all parties for the optimal operation and development of activities. On a case-by-case basis, I participate in or monitor all of the Group's projects related to IT and telecommunications.

2004 - 2012: I worked at HOUSEMARKET SA, a subsidiary of FOURLIS HOLDINGS SA, which is the representative of the IKEA store chain for Greece, Bulgaria and Cyprus. I had the title of IT Operations Manager and the responsibility of the efficient operation of the IT department of the central services and the local IT departments of the Branches. • The smooth operation of the front-office systems Microsoft Dynamics Nav, LS Retail and Microsoft CRM. • I actively participated in the design and installation / configuration of the logistics infrastructure for the opening of all the Company's Branches and its subsidiaries in Greece, Cyprus and Bulgaria. • I participated in the project of transition of the Back-office system of Housemarket to SAP ERP. • I participated in projects to upgrade logistics infrastructure and applications at the company's facilities.

Previous Professional Experience:

2003 – 2014: Inchcape Group in Greece (Group Applications Development and Systems Administration Manager)

1999 – 2003: TOYOTA Hellas SA (IT Director)

1993- 1999: I.M.S. Informatics SA (Project Leader)

1988 - 1993: M.I.S. Ltd. (Analyst - Developer)

1987 - 1988: TOYOTA Hellas SA (Analyst - Developer)

1986 - 1988: ELSA SA (Programmer)

1985 - 1987: General Staff of Aviation (Computer Programmer)

Academic Qualifications

1981: Graduate of the Leontiou Lyceum of Patission

1985: Graduate of the Private Institute of Informatics. Specialty Analyst - Computer Programmer

Professional Certifications:

Microsoft (Microsoft Summit, Developers days, TechEd days

Online IBM OS/400 04/1994

Basis ΕΠΕ CASE Tool SYNON 2 for IBM AS/400. 10/1994

Ε.Ε.Δ.Ε. Project management. 05/1995

Infoquest AEBE Time Management. 04/1997

I.M.S A.E. INFORMIX Data Base, INFORMIX SQL 03/2000

Inchcape TOYOTA Retail Conference (Birmingham – Αγγλία) 04/2000

HP/Oracle E-services / E-business Executive Seminar 04/2001

Inspirandum PRINCE Project Management Methodology 10/2001

Ε.Ε.Δ.Ε. E-business Technology Seminar 02/2002

ALBA Project Management 07/2003

TMME TOYOTA Paneuropean IT Conference

Maria Theodoulidou, Group Finance Director (Controlling & Planning)

Personal Data

Nationality: Greek

Year of birth 1968

Current positions:

2000 – today FOURLIS Group

Financial Director of Planning and Control (2009 – today) & member of the Executive Committee

FOURLIS Group Internal Audit Manager (2000-2008)

Areas of professional experience: Financial Management and Financial Information, Controlling and Internal Control Systems, Taxation, Corporate Governance, Internal Audit, Risk Management, Risk Compliance and Compliance Functions.

Previous Professional Experience:

1995 – 2000 KPMG

Director of the Consulting Department (1999 - 2000), Chief Executive Officer (1997 - 1998),

Senior Advisor (1995 - 1996)

1993 - 1994 01 PLIROFORIKI

Project Manager

Academic Qualifications

University of Manchester, UK, M.Sc. in Operations Management

Technical University of Crete, Greece, Certified Production and Management Engineer (2nd in a row in admission)

19th General High School of Thessaloniki

Professional Certifications:

Certified Information Systems Auditor (CISA)

Certification in Control Self- Assessment /CCSA

Certification in Internal Audit /CIA

Certification in Environmental Audit

Certification as an ISO 9000 Internal Auditor

Memberships:

Member of BOD of INTERSPORT ATHLETICS SA

Member of BOD of HOUSEMARKET (CYPRUS) LTD

Member of BOD of TRADE ESTATES CYPRUS LTD

Member of BOD of H.M. ESTATES CYPRUS LTD

Independent Member of the Audit Committee of the Hellenic Electricity Distribution Network

Corporate Governance Committee of the Hellenic American Chamber of Commerce

BSE Corporate Governance Committee

BSE Tax Group Committee

Non-Executive Director's Club in Greece

Public Register of Internal Auditors of Greece

Technical Chamber of Greece

Panhellenic Association of Production and Management Engineers

Act-tlo Youth Professional Solidarity Initiative

Natasha Spirou, Group HR Director

Natasha Spirou has been with FOURLIS Group, since 2008, holding the position of Group HR Director, responsible for all countries the Group is operating.

Through her professional working experience she acquired a vast experience, in various market sectors, in the field Human Resources.

She started her career in Human Resources in 1986, as Learning & Development Manager at Pirelli Hellas SA and then she joined AB Vassilopoulos – Group Delhaize Le Lion, holding the same role.

She took over the role of HR Director at STET Hellas SA and then took over the Group HR Director position at M.J.MAILLIS Group, with the aim to formulate the HR strategy, in all countries the Group operated.

As of 2002 till 2008, she joined Tellas SA, a startup company, consortium of PPC and WIND Italia, in the telecommunication market (fixed telephony and internet).

Throughout her professional career her motives have been the management of new challenges as well as the accomplishment of measurable results, through people.

She is a graduate of Italian Literature & Philosophy (Aristoteleion University of Thessaloniki, 1980 – 1984), while she has done studies on Marketing (1980 – 1982).

Angeliki Bogdanou, Director of Internal Audit

Personal Data

Nationality: Greek

Year of birth 1977

Current positions:

2018 - today: GROUP Internal Audit Manager, FOURLIS HOLDINGS SA
Preparation and execution of the Internal Audit Plan based on the risk assessment
Checking the effectiveness of safety valves and writing reports
Improvement proposals and action agreement with business leaders
Report to the Audit Committee

Previous Professional Experience:

Apr 2016 - Dec 2017: SOX & Compliance Manager, Travelport - London, UK
Management of compliance issues with the requirements of Sarbanes Oxley (SOX) legislation concerning the design, recording, control, corrective actions of internal safety valves

Jan 2016 - Mar 2016: Internal Audit Manager (IT), Global Fashion Group (GFG) - London, UK

Information systems internal control management and participation in operational audits based on the annual audit program

Management support in matters of design and recording of general information security systems
Audit Data Analytics Design

May 2013 - Dec 2015: Internal Control Manager, OTE Group - Maroussi, Greece
Management support for the design and implementation of the internal control system
Recording and controlling the effectiveness of internal safety valves
Sep 2003 - Apr 2013: Risk Assurance Manager, PwC - Chalandri, Greece
Management of consulting and auditing projects related to: evaluation of internal safety valves, risk assessment, bribery, regulatory compliance, evaluation of information systems and procedures, data analysis, implementation of systems

Academic Qualifications

2001 – 2002: University of Stirling, UK - MSc in Information Systems Management
2000 – 2001: Lancaster University, UK - MSc in Finance
1996 – 2000: University of Piraeus, Greece - Degree in Economics

Activities Report of the Audit Committee of FOURLIS SA HOLDINGS for the year 2020 (1/1-31/12/2020)

To the annual General Meeting of Shareholders of the year 2021

Ladies and Gentlemen Shareholders,

This report of the activities of the Audit Committee concerns the period of twelve months of the closing year (1/1-31/12/2020). The report was prepared and is harmonized with the provisions of law 4449/2017 as amended by article 75 of law 4706/20120 and aims to inform you about the activities of the Audit Committee based on its responsibilities.

In more details:

During the year 2020, the Audit Committee held eight (8) meetings. Depending on the topics of the meetings, the heads of the departments responsible for Financial Information, Internal Audit, Sustainable Development as well as the certified auditors were invited to participate. The relevant information material (internal audit reports, administrative reports, certified auditors' reports and presentations, financial and non-financial information, etc.) was distributed in time to the members of the Committee for study in order to express an opinion. Minutes were kept for the meetings of the Audit Committee in which the issues discussed were written down and approved by the present Members and notified to the Board.

The Audit Committee is composed of three members and consists of two independent non-executive members of the Board of Directors and an independent member elected by the General Assembly of 12/6/2020 who has sufficient knowledge in auditing and accounting. The members of the Audit Committee as a whole, have proven sufficient knowledge in the field in which the company operates.

The Audit Committee has conducted a self-evaluation of its effectiveness and the results were discussed at the Board of Directors. The external evaluation of the Audit Committee will be carried out during the evaluation of the Internal Audit System based on article 14 par. I of law 4706/2020. In exercising its responsibilities, the Audit Committee had unhindered and full access to all the necessary information and was provided with the necessary resources and infrastructure for its efficient operation.

In addition, during the fiscal year 2020:

1. Regarding the **supervision of the regular audit**, the Audit Committee:

- Provided its consent for the proposal of the Board of Directors to the General Meeting of Shareholders for the re-appointment of the auditing company EY for the mandatory audit of the Company and the consolidated financial statements for the year 2020.
- Met three (3) times with the auditor of FOURLIS HOLDINGS SA, two before the publication of its financial statements, interim and annual, and one for information purposes on the schedule and planned audit procedures of year end 2020.
- Examined the audit program and the audit approach of the mandatory audit of EY for the year 2020.
- Upon completion of the annual statutory audit and the interim review, it received from the regular auditor the supplementary report under Article 11 of Regulation (EU) 537/2014 with the results of the statutory audit and informed the Board of Directors about the above.
- Monitored the services provided by the Certified Auditors in the context of the statutory audit and evaluated their performance, taking into account any findings and conclusions of ELTE.
- Reviewed and monitored the implementation of the procedure «Approval of receipt of non-audit services by the auditing company that performs the statutory audit of the separate and consolidated financial statements of the Group companies», approving the receipt of non-audit services to ensure the independence of Certified Auditors. For the Group, the percentage of other fees (Non-audit services) in relation to the audit services amounted to 26.2% and for the Company to 18.3%.

2. Regarding the financial information process and the system of internal control, regulatory compliance and risk management, the Audit Committee:

- Prior to their approval by the Board of Directors, examined the financial statements (separate and consolidated) of FOURLIS HOLDINGS SA, and taking into account the content of the supplementary report of the Certified Auditor, positively assessed their completeness and consistency and informed the Board.
- Was informed extensively by the competent bodies of the Management and the certified auditors about the key audit matters, the important estimates, assumptions and estimates during the preparation of the financial statements.
- Evaluated the adequacy and effectiveness of the Internal Audit System, taking into consideration the content of the audit reports of the Internal Audit Department.
- Evaluated the adequacy and effectiveness of the Risk Management System and especially the risks arising from the COVID-19 pandemic.
- Evaluated the adequacy and effectiveness of the Regulatory Compliance System.

3. Regarding the supervision of the **Internal Audit Department**, the Audit Committee:

- Approved the annual audit program of the Internal Audit Department, evaluating the process of its formation. Confirmed that the annual audit program of 2020 was prepared based on the main risks (financial information, operational, regulatory compliance, financial) faced by the Group companies.
- Approved the revision of the annual audit program, following a reassessment of the risks that arose due to the COVID-19 pandemic.
- Monitored the implementation of the annual audit plan and evaluated the effectiveness of the Internal Audit Department, through the quarterly reports of the Head of the Department and the annual report.
- Monitored the progress and effectiveness of the audit work, evaluating, through the quarterly reports, the findings identified, the corrective actions agreed to address the findings and the progress of their implementation.
- Approved the revised version of the Internal Audit Charter which is published on the website (http://www.fourlis.gr).
- Was assured of the adequacy of resources of the Internal Audit Department and was informed about the training plan of its executives.

4. Regarding **sustainable development**:

In the Sustainable Development and Social Responsibility Report that the Group publishes, already for the twelfth (12th) year and has been prepared in accordance with the standards for the preparation of Sustainable Development Reports (GRI Standards, 2016 edition), the practices followed and the results achieved in matters of interest of our Social Partners, for the development of a responsible business environment are presented in detail. The FOURLIS Group endorses the United Nations Global Compact, the largest international voluntary initiative for responsible business activity since 2008. The FOURLIS Group has adopted the ESG Information Disclosure Guide of the Athens Stock Exchange (https://www.athexgroup.gr/el/web/guest/esg-reporting-guide). The annual Progress Reports of the FOURLIS Group as well as the Sustainable Development and Social Responsibility Reports that include the Progress Report (COP) of the Group regarding the 10 Principles of the Universal Pact, are available on the website (http://www.fourlis.gr).

The issues of sustainable development are discussed at least once a year in the Executive Committee in which executives of the Group’s companies participate, as well as executive members of the Board of Directors, who in turn transfer the issues of sustainable development to the other Members of the Board, in order to and according to the results of the materiality analysis, to set the priorities and set the respective objectives. The essential issues of the FOURLIS Group are regulatory compliance and business ethics, ensuring the health and safety of customers and visitors, the creation and distribution of immediate economic value to stakeholders, job creation, compliance, labeling and responsible product communication, advocating for the health, safety and employees' well-being, active and responsible social service, advocating for human rights at work and investing in education and employees' development.

The Audit Committee evaluated the above and concluded that the Group's actions, its organization as well as the policies and procedures in force, constitute an adequate framework and promote sustainable business and a better future for all the Social Partners and the Group.

The Board of Directors approved the revised version of the Audit Committee Charter which is published on the website (http://www.fourlis.gr).

Marousi, March 22 2021

The Audit Committee

John Costopoulos	David Watson	Stylianos Stefanou
Chairman	Member	Member

17. Subsequent Events

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

- those mentioned in Note 6 of the Report of Board of Directors and are related to the exercise of stock options of the SOP,
- on 05/03/2021 the subsidiary TRADE LOGISTICS SA issued a bond loan amounted € 13 million maturity on 30/12/2028.

This Report, the Annual Financial Statements of the year 2020, the Notes on the Annual Financial Statements along with the Auditors Report, they are published at the Group's web site, address: http://www.fourlis.gr. At the same web address, all Annual Financial Statements, Audit Reports and Board of Directors Reports of the companies which are consolidated and they are not listed and which cumulatively represent a percentage higher than 5% of consolidated revenues or assets or operating results after the deduction of minority shares proportion, are published.

Maroussi, March 22th 2020

The Board of Directors

The Financial Statements (consolidated and separate) included in pages 119 to 198 are in accordance with the IFRS as applied in the European Union and approved by the Board of Directors of "Fourlis Holdings SA" on 22/3/2021 and are signed by the following:

Chairman of the Board of Directors	CEO
Vassilis St. Fourlis	Apostolos D. Petalas
ID No. AM - 587167	ID No. AK - 021139

Finance Manager Controlling & Planning	Chief Accountant
Maria I. Theodoulidou	Sotirios I. Mitrou
ID No. T - 134715	ID No. AI – 557890
	Ch. Acct. Lic. No. 30609 A Class

ERNST & YOUNG (HELLAS)
Certified Auditors – Accountants S.A.
8B Chimarras str., Maroussi
151 25 Athens, Greece

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Fax:+30 210 2886 905
ey.com

THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of FOURLIS HOLDINGS S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of Fourlis Holdings S.A. (the Company), which comprise the separate and consolidated statement of financial position as of December 31, 2020, and the separate and consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying separate and consolidated] financial statements present fairly in all material respects the financial position of Fourlis Holdings S.A and its subsidiaries (the Group) as at December 31, 2020 and its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated in Greek Law. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report. We remained independent of the Company and Group throughout the period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, together with the ethical requirements that are relevant to the audit of the consolidated 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters and the related risks of material misstatement, were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the separate and consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying separate and consolidated financial statements.

Key audit matter	How our audit addressed the Key audit matter
Valuation of inventories (consolidated financial statements)	

ERNST & YOUNG (HELLAS)
Certified Auditors – Accountants S.A.
8B Chimarras str., Maroussi
151 25 Athens, Greece

Tel: +30 210 2886 000
Fax:+30 210 2886 905
ey.com

In the consolidated statement of financial position of December 31, 2020, the Group presents inventories amounting to €91 million, which includes a provision for impairment of €3.5 million. As described in Note 3.14 of the consolidated financial statements, the Group records inventories at the lower of cost or net realizable value. Critical judgement and estimates are exercised by the Group management in identifying and assessing the amount of allowance for inventories, which include among other, estimation of the slow-moving inventories, estimation of obsolete inventories that will be destructed during the following period, evaluation of seasonality and estimation of the future selling prices of the products. We consider that because of the judgment involved in inventory valuation and the assumptions used by management, in combination with the significance of the amount of inventories to the Group financial statements, valuation of inventories is a key audit matter. Group discloses the related accounting policies and estimates, and the assumptions used for inventory valuation, in Notes 2.2, 3.14 and 13 of the consolidated financial statements.	We have performed the following procedures: • Historical costs and margins were tested on a sample basis through reconciliation of purchase cost and margins with the original purchase invoices and sales invoices. • We recomputed on a test basis the weighted average valuation method that is used to value inventories. • We assessed whether there were inventories which were sold with a negative margin and whether this was considered for inventory valuation at the lower of cost or net realizable value, considering the effects of COVID-19. • At year end, we attended on a part of inventory counts in Group stores and distribution centers, to validate on a sample basis whether there were indications of obsolesce,. • We assessed management's estimations for slow moving inventories through observing on a sample basis historical sales and seasonality, , considering the effects of COVID-19. • We evaluated the historical accuracy of allowance of inventories assessed by management by comparing on a sample basis the actual loss from inventory destruction, inventory write offs or other entries related to inventories to the historical allowance. • Furthermore, on a sample basis, we validated the mathematical accuracy of management's calculations for inventory provision. • We also assessed the adequacy of the disclosures which are included in the notes to the consolidated financial statements.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the Key audit matter</th></tr>
<tr><td colspan="2">Impairment exercise on stores, right of use assets related to stores, and stores within assets held for sale (consolidated financial statements)</td></tr>
<tr><td>
Financial statement line items “Property plant and equipment” and “Right of Use assets” on December 31, 2020 include net book value of stores amounting to Euro 174.9 million. In addition, the financial statement line item “Assets held for sale” includes Euro 182 million that relates to stores and investment properties regarding to the Real Estate Investment Company, as explained in note 9.
The Group, in most cases, considers that each store is a Cash Generating Unit, or based on facts and circumstances, a Group of stores is considered as a Cash Generating Unit.
In accordance with IFRS, where there are indications for impairment the Group performs an impairment exercise at Cash Generating Unit Level.
Due to the material carrying value of those assets as well as the judgment and assumptions involved in the identification of any impairment indication and the assessment exercised whether there is a need of impairment or not, we consider the impairment exercise on stores a key audit matter.
The impairment tests resulted to an impairment charge of €408K for Property plant and equipment, and an impairment charge of €1,195K for Right of Use assets.
Group discloses the related accounting policies and estimates, and the assumptions used for the impairment exercise on stores, in Notes 2.2, 3.7, 3.10, 3.17, 7, 8 and 9 of the consolidated financial statements.
</td><td>
Our audit procedures included, among others, the following:

We evaluated the Group policies to identify the Cash Generated Units.
We evaluated the Group policies to identify triggering events for potential impairment of assets in each Cash Generated Unit.
We evaluated management assumptions underlying the potential impairment calculation for those stores where a triggering event was identified. Valuation specialists supported the audit team.
We evaluated the management estimates for the future cash flows by performing the following audit procedures:
(a) We compared forecasted future cash flows of prior years with the actual cash flows, and
(b) We compared the future cash flows that were used in Group models with market available data and industry trends, considering the effects of COVID-19.
We reviewed the discount rate and residual value calculated by the Group with regards to the assumptions used, and compared them with the available industry trends and other financial information, considering the effects of COVID-19.
We evaluated the sensitivity analysis of the most significant assumptions used.
For the assets held for sale, we assessed at December 31, 2020: (a) the Group’s evaluation of the measurement of those assets at the lowest between their carrying amount and their fair value less costs to sell, and (b) the fair value of those assets, where we included the support of our valuation specialists.
We also assessed the adequacy of the disclosures which are included in the notes to the consolidated financial statements.

</td></tr>
</table>

Other information

Management is responsible for the other information in the Annual Report. The other information, includes the Board of Directors' Report, for which reference is also made in section "Report on Other Legal and Regulatory Requirements", the Statements of the Members of the Board of Directors, but does not include the separate and consolidated financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

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

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

The Audit Committee (Law 44 v.4449/2017) is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and its subsidiaries. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report and Corporate Governance Statement that is included therein, according to the provisions of paragraph 5 article 2 of Law 4336/2015 (part B), we report that:

a) The Board of Directors' Report includes a Corporate Governance Statement that contains the information required by article 152 of Law 4548/1920.
b) In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of article 150 and 153 and paragraph 1 (c and d) of article 152 of Law 4548/2018 and the content of the Board of Directors' report is consistent with the accompanying separate and consolidated financial statements for the year ended December 31, 2020.
c) Based on the knowledge and understanding concerning Fourlis Holdings S.A. and its environment, obtained during our audit, we have not identified information included in the Board of Directors' Report that contains a material misstatement.

Additional Report to the Audit Committee

Our opinion on the separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Group, in accordance with Article 11 of the EU Regulation 537/2014.

2. Provision of Non-audit Services

We have not provided any prohibited non-audit services per Article 5 of the EU Regulation 537/2014.

Non-audit services provided by us to the Company and its subsidiaries during the year ended December 31, 2020, are disclosed in note 6 of the separate and consolidated financial statements.

3. Appointment of the Auditor

We were firstly appointed as auditors of the Company by the General Assembly on June 11, 2010. Our appointment has been renewed annually by virtue of decisions of the annual general meetings of the shareholders for a continuous period of 11 years.

Athens, March 23, 2021

The Certified Auditor Accountant

SOFIA KALOMENIDES
S.O.E.L. R.N. 13301
ERNST &YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
CHIMARRAS 8B, 151 25 MAROUSSI
GREECE
SOEL REG. No. 107

FOURLIS
GROUP OF COMPANIES

Assets	Note	Group 31/12/2020	Group 31/12/2019	Company 31/12/2020	Company 31/12/2019
Non-current Assets					
Property plant and equipment	7	56.890	57.380	218	204
Right of use assets	8	123.317	113.902	1.250	1.416
Intangible Assets	10	8.947	9.468	207	225
Investments	11	27.465	29.803	91.132	80.700
Long Term receivables	12	4.979	5.145	47	47
Deferred Taxes	26	8.067	2.867	227	178
Total non-current assets		**229.664**	**218.564**	**93.082**	**82.771**
Current assets					
Inventory	13	90.982	88.663	0	0
Income tax receivable		543	407	5	5
Trade receivables	14	4.034	3.040	1.120	1.848
Other receivables	15	14.405	15.034	10.423	6.233
Cash & cash equivalent	16	115.440	40.978	550	729
Assets classified as held for sale	9	182.285	176.092	0	0
Total current assets		**407.689**	**324.214**	**12.097**	**8.814**
Total Assets		**637.353**	**542.779**	**105.178**	**91.585**
SHAREHOLDERS EQUITY & LIABILITIES					
Shareholders equity					
Share Capital	17	52.092	42.124	52.092	42.124
Share premium reserve		14.025	13.833	14.625	14.433
Reserves	18	27.384	29.248	14.694	16.268
Retained earnings		75.261	94.980	9.967	15.277
Total shareholders equity (a)		**168.762**	**180.185**	**91.378**	**88.102**
Non controlling interest (b)		0	0	0	0
Total Equity (c)=(a)+(b)		**168.762**	**180.185**	**91.378**	**88.102**
LIABILITIES					
Non Current Liabilities					
Non - current loans	22	136.356	104.617	77	0
Lease liabilities	23	111.628	101.771	1.016	1.178
Employee retirement benefits	20	7.214	5.896	868	653
Deferred Taxes	26	337	49	0	0
Other non-current liabilities	24	303	296	23	23
Total non current Liabilities		**255.839**	**212.629**	**1.984**	**1.854**
Current Liabilities					
Short term loans for working capital	22	16.853	16.991	0	0
Current portion of non-current loans and borrowings	22	51.356	7.638	0	0
Short term portion of long term lease liabilities	23	19.075	15.448	280	267
Income Tax Payable		271	298	0	20
Accounts payable and other current liabilities	25	104.542	87.706	11.536	1.342
Liability arising from assets held for sale	9	20.655	21.883	0	0
Total current Liabilities		**212.752**	**149.965**	**11.816**	**1.628**
Total liabilities (d)		**468.591**	**362.594**	**13.801**	**3.483**
Total Equity & Liabilities (c) + (d)		**637.353**	**542.779**	**105.178**	**91.585**

Statement of Financial Position (Consolidated and Separate) as at December 31, 2020 and at December 31,2019

(In thousands of Euro, unless otherwise stated)

The accompanying notes on pages 127 to 198 are an integral part of the Financial Statements.

		Group	
	Note	1/1 - 31/12/2020	1/1 - 31/12/2019
Revenue		370.577	466.322
Cost of Goods Sold	6,13	(217.542)	(263.889)
Gross Profit		**153.035**	**202.433**
Other income	6	13.168	8.017
Distribution expenses	6	(127.905)	(151.469)
Administrative expenses	6	(27.020)	(22.002)
Other operating expenses	6	(1.667)	(1.148)
Operating Profit		**9.611**	**35.831**
Total finance cost	6	(18.493)	(18.026)
Total finance income	6	662	451
Contribution associate companies profit and loss	6	(2.767)	1.284
(Loss)/Profit before Tax		**(10.987)**	**19.539**
Income tax	26	2.327	(7.606)
Net (Loss) /Profit (A)		**(8.661)**	**11.933**
Attributable to :			
Equity holders of the parent		(8.661)	11.933
Net (Loss) /Profit (A)		**(8.661)**	**11.933**
Basic (Losses)/ Earnings per Share (in Euro)	27	(0,1663)	0,2295
Diluted (Losses) / Earnings per Share (in Euro)	27	(0,1663)	0,2266

Income Statement (Consolidated) for the period 1/1 to 31/12/2020 and 1/1 to 31/12/2019

(In thousands of Euro, unless otherwise stated)

Revenue is meant as income from contacts with customers.
The accompanying notes on pages 126 to 198 are an integral part of the Financial Statements.

		Group	
	Note	1/1 - 31/12/2020	1/1 - 31/12/2019
Net (Loss)/ Profit (A)		**(8.661)**	**11.933**
Other comprehensive income/(loss)			
Other comprehensive income transferred to the income statement			
Valuation of financial assets available for sale		0	0
Foreign currency translation from foreign operations		(314)	(828)
Effective portion of changes in fair value of cash flow hedges	21,26	31	(71)
Total Other comprehensive income transferred to the income statement		**(283)**	**(899)**
Other comprehensive income not transferred to the income statement			
Actuarial (losses) / gains on defined benefit pension plan	20,26	(567)	(541)
Total Other comprehensive income not transferred to the income statement		**(567)**	**(541)**
Comprehensive (Losses) / Income after Tax (B)		**(850)**	**(1.440)**
Total Comprehensive (Losses) / income after tax (A) + (B)		**(9.511)**	**10.494**
Attributable to:			
Equity holders of the parent		(9.511)	10.494
Total Comprehensive (Losses) / Income after tax (A) + (B)		**(9.511)**	**10.494**

Statement of Comprehensive Income (Consolidated) for the period 1/1 to 31/12/2020 and 1/1 to 31/12/2019

(In thousands of Euro, unless otherwise stated)

The accompanying notes on pages 127 to 198 are an integral part of the Financial Statements.

	Note	Company 1/1 - 31/12/2020	1/1 - 31/12/2019
Revenue		4.229	4.424
Cost of Goods Sold	6	(4.051)	(4.485)
Gross Profit		**178**	**(61)**
Other income	6	1.395	1.344
Administrative expenses	6	(2.982)	(2.435)
Depreciation/Amortisation (Administration)		(407)	(382)
Other operating expenses	6	(10)	(66)
Operating Loss		**(1.825)**	**(1.600)**
Total finance cost	6	(59)	(68)
Total finance income	6	0	0
Dividends	19	7.000	6.200
Profit before Tax		**5.116**	**4.532**
Income tax	26	31	(1.332)
Net Profit (A)		**5.147**	**3.200**

Income Statement (Separate) for the period 1/1 to 31/12/2020 and 1/1 to 31/12/2019

(In thousands of Euro, unless otherwise stated)

Revenue is meant as income from contacts with customers.
The accompanying notes on pages 127 to 198 are an integral part of the Financial Statements.

	Note	Company 1/1 - 31/12/2020	1/1 - 31/12/2019
Net Profit (A)		**5.147**	**3.200**
Other comprehensive (loss)/ income			
Other comprehensive income not transferred to the income statement			
Actuarial (losses) / gains on defined benefit pension plan	20,26	(56)	(74)
Total other comprehensive income not transferred to the income statement		**(56)**	**(74)**
Comprehensive (losses)/income after Tax (B)		**(56)**	**(74)**
Total comprehensive income/(losses) after tax (A) + (B)		**5.091**	**3.126**
Attributable to :			
Equity holders of the parent		5.091	3.126
Total comprehensive income/(losses) after Tax (A) + (B)		**5.091**	**3.126**

Statement of Comprehensive Income (Separate) for the period 1/1 to 31/12/2020 and 1/1 to 31/12/2019

(In thousands of Euro, unless otherwise stated)

The accompanying notes on pages 127 to 198 are an integral part of the Financial Statements.

Statement of Changes in Equity (Consolidated)
for the period 1/1 to 31/12/2020 and 1/1 to 31/12/2019

(In thousands of Euro, unless otherwise stated)

	Note	Share Capital	Share premium reserves	Reserves	Revaluation Reserves	Foreign exchange diff. from Statement of Financial Position transl. reserves	Retained earnings / (Accumulated losses)	Total (a)	Non controlling interest (b)	Total Equity (c)=(a)+(b)
Balance at 1.1.2019		**47.145**	**13.445**	**37.991**	**722**	**(9.193)**	**83.634**	**173.745**	**0**	**173.745**
Total comprehensive income/(loss) for the period										
Profit		0	0	0	0	0	11.933	11.933	0	11.933
Foreign currency translation from foreign operations		0	0	0	0	(828)	0	(828)	0	(828)
Effective portion of changes in fair value of cash flow hedges		0	0	(71)	0	0	0	(71)	0	(71)
Actuarial (losses) gains on defined benefit pension plan		0	0	0	0	0	(541)	(541)	0	(541)
Total comprehensive income/(loss)		**0**	**0**	**(71)**	**0**	**(828)**	**(541)**	**(1.440)**	**0**	**(1.440)**
Total comprehensive income/(loss) after taxes		**0**	**0**	**(71)**	**0**	**(828)**	**11.392**	**10.494**	**0**	**10.494**
Transactions with shareholders recorded directly in equity										
Share Capital Increase		160	477	0	0	0	0	637	0	637
SOP Reserve		0	0	490	0	0	0	490	0	490
Reserves		0	0	142	0	0	(142)	0	0	0
Net Income directly booked in the statement movement in Equity		(0)	(89)	0	0	(5)	96	1	0	1
Share Capital Reduction		(5.181)	0	0	0	0	0	(5.181)	0	(5.181)
Total transactions with shareholders		**(5.021)**	**387**	**632**	**0**	**(5)**	**(47)**	**(4.053)**	**0**	**(4.053)**
Balance at 31.12.2019		**42.124**	**13.833**	**38.552**	**722**	**(10.027)**	**94.980**	**180.185**	**0**	**180.185**
Balance at 1.1.2020		**42.124**	**13.833**	**38.552**	**722**	**(10.027)**	**94.980**	**180.185**	**0**	**180.185**
Total comprehensive income/(loss) for the period										
(Loss)/Profit		0	0	0	0	0	(8.661)	(8.661)	0	(8.661)
Foreign exchange differences		0	0	0	0	(314)	0	(314)	0	(314)
Effective portion of changes in fair value of cash flow hedges	21, 26	0	0	31	0	0	0	31	0	31
Actuarial (losses) gains on defined benefit pension plan	20, 26	0	0	0	0	0	(567)	(567)	0	(567)
Total comprehensive income/(loss)		**0**	**0**	**31**	**0**	**(314)**	**(567)**	**(850)**	**0**	**(850)**
Total comprehensive income/(loss) after taxes		**0**	**0**	**31**	**0**	**(314)**	**(9.228)**	**(9.511)**	**0**	**(9.511)**
Transactions with shareholders, recorded directly in equity										
Share Capital Increase	17	9.968	193	0	0	0	(10.401)	(240)	0	(240)
SOP Reserve	20	0	0	565	0	0	0	565	0	565
Reserves		0	0	(7)	0	0	0	(7)	0	(7)
Net Income directly booked in the statement movement in Equity		0	(2)	0	0	0	(90)	(92)	0	(92)
Sales/(Purchases) of own shares	18	0	0	(2.139)	0	0	0	(2.139)	0	(2.139)
Total transactions with shareholders		**9.968**	**192**	**(1.581)**	**0**	**0**	**(10.491)**	**(1.913)**	**0**	**(1.913)**
Balance at 31.12.2020		**52.092**	**14.025**	**37.003**	**722**	**(10.341)**	**75.261**	**168.762**	**0**	**168.762**

The accompanying notes on pages 127 to 198 are an integral part of the Financial Statements.

Statement of Changes in Equity (Separate)
for the period 1/1 to 31/12/2020 and 1/1 to 31/12/2019

(In thousands of Euro, unless otherwise stated)

	Note	Share Capital	Share premium reserves	Reserves	Retained earnings / (Accumulated losses)	Total Equity
Balance at 1.1.2019		**47.145**	**13.958**	**15.778**	**12.151**	**89.032**
Total comprehensive income/(loss) for the period						
Profit		0	0	0	3.200	3.200
Actuarial (losses) gains on defined benefit pension plan		0	0	0	(74)	(74)
Total comprehensive (loss) / income		**0**	**0**	**0**	**(74)**	**(74)**
Total comprehensive income/(loss) after taxes		**0**	**0**	**0**	**3.126**	**3.126**
Transactions with shareholders recorded directly in equity						
Share Capital Increase		160	477	0	0	637
SOP Reserve		0	0	490	0	490
Net Income directly booked in the statement movement in Equity		0	(1)	0	0	(1)
Share Capital Reduction		(5.181)	0	0	0	(5.181)
Total transactions with shareholders		**(5.021)**	**475**	**490**	**0**	**(4.056)**
Balance at 31.12.2019		**42.124**	**14.433**	**16.268**	**15.277**	**88.102**
Balance at 1.1.2020		**42.124**	**14.433**	**16.268**	**15.277**	**88.102**
Total comprehensive income/(loss) for the period						
Profit		0	0	0	5.147	5.147
Actuarial (losses) gains on defined benefit pension plan	20, 26	0	0	0	(56)	(56)
Total comprehensive (loss) / income		**0**	**0**	**0**	**(56)**	**(56)**
Total comprehensive income/(loss) after taxes		**0**	**0**	**0**	**5.091**	**5.091**
Transactions with shareholders, recorded directly in equity						
Share Capital Increase	17	9.968	193	0	(10.401)	(240)
SOP Reserve	20	0	0	565	0	565
Net Income directly booked in the statement movement in Equity		0	(2)	0	0	(2)
Sales/(Purchases) of own shares	18	0	0	(2.139)	0	(2.139)
Total transactions with shareholders		**9.968**	**192**	**(1.574)**	**(10.401)**	**(1.815)**
Balance at 31.12.2020		**52.092**	**14.625**	**14.694**	**9.967**	**91.378**

For capital increase see Note 17.
The accompanying notes on pages 127 to 198 are an integral part of Financial Statements.

	Note	Group 1/1 - 31/12/2020	Group 1/1 - 31/12/2019	Company 1/1 - 31/12/2020	Company 1/1 - 31/12/2019
Operating Activities					
(Loss)/Profit before taxes		**(10.987)**	**19.539**	**5.116**	**4.532**
Adjustments for					
Depreciation / Amortization	6	33.481	30.752	407	382
Income on depreciation in fixed subsidy		0	(150)	0	0
Provisions		2.213	1.059	273	273
Foreign exchange differences		1.555	629	0	1
Results (Income, expenses, profit and loss) from investment activity		2.603	(30)	(7.000)	(6.200)
Interest Expense		17.039	17.044	59	67
Plus/less adj for changes in working capital related to the operating activities					
(Increase) / decrease in inventory		(4.944)	(5.683)	0	0
(Increase) / decrease in trade and other receivables		(861)	5.376	542	170
Increase / (decrease) in liabilities (excluding banks)		17.633	(24.871)	(346)	(58)
Less					
Interest paid		(11.919)	(12.085)	(3)	(3)
Income taxes paid		(2.196)	(2.751)	0	0
Net cash generated from operations (a)		**43.618**	**28.828**	**(951)**	**(836)**
Investing Activities					
Purchase or Share capital increase of subsidiaries and related companies		0	20	0	0
Purchase of tangible and intangible fixed assets		(12.746)	(15.128)	(117)	(91)
Proceeds from disposal of tangible and intangible assets		317	64	0	0
Addition of assets		(11.859)	(491)	0	0
Proceeds from the sale of other investments		3.695	0	0	0
Interest Received		110	75	0	0
Proceeds from dividends		0	0	3.000	5.000
Total (outflow) / inflow from investing activities (b)		**(20.483)**	**(15.499)**	**2.883**	**4.909**
Financing Activities					
Payments for purchase of own shares		(2.139)	0	(2.139)	0
Inflow from share capital increase		280	637	280	637
Payment for returnal share capital		0	(5.181)	0	(5.181)
Proceeds from issued loans	22	176.547	44.458	77	0
Repayment of loans	22	(102.475)	(31.539)	0	0
Repayment of leasing liabilities	23	(20.771)	(20.466)	(328)	(325)
Total inflow / (outflow) from financing activities (c)		**51.442**	**(12.091)**	**(2.111)**	**(4.869)**
Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)		**74.577**	**1.238**	**(179)**	**(795)**
Cash and cash equivalents at the beginning of the period		40.978	39.854	729	1.525
Effect of exchange equivalents at the beginning of the period		(115)	(113)	0	0
Closing balance, cash and cash equivalents		**115.440**	**40.978**	**550**	**729**

Statement of Cash Flows (Consolidated and Separate) for the period 1/1 to 31/12/2020 and 1/1 to 31/12/2019

(In thousands of Euro, unless otherwise stated)

The accompanying notes on pages 127 to 198 are an integral part of Financial Statements.

Notes to the annual financial statements (consolidated and separate) as of Dec 31, 2020 and for the year then ended

1. Corporate information

1.1 General Information

FOURLIS HOLDINGS S.A. with the common use title of FOURLIS SA (hereinafter the Company) was incorporated in 1950 as A. FOURLIS AND CO., and from 1966 operated as FOURLIS BROS S.A. (Government Gazette, AE and EPE issue 618/ 13.6.1966). It was renamed to FOURLIS HOLDING S.A. by a decision of an Extraordinary General Shareholders' Assembly on 10/3/2000, which was approved by decision K2 - 3792/ 25.04.2000 of the Ministry of Development. The Shareholders' General Assembly also approved the conversion of the Company to a holding company and thus also approved the change in its scope.

The headquarters of the Company are located at 18-20 Sorou street, Building A Maroussi. It is registered in the Companies Registry of the Ministry of Development with registration number 13110/06/B/86/01 and general electronic commercial registry number 258101000 and web address www.fourlis.gr.

The Company is listed in the Athens Stock Exchange since April 1988.

The Company's term, in accordance with its Articles of Incorporation, was originally set for 30 years. In accordance with a decision of the Extraordinary Assembly of the Shareholders on 19/2/1988, the term was extended for a further 30 years i.e. to 2026. Following the decision of the Extraordinary Assembly of the Shareholders on 14/6/2019, the term was extended for a further 24 years i.e. to 2050.

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

1. Vassilis St. Fourlis, Chairman, executive member
2. Dafni A. Fourlis, Vice Chairman, executive member
3. Eftihios Th. Vassilakis, Independent Vice Chairman, independent non executive member
4. Apostolos D. Petalas, CEO, executive member
5. Lyda St. Fourlis, Director, executive member
6. Ioannis Ev. Brebos, Director, non executive member
7. Ioannis Ath. Kostopoulos, Director, independent non executive member, Chairman of the Audit Committee
8. Pavlos K. Triposkiadis , Director, independent non executive member
9. David A. Watson, Director, independent non executive member, member of the Audit Committee

The total number of employees of the Group as at the end of current and previous year was at 4.105 and 4.198 respectively while the total number of employees of the Company on 31/12/2020 was 102 and on 31/12/2019 was 100.

1.2 Activities

The Company's activities are the investment in domestic and foreign companies of all types, regardless their objectives and type.

The Company FOURLIS HOLDINGS SA also provides general administration, financial management and information technology services. The centralization of Group support services for the Group Companies in Greece, mainly in the areas of financial planning and controlling, HR, IT, treasury, social responsibility, regulatory compliance, personal data protection and sustainable development was implemented, aiming to gain benefits from synergies and to organize central coordination of decision making and implementing. Centralized services are provided according to arm's length principle from FOURLIS HOLDINGS S.A. to the Group companies.

The direct and indirect subsidiaries and affiliates of the Group, included in the Financial Statements are the following:

Direct subsidiaries	**Parent**	**Location**	**% Holding**
HOUSEMARKET SA	FOURLIS HOLDINGS SA	Greece	100
INTERSPORT ATHLETICS SA	FOURLIS HOLDINGS SA	Greece	100
GENCO TRADE SRL	FOURLIS HOLDINGS SA	Romania	1,57
Indirect subsidiaries			
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
RENTIS SA	HM HOUSEMARKET (CYPRUS) LTD	Greece	100
TRADE ESTATES CYPRUS LTD	H.M. ESTATES CYPRUS LTD	Cyprus	100
TRADE ESTATES BULGARIA EAD	HOUSE MARKET BULGARIA EAD	Bulgaria	100
H.M. ESTATES CYPRUS LTD	HOUSEMARKET SA	Cyprus	100
GENCO TRADE SRL	INTERSPORT ATHLETICS SA	Romania	98,43
GENCO BULGARIA EOOD	INTERSPORT ATHLETICS SA	Bulgaria	100
INTERSPORT ATHLETICS (CYPRUS) LTD	INTERSPORT ATHLETICS SA	Cyprus	100
INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş	INTERSPORT ATHLETICS SA	Turkey	100
Affiliates			
MANTENKO SA	HOUSEMARKET SA	Greece	50
POLICENCO SA	HOUSEMARKET SA	Greece	50
VYNER LTD	WYLDES LIMITED LTD	Cyprus	50
SW SOFIA MALL ENTERPRISES LTD	WYLDES LIMITED LTD	Cyprus	50

On 17/3/2020 the subsidiary HOUSEMARKET SA acquired 50% of the shares of MANTENKO SA located in Athens, which operates in real estate and on 30/7/2020 the subsidiary company HOUSEMARKET SA acquired 50% of the shares of POLIKENCO SA located in Athens which also operates in real estate.

During the period 1/1 – 31/12/2020 the following share capital changes were realized at the parent company and its direct subsidiaries:

FOURLIS HOLDINGS S.A.:

Following resolutions of the General Assembly of the shareholders of the company held on 21/12/2020 (relevant minutes of the G.A. with number 26/21.12.2020), the share capital of the company increased by the amount of € 9.880.942,59 by capitalizing part of the reserve of retained earnings and increasing the nominal value of each share by the amount of € 0,19, thus the nominal value of each share rising to the amount of € 1,00.

The aforementioned change was registered to the General Electronic Commercial Registry (GECR) on 13/01/2021 (Code Registration Number 2448494), with the relevant 2302656/13.01.2021 announcement issued by the Minister of Finance and Development.

Under the context of the Stock Option Plan which was approved and established by the resolution of the Extraordinary General Assembly of the shareholders on 27/9/2013 (Stock Option Plan – hereinafter "the Program"), within the year 2020, 87.040 options were exercised (hereinafter "the Options"). Following the resolution of the Board of Directors on 28/12/2020 (relevant minutes of the BoD with number 417/28.12.2020), the exercise of the aforementioned options from the corresponding beneficiaries of the Program was certified by payment of the exercise price of the new shares.

It is noted that the underlying price of shares to which the distributed options reflect, had been initially determined at the amount of € 3,40 per share, which was the closing stock price of the share on the date of the resolution of the General Assembly regarding the SOP (27/9/2013). Already, following the resolutions of 20/11/2017, 19/11/2018 and 18/11/2019 of the BoD (relevant minutes of the BoD 389/20.11.2017, 399/19.11.2018 and 407/18.11.2019), an adjustment has been made at the historical price of the Company's share and therefor the implememted exercise price of the options of the SOP is accounted at the amount of € 3,2226 per share.

Following the certification of the payment of the exercise price of the Stock Options by their beneficiaries, namely the amount of € 280.495,10, 87.040 new common nominal shares were issued and delivered to the corresponding beneficiaries of the Program, of nominal value € 1,00 per share, while the share capital of the Company increased by the amount of € 87.040,00 which reflects to the nominal value of the new shares. Moreover, following the exercise of the aforementioned Options by payment of the exercise value, namely € 3,2226 per share according to the aforementioned, the share premiun, of total amount € 193.455,10, was transferred to "Share Premium reserve".

The aforementioned change was registered to the General Electronic Commercial Registry (GECR) on 15/01/2021 (Code Resistration Number 2450940), with the relevant 4511/15.01.2021 announcement issued by the Minister of Finance and Development.

Following these changes, the share capital of the Company now amounts to € 52.092.001,00 divided into 52.092.001 shares of nominal value € 1,00 per share, totally paid.

During the period 1/1 – 31/12/2020, no other share capital changes were realized at FOURLIS HOLDINGS SA.

2. Basis of presentation of the Financial Statements

2.1. Basis of preparation

The accompanying Financial Statements consist of the separate financial statements of the parent Company and the consolidated financial statements of the Group and have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The Board of Directors approved the accompanying financial statements for the year ended on December 31 2020, on March 22, 2021. These financial statements are subject to the approval of the General Assembly of the Company's shareholders.

The accompanying separate and consolidated financial statements have been prepared on the historical cost basis, except for certain data of Assets and Liabilities (investment properties, financial hedging instruments, investments/financial assets available for sale) that have been measured at fair value, and assuming that the Company and its subsidiaries will continue as a going concern. Management examined the impact of the COVID-19 pandemic up to the date of approval of these Consolidated and Separate Financial Statements and concluded that going concern assessment is the appropriate basis for their preparation. Reaching this conclusion, Management revised its plan taking into account the deterioration of the financial environment, the financial results of the year 2020 and the measures to reduce operating expenses and increase in liquidity received (refer to Note 4).

Management concluded that the Group is able to meet all its obligations on time, at least for a period of 12 months from the Financial Position date, and that there are no significant uncertainties that could doubt its ability to operate on a going concern basis. All amounts are presented in thousands of Euro, unless otherwise stated and any differentiations in sums are due to rounding.

2.2. Significant accounting judgments and estimates

The preparation of financial statements based on IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, 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 tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward unused tax losses can be utilized. The recognition of deferred tax assets requires significant judgments and estimates to be made in relation to the future activities and prospects of the Group companies and as to the level and timing of future taxable profits (Note 3.20 and 26 of 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 3.8 of Financial Statements).
- *Impairment test of investments in subsidiaries:* at each reporting date, the Parent Company examines whether there are impairment indicators in relation to its investments in subsidiaries. Such assessment requires management to make significant judgements with respect to the existence of internal or external factors and the extent to which they affect the recoverable amount of these investments. If impairment indicators exist, the Company determines the recoverable amount of these investments. The determination of the recoverable amount requires estimates to be made with respect to the expected future cash flows of the investment, the business plans of the subsidiaries, and the determination of the applicable discount and growth rates. (Note 11 of 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. Specifically, for INTERSPORT stores in Turkey, in addition to the loss-making operating result of the stores, the significant devaluation of TRY also contributed to the evaluation of the indications. Additional details

for impairment test of tangible assets are included in Note 7 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 3.7 and 3.9.
- *Post - retirement benefits to personnel:* post - retirement obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of a discount rate, future salary increases, disability rates, mortality rates and departure rates. Due to the complexity of the valuation and the basic assumptions included therein, a defined benefit obligation is highly sensitive to changes in these assumptions. Actuarial gains and losses that result from the difference among the actuarial assumptions are recognized in Statement of Comprehensive Income. Such actuarial assumptions are periodically reviewed by Management. Further details are provided in Note 20.1.
- *Share-based Payments:* Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 20.2 of the Financial Statements.
- *Provisions for slow moving inventory:* Inventory turnover ratio is tested regularly and provisions are made for unmoved, slow moving, obsolete inventory which will be written-off within the next period. Estimations are also made for seasonality of inventory and estimation for future sale price as well as for inventory count differences which are presented in Note 13 of Financial Statements.
- *Revenue from contracts with customers:* The Group estimates the fair value of non-redeemed points by using historical data and by assessing exercise possibility.

<u>Judgments:</u>

- *Right of use assets:* On the beginning date of the leasing period, a right of use asset and a 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 8 and 23.

- *Assets held for sale:* The Group classifies an asset or a group of assets as held for sale when the following conditions are met: the asset (or group of assets) is available and in condition for direct sale and the sale is very likely to take place within 12 months since its classification date as held for sale. Right at the moment before their classification as assets held for sale, these assets are tested for impairment based on IAS 36. Assets which have been classified as held for sale are measured at the lower price between book value and fair value minus all sale costs. Any impairment loss is recognized in statement of comprehensive income. Impairment test of assets classified as held for sale took place entirely for assets described in Note 9, as a cash generating unit, due to the fact that it was considered that the sale will only take place as a whole and not each one asset separately and the sale criteria based on IFRS 15 are met. In addition, while the COVID-19 pandemic has delayed the negotiation process by about 10 months, advanced discussions and exchange of draft contract texts and detailed budget figures with specific potential investors, creates belief that it is very likely within 2021 to find a strategic partner who will make a significant investment in the established company, with percentage that will arise at least and more than 50%. On 31/12/2020 the criteria for the classification of assets held for sale under IFRS 15 continue to be met, given that:
  - their net book value will be recovered primarily from the sale and not from their continued use,
  - the assets are available for immediate sale in their current condition,
  - Management's commitment and a buyer-finding program is in progress, while active efforts have been made to sell the assets at a price that is reasonable in relation to their fair value. In particular, professional investment advisers have been hired and while the COVID-19 pandemic has delayed the negotiation process by about 10 months, advanced discussions and exchange of draft contract texts and detailed budget figures with specific potential investors, creates belief that it is very likely within 2021 to find a strategic partner who will make a significant investment in the established company, which along with the imminent public offering, with percentage that will arise at least and more than 50%.
  - the sale is expected to take place no later than the year 2021.
- *Provisions for impaired receivables:* provisions of impaired receivables are based on the historical data of receivables and take into consideration the expected credit risk. The analysis of impaired receivables of Statement of Financial Position is included in Note 14 of Financial Statements.

2.3 Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Group and Company as of 1 January 2020.

- **Conceptual Framework in IFRS standards**

  The IASB issued the revised Conceptual Framework for Financial Reporting on 29 March 2018. The

Conceptual Framework sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. IASB also issued a separate accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which sets out the amendments to affected standards in order to update references to the revised Conceptual Framework. Its objective is to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction. For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020.

- **IFRS 3: Business Combinations (Amendments)**

  The IASB issued amendments in Definition of a Business (Amendments to IFRS 3) aimed at resolving the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The Amendments are effective for business combinations for which the acquisition date is in the first annual reporting period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period, with earlier application permitted. Management of the Group and Company estimates that this amendment does not have any impact on the financial statements.

- **IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of 'material' (Amendments)**

  The Amendments are effective for annual periods beginning on or after 1 January 2020 with earlier application permitted. The Amendments clarify the definition of material and how it should be applied. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity'. In addition, the explanations accompanying the definition have been improved. The Amendments also ensure that the definition of material is consistent across all IFRS Standards. Management of the Group and Company estimates that this amendment does not have any impact on the financial statements.

- **Interest Rate Benchmark Reform - IFRS 9, IAS 39 and IFRS 7 (Amendments)**

  In September 2019, the IASB issued amendments to IFRS 9, IAS 39 and IFRS 7, which concludes phase one of its work to respond to the effects of Interbank Offered Rates (IBOR) reform on financial reporting. The amendments published, deal with issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative interest rate and address the implications for specific hedge accounting requirements in IFRS 9 Financial Instruments and IAS 39 Financial Instruments: Recognition and Measurement, which require forward-looking analysis. The amendments provide temporary reliefs, applicable to all hedging relationships that are directly affected by the interest rate benchmark reform, which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative nearly risk-free interest rate. There are also amendments to IFRS 7 Financial Instruments: Disclosures regarding additional disclosures around uncertainty arising from the interest rate benchmark reform. The amendments are effective for annual periods beginning on or after 1 January 2020 and must be applied retrospectively. Phase two (ED) focuses on issues that could affect financial reporting when an existing interest rate benchmark is replaced with a risk-free interest rate (an RFR). Management of the Group and Company estimates that this amendment does not have any impact on the financial statements.

Standards issued but not yet effective and not early adopted by the Group/Company

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

  The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. Management of the Group and Company estimates that this amendment does not have any impact on the financial statements.

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**

  The amendments are effective for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. However, in response to the covid-19 pandemic, the Board has deferred the effective date by one year, i.e. 1 January 2023, to provide companies with more time to implement any classification changes resulting from the amendments. The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current or non-current. The amendments affect the presentation of liabilities in the statement of financial position and do not change existing requirements around measurement or timing of recognition of any asset, liability, income or expenses, nor the information that entities disclose about those items. Also, the amendments clarify the classification requirements for debt which may be settled by the company issuing own equity instruments. These Amendments have not yet been endorsed by the EU. Management of the Group and Company estimates that this amendment does not have any impact on the financial statements.

- **IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018-2020 (Amendments)**

  The amendments are effective for annual periods beginning on or after 1 January 2022 with earlier application permitted. The IASB has issued narrow-scope amendments to the IFRS Standards as follows:

  - ***IFRS 3 Business Combinations:*** Amendments update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
  - ***IAS 16 Property, Plant and Equipment:*** Amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
  - ***IAS 37 Provisions, Contingent Liabilities and Contingent Assets:*** Amendments specify which costs a company includes in determining the cost of fulfilling a contract for the purpose of assessing whether a contract is onerous.
  - ***Annual Improvements 2018-2020*** make minor amendments to ***IFRS 1 First-time Adoption of International Financial Reporting Standards***, ***IFRS 9 Financial Instruments***, ***IAS 41 Agriculture*** and the Illustrative Examples accompanying ***IFRS 16 Leases***

  The amendments have been endorsed by the EU.

- **IFRS 16 Leases-Covid 19 Related Rent Concessions (Amendment)**

  The amendment applies, retrospectively, to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including in financial statements not yet authorized for issue at 28 May 2020. IASB amended the standard to provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic. The amendment provides a practical expedient for the lessee to account for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change was not a lease modification, only if all of the following conditions are met:

  - The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
  - Any reduction in lease payments affects only payments originally due on or before 30 June 2021.
  - There is no substantive change to other terms and conditions of the lease.

- **Interest Rate Benchmark Reform – Phase 2 – IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments)**

  In August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, completing its work in response to IBOR reform. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). In particular, the amendments provide for a practical expedient when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, to require the effective interest rate to be adjusted, equivalent to a movement in a market rate of interest. Also, the amendments introduce reliefs from discontinuing hedge relationships including a temporary relief from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component. Furthermore, the amendments to IFRS 4 are designed to allow insurers who are still applying IAS 39 to obtain the same reliefs as those provided by the amendments made to IFRS 9. There are also amendments to IFRS 7 Financial Instruments: Disclosures to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. The amendments are effective for annual periods beginning on or after 1 January 2021 with earlier application permitted. While application is retrospective, an entity is not required to restate prior periods. Management of the Group and Company estimates that this amendment does not have any impact on the financial statements.

3. Summary of significant accounting policies

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

3.1. Basis of Consolidation

Consolidated Financial Statements comprise of the financial statements of the parent Company and all subsidiaries controlled by the Company. Control exists when the parent company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The subsidiaries' financial statements are prepared as of the same reporting date and using the same accounting policies as the parent company. Intra - group transactions (including investments in related companies), balances and unrealized gains are eliminated. Subsidiaries are fully consolidated from the date that control commences and cease to be consolidated from the date that control is transferred out of the Group. Any losses are attributed to the non - controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, is accounted for as an equity transaction. The financial results of subsidiaries, that are acquired or sold within the year, are included in the consolidated statement of comprehensive income from or up to the date of acquisition or sale, respectively.

3.2. Business Combinations and Goodwill

Business Combination is a transaction or another event during which an acquirer takes over control of one or more businesses. A Business is a combination of activities and assets that can be leaded and managed in order to return profits directly to its owners.

If the acquired assets do not compose a business, the transaction or any other fact are accounted as an acquisition of an asset and the acquisition cost is allocated among assets and liabilities based on the relative fair values during the acquisition date.

Business Combination is accounted for using acquisition method. The cost of acquisition of a subsidiary is the fair value of the assets contributed, the shares issued and the liabilities assumed at the transaction date, plus the amount of any non - controlling interest in the acquiree. For each business combination, the acquirer measures the non - controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net asset. Acquisition costs are expensed when incurred.

If the cost of acquisition is less than the fair values of the net identifiable assets acquired, the difference is recorded directly to the income statement.

Goodwill arising from subsidiaries' acquisitions is recorded as an intangible asset. Goodwill is not amortized but at least annually is subject to impairment test. As a result, after initial recognition, goodwill is measured at cost, less any impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each cash generating unit that is expected to benefit from the combination. The impairment test is performed by comparing the recoverable amount of the cash generating unit to its carrying value including the allocated goodwill. The recoverable amount is the higher of the fair value less costs to sell and the value in use. The value in use is determined via a discounted cash flow analysis. Impairment losses relating to goodwill cannot be reversed in future periods.

Gains or losses arising from the disposal of subsidiaries are determined after taking into account the goodwill allocated to the disposed unit.

3.3 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".

3.4 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 in line 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 investment 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 recognized at cost less any accumulated impairment losses.

3.5 Segment information

The Board of Directors of the Company is the chief operating decision maker and monitors internal financial reporting information in order to evaluate the performance of the Company and the Group and to take decisions about resource allocation.

Management has defined its segments based on these internal reports according to IFRS 8. The operating segments are defined as those business segments where the Group is active and on which the internal information system of the Group is based.

For the categorization by business segment, the following has been taken into account:

- the nature of products and services,
- quantitative limitations, required by IFRS 8.

According to the aforementioned, the Group presents information by operating segment as follows (Note 5):

- Retail Trading of Home Furniture and Household Goods (IKEA stores).
- Retail Trading of Sporting Goods (INTERSPORT and TAF stores).

3.6 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 Euro's which is the functional currency of the parent Company.

(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.

(c) Foreign Group Companies

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using the functional currency. The translation of the financial statements of the Group's companies which use a different functional currency from the parent company is performed as follows:

- Assets and liabilities are translated to Euro using the foreign exchange rate ruling at the date of the Statement of Financial Position.
- Equity is translated using the foreign exchange rates valid on the date they arose.
- Income and expenses are translated using the average foreign exchange rate of the period and on an annual basis according to the average foreign exchange rate of the last twelve (12) months.
- The resulting foreign exchange differences (gains/losses) are recognized in other comprehensive income and in Foreign Exchange differences from Statement of Financial Position translation Reserve. When subsidiaries operating in foreign countries are sold, accumulated foreign exchange differences existing in the Foreign Exchange differences from Statement of Financial Position translation Reserve are recognized in income statement as gains or losses from investments sales.

Goodwill and adjustments to fair values upon an acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the closing rate of the date of the Statement of Financial Position and foreign exchange differences are recognized in equity.

3.7 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.

3.8 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.

3.9 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.

3.10 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 Group considers, for impairment test purposes, that each store is a cash generating unit (CGU). In cases where property, plant and equipment is part of CGU, such as a store and there are impairment indications which could lead to the conclusion that its book value exceeds their recoverable value, the recoverable amount of the CGU is determined by the calculation of value in use. Value in use is calculated by implementing the cash flow discount method, taking into consideration Management's estimations as presented in business plans of timeline 5-7 years. Any contingent impairment is determined as the excess amount of book value compared to value in use and is registered in income statement. 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. Specifically, for INTERSPORT stores in Turkey, in addition to the loss-making operating result of the stores, the significant devaluation of TRY also contributed to the evaluation of the indications.

The carrying amounts of all Group's assets are reviewed for possible impairment when there is indication that the book value can't be recovered i.e. when the book value is higher than the recoverable amount from their use or sale.

The recoverable value is the greater of the fair value less costs to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre - tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable value is less than the carrying value, then the net book value is reduced to the recoverable value.

Impairment losses are expensed as incurred in the Statement of Income, except if the asset has been revalued, then the impairment loss reduces the related revaluation reserve. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exists of have decreased. If such indication exists, the Group estimates the asset's recoverable amount. When in a subsequent period, the impairment loss should be reversed; the carrying value of the asset is increased to the level of the revised estimation of recoverable amount. The new net book value should not exceed the net book value that would have been determined if the impairment losses had not been accounted in previous periods.

3.11 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 12 months after the reference period.

There is no unconditional right to postpone the solution of a liability for at least 12 months after the reference period.

The liability terms which could, upon the selection of the counter-party, 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.

3.12 Financial instruments – initial recognition and measurement

IFRS 9 Financial Instruments

Classification and measurement of financial assets:

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).

Other financial assets are classified and subsequently measured as follows:

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.

3.13 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 14)

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.

3.14 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.

3.15 Trade receivables

Trade receivables are recognized initially at fair value and they are subsequently valuated at the amortized cost by using the effective interest rate method, less provision for impairment.

When there is evidence of impairment of receivables, the carrying value is reduced to its recoverable amount, which is the present value of expected future cash flows discounted at the initial effective interest rate. Then, the interest is calculated at the same rate on the impaired (new book) value.

3.16 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.

3.17 Assets held for sale and discontinued operation

Assets held for sale and discontinued operation are valued at the lower price between carrying amount and fair value less costs to sell.

Any possible fair value increase in a subsequent valuation is registered in Profit and loss but for amounts not bigger than the initially registered impairment loss. Since the date on which an asset is classified as held for sale, this asset is no longer depreciated or amortized. Before their classification, an impairment test for these specific assets takes place and it is tested if they compose a single cash generating unit. Assets of Note 9, compose a CGU mainly because altogether they can be contributed in TRADE ESTATES S.A. Real Estate Investment Company.

Assets held for sale are classified as such, provided that their carrying value will be mainly recovered through sale rather than through continuing use. This condition is considered valid only when the sale is highly probable and the asset is available for immediate sale at its current condition. In order for the sale to be very possible, the management must have a plan for the sale of the asset (or the group of assets) and must be committed to this, while an active plan has been initiated so as to find a buyer and complete the program. Moreover, active efforts must be done in order to sell the asset (or group of assets) in a reasonable price compared to its current fair value. Also, the Management must have proceeded its actions for the sale at such point so as to be expected to be completed either based on stipulated by contractual time commitment or within a year from classification date.

A discontinued operation is an integral part of a financial entity that either has been sold or has been classified as held for sale and:

a) represents a separate major part of business operations or a geographical area of operations,
b) is part of a single, coordinated divestment program of a great part of operations or a geographical area of operations or
c) is a subsidiary acquired exclusively with the prospect to be resold.

3.18 Share Capital

Direct costs incurred for increases in share capital are recorded, net of related income taxes, against the share premium reserve. The cost of treasury shares net of any related income tax, is recorded as a reduction of equity, until these shares are sold or cancelled. Any gain or loss on sale of treasury shares, net of direct transaction costs and any related income tax, is recorded as a reserve account under equity.

3.19 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.

3.20 Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments to mitigate the risk arising from fluctuations in interest rates (Note 22). Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value. Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to the income statement of the current year.

The effective part of hedges that qualify for hedge accounting is recognized directly to equity if it is related to cash flow hedges while the ineffective part is charged to the consolidated income statement, while the non - effective part is recognized in the statement of comprehensive income. If the hedge is related to effective fair value hedges, the gain or loss from re-measuring the derivative hedging instrument at fair value is recognized in profit or loss and the gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is also recognized in profit or loss.

Under cash flow hedge accounting, when the hedged firm commitment results in the recognition of non - financial asset or a non - financial liability, then, at the time the asset or liability is recognized the associated gains or losses that had previously been recognized in equity are included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability. For all other cash flow hedges, the gains or losses that are recognized in equity are transferred to the income statement in the same year in which the hedged firm commitment affects the statement of comprehensive income.

The new requirements regarding hedge accounting have improved hedging instruments accounting through risk management measures implemented by the Group and therefore, the number of hedge relationships, which meet the criteria for the implementation of hedge accounting, is expected to increase. On the date of the initial implementation, all Group's current hedge relationships would be recognized as ongoing hedge relationships. Following the implementation of IFRS 9, the Group recognizes changes in time value of stock options as deferred amount at a new reserve "hedge accounting" within the Group's equity. Deferred amounts are recognized against relevant the hedge transaction when it occurs. However, since the amounts were insubstantial, no change occurred at the comparative basis.

3.21 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 rates in the countries that the Group operates for the year 2020 are presented below:

Country	**% Income Tax/ Deferred Tax**
Greece	24,0%
Romania	16,0%
Cyprus	12,5%
Bulgaria	10,0%
Turkey	22,0%

3.22 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

Companies of the Group pay retirement compensation to their employees. Such compensation varies in relation to the employees' years of service and salary payable at the time of retirement and is accounted for as a defined benefit plan. Post - retirement obligations are calculated at the present value of future employee benefits accrued as at the end of the reporting period, based on the benefits to be earned over their expected labor life. The above mentioned obligations are calculated based on actuarial valuation methods and are determined using the Projected Unit Method. Net costs of the period are included in the attached statement of comprehensive income and consist of the present value of the employee benefits that were accrued during the current year, the interest derived from the employee benefit obligation and the actuarial gains and losses which are recognised in full in the period in which they occur in the comprehensive income and they are not transferred in income statement in next periods. Full yield curve method is used for the definition of the discount interest rate in the calculation of the present value of the employee benefits.

c) State insurance programs

The employees of the Greek subsidiaries of the Group are covered, in terms of insurance programs, mainly through the Social Insurance Institution (EFKA) the largest Social Security Organization of the private sector, which supplies pension and medical coverage. Every employee is obliged to participate partially, through his salary, in the costs of the insurance program, while the remaining cost is covered by the Group. Upon retirement, the pension fund is responsible to cover the obligation of pensions and retirement benefits to the employees. As a consequence the Group does not have any other legal or future obligation to cover future employee benefits according to this pension program. This program is considered and accounted for as a defined contribution plan whereby the accrued social security contributions are recorded as an expense in the financial period in which they are incurred.

d) Private insurance programs

Every full time employee of the Group belonging to the management team, according to the internal company policy, is covered by a private insurance pension and other benefits program. The Group covers, the contract defined fees, while the financial management of the program is performed by the Insurance Firm. This program is considered and accounted for as a defined contribution plan whereby the accrued cost of the insurance fees is recorded as expense in the period in which they are incurred.

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. In the separate financial statements of the Company it is recognized as an increase in participation in subsidiaries.

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, Dividend Yield, Risk Free Rate.

3.23 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, it is recognized as other non-current liabilities and amortized over the expected useful life of the related asset. Such amortization is presented in other income in Statement of Comprehensive Income.

3.24 Contingent liabilities and Provisions

Provisions are recognized when the Group has a present legal, contractual or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the present value of the expense expected to be required to settle the liability.

Contingent liabilities and assets are in the financial statements but are disclosed unless there is a probability of financial outflow or inflow.

3.25 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 Group invoices and delivers the goods to the customers and the goods are accepted by them. Retail sales are through cash payments or through credit cards. In these cases the income recorded is the amount received by the customer. IFRS 15 establishes a 5-step model implemented for income arising from a contract with a customer (with limited exceptions), regardless the type of income transaction or segment. The standard applies also for the recognition and measurement of profit and loss from the sale of non-financial assets which are not included in the ordinary operation of the Group (e.g. sales of tangible or intangible assets). It requires that entities must allocate the transaction price from contracts to distinctive promises, namely execution liabilities, based on standalone selling prices, according to five-step model. Afterwards, the income is recognized when the entity satisfies execution liabilities, namely when it transfers goods or services which are determined in the contract at the customer.

The standard is based on the principle that the income is recognized when control of a product or service is transferred to the customer. The Group operates in retail trading of furniture and household goods and sporting goods. According to IFRS 15, Revenue from contracts with customers, the Group recognizes revenue when control of the products is transferred, being when the products are delivered to the customer. Therefore, the adoption of IFRS 15 did not have an impact at the time of the revenue recognition. Net sales revenue is measured at fair value of the amount received. Net sales revenue exclude amounts collected by third parties such as value added taxes, as these are not included in the transaction price.

However, future discounts related to customer loyalty programs of the Group's companies create a right which must be recognized when exercised or expired, only if it is considered substantial and the customer would not acquire it if the initial transaction was not implemented. The Group provides discounts to its customers based on the points gathered from transactions made by using the customer loyalty program card. All these discounts are settled within 18 to 24 months depending on the program. According to the requirements of the standard, the Group estimates that these discounts represent substantial right for customers, create obligation for execution and therefore part of the income of each transaction which corresponds to this right will be recognized when exercised (fulfilment of obligation) or expired. IFRS 15 neither excludes nor defines a specific methodology for the estimation of the price of the point gathered as long as the estimation composes a reliable reflection of the price at which the Group would provide separately this product to the customer.

- *Provision of services:* The income from provision of services is recorded in the period in which the services are provided, based on the stage of completion of the provided service.
- *Interest income:* Interest income is recognized proportionally in time and by using the effective interest rate.
- *Dividends:* Dividends are recorded as income when the right to collect vests which is upon the decision of the General Assembly (ordinary or extraordinary). Expenses are recognized in the statement of comprehensive income as accrued.
- *Advertising costs:* Advertising costs are expensed as incurred and are included in distribution

expenses.

- *Borrowing costs:* Underwriters costs, legal and other direct costs incurred during the issue of long term loans are deducted from the loan balances and are recorded to the statement of comprehensive income based on the effective interest rate method over the duration of the loan. Borrowing cost is recognized as an expense during the issue period, except of the case that Group capitalizes borrowing costs according to IAS 23.

3.26 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 Group as a Lessor has only operating leasing. In more details, on the beginning date of the leasing period, a right of use asset and a 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.

3.27 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.

3.28 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 derecognition 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.

3.29 Earnings/Losses per share

The basic and diluted earnings per share are calculated by dividing net profits after taxes with the weighted average number of shares of each period/ year.

The weighted average number of shares arises by summing the outstanding shares into which the share capital is divided and the rights that can be contingently exercised and are owned by the company and subtracting the shares buy back.

4. Financial Risk Management

a) Financial Risk Management

The Group is exposed to financial risks such as foreign exchange risk, credit risk, interest rate risk and liquidity risk. The management of risk is achieved by the central Treasury department, which operates using specific guidelines set by the Board of Directors. The Treasury department identifies, determines and hedges the financial risks in cooperation with the Groups' subsidiaries that face these risks. The Board of Directors provides written instructions and directions for the general management of the risk, as well as specific instructions for the management of specific risks such as foreign exchange risk, interest rate risk and credit risk.

Foreign Exchange Risk:

The Group is exposed to foreign exchange risk arising from transactions in foreign currencies (RON, USD, TRY, SEK) with suppliers which invoice the Group in currencies other than the local. The Group, in order to minimize the foreign exchange risk, according to the needs, in certain cases pre - purchases foreign currencies.

Credit risk:

The Group has diminuated the credit risk due to the focus in retail segments where the payment of goods is mainly achieved by cash in hand or by pre-paid credit cards.

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.

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

Coronavirus spread risk:

The Group carefully monitors the events regarding the spread of coronavirus, in order to adjust in the special conditions arising exclusively for the treatment and restriction of spread of COVID-19. It complies with the official directives of competent authorities for the operation of physical stores and central offices in countries it operates. It also complies with the existing legislation and conducts its trading transactions in its physical stores according to the directives. The quantitative and qualitative consequences on the Group's and Company's operation also taking into consideration the directives of capital market committee (letter sent to listed companies on 31/3/2020) are summarized in the following:

1. Reduction of the Group's sales within the period 1/1-31/12/2020 amounted € 95,7 million compared to the same period of last year and reduction of gross profit margin by 2,1% compared to the same period of last year. It is noted that within the period 1/1-31/12/2020, the Group's sales through its ecommerce stores increased by 78% compared to the same period of last year, while investments in innovation and technology continued and the upgrade of services, following the rapid changes in consumer habits and the physiognomy of the retail trade.
2. Increase in Group's cash equivalents within the period 1/1-31/12/2020 amounted € 74,5 million compared to last year due to the utilization of open credit lines and financial support measures to deal with the pandemic.
3. Reduction of the Group's operating expenses within the period 1/1-31/12/2020 amounted € 18,6 million compared to the last year and specifically reduction of the salary costs amounted € 11,0 million, third party services (rights, leases, energy, etc.) amounted € 3,4 million, other expenses (advertising, storage, transport, etc.) amounted € 3,6 million and taxes amounted € 0,6 million.
4. The Group utilized the national supporting measures to deal with the consequences of the pandemic in all countries which operates, whether they concerned salary costs, or leasing costs, or tax reliefs, or financing, or facilitation of payments.
5. The Group secured "freezing" agreements of payments to its main suppliers during suspension of stores operation as well as modification of payment terms for the period after the end of the suspension.
6. Within the year 2020 the availability of goods was not affected compared to the same period of

last year.

7. Management of the Group has implemented telework in all the countries in which it operates.
8. The portfolio management service continues to identify, assess and hedge financial risks and provide guidance on the management of this exceptional risk, in order to provide protection to investors.
9. The Group has reinforced its infrastructures both in terms of information systems and operation of logistics centers, in order for its operational and commercial operation not only to continue smoothly but also to be further reinforced. In this context, new investments are realized by the subsidiary TRADE LOGISTICS AEBE for the expansion of the storage and the e-commerce orders' management and the automation of the provision of the relevant services. In addition, in order to enhance the coverage of its consumers growing expectations and creation of a complete positive experience for the customer, the Group seeks for the harmonious combination of e-commerce with the "traditional" development model, making the most of digital media and new technologies in order to offer an omnichannel experience to both offline and online level.
10. The Group continues strictly selected investments in both retail segments in which it operates. In this context, in May 2020, an INTERSPORT Store and a TAF Store in the center of Athens (Ermou) were opened. These two stores are the flagship stores of all stores in the retail trading of sporting goods. Moreover, in September 2020, the first IKEA Small Store in Varna, Bulgaria, with an area of 8.000 sq.m. and in December 2020, the IKEA Small Store in Piraeus, with an area of 1.850 sq.m., were added to the stores network of home furniture and household goods.
11. In the context of the approval received from the Hellenic Capital Market Commission for operating the company under formation "TRADE ESTATES REAL ESTATES INVESTMENT COMPANY" for its operation as: a) Real Estate Investment Company according to the provisions of law 2778/1999 and b) an internally managed Alternative Investments Fund Manager ("AIFM") according to the provisions of L. 4209/2013, the Group continues the implementation of its strategic plan. Moreover, within the first semester of 2020, it has acquired an indirect shareholding in the real estate company MANTENKO SA, while in the second semester of 2020 and specifically in July, it proceeded with the acquisition of a new corresponding indirect shareholding of 50% of the shares of the real estate company POLIKENCO SA.

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 - 31/12/2020.

5. Segment Information

The Group is active on the following two operating segments:

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
	31/12/2019	31/12/2019	31/12/2019	31/12/2019	31/12/2019
Revenue	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Cost of Goods Sold	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Gross Profit	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Distribution expenses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Administrative expenses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other operating expenses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Operating Profit / (Loss)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total finance income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total finance cost	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Contribution associate companies profit and loss	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dividends	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Profit / (Loss) before Tax	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Depreciation / Amortisation	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Property plant and equipment	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Right of use assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other Non-current Assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total non-current assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Assets classified as held for sale	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total Assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Borrowings	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Lease liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other Non-current Liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total non current Liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Liability arising from assets held for sale	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total liabilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

- Retail Trading of Home Furniture and Households Goods (IKEA stores).
- Retail Trading of Sporting Goods (INTERSPORT and TAF stores).

The main financial interest is concentrated on the business classification of the Group's activities, where the various economic environments constitute different risks and rewards. The Group's activities comprise mainly one geographical area, that of the wider European region, primarily in Greece along with countries of Southeastern Europe (Romania, Bulgaria, Cyprus and Turkey).

The Group's sales revenue in 2020 arise 59% from activities in Greece (61% in 2019) with the remaining 41% arising from the other countries of Southeastern Europe (39% in 2019) which is analyzed as follows: 16% from Bulgaria (2019: 14%), 14% from Cyprus (2019: 12%), 8% from Romania (2019: 9%) and 3% from Turkey (2019: 4%). Revenue of the Company concern intrasegment transactions and are eliminated at the Consolidated Financial Statements.

Historically, the consumers' demand for the Group products increases during the last four months of the year.

Group results by operating segment for the year 2020 are analysed below:

Group results by operating segment for the year 2019 are analysed below:

The breakdown structure of assets and liabilities as of 31/12/2020 and 31/12/2019 are as below:

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
Distribution Expenses	[illegible]	[illegible]	[illegible]	[illegible]
Administrative expenses	[illegible]	[illegible]	[illegible]	[illegible]
Depreciation/Amortisation (Distribution)	[illegible]	[illegible]	[illegible]	[illegible]
Depreciation/Amortisation (Administration)	[illegible]	[illegible]	407	382
Expenses embedded on cost of sales	[illegible]	[illegible]	[illegible]	[illegible]
Depreciation/Amortisation on cost of sales	[illegible]	[illegible]	[illegible]	[illegible]
Other operating expenses	1.667	1.148	10	66
Total	**161.060**	**178.594**	**7.450**	**7.368**

It is noted that the consolidation entries column includes transactions between the parent company and operating segments of the Group.

6. Analysis of expenses and other operating income

(a) The expenses are presented in the financial statements as follows:

The main categories of expenses are analyzed below:

The main categories of operating expenses are analyzed below:

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
Payroll Expenses	60.030	70.998	990	642
Third party services	17.088	20.453	504	202
Third party expenses	18.821	21.049	326	370
Taxes-duties	1.886	2.462	16	15
Other expenses & Depreciation	57.100	58.509	1.553	1.589
Total	**154.925**	**173.471**	**3.389**	**2.817**

Due to the Covid-19 pandemic and the consequent restrictions imposed on the countries in which the Group operates (suspension of physical stores) during the year 2020, expense lines such as payroll expenses, third party services and other operating expenses were significantly affected.

The differentiation in the depreciation / amortisation line is due to the classification on 31/12/2019 of the Group's assets as held for sale, which resulted in no depreciation for the year 2020 on the specific assets amounting to € 3,9 million and in addition due to difference between their book value and fair value, recognition of impairment in 2020 of € 1,4 million (see Note 9). It is also due to the impairment of the value of the Group's subsidiary assets, based on relevant impairment test (see Notes 7, 8 and 10) amounting to € 2,1 million and to the impairment of the assets of stores that closed during the year 2020 (see Note 7) amounting to € 0,5 million.

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total finance cost	**(18.493)**	**(18.026)**	**(59)**	**(68)**
Interest and related income	110	75	0	0
Foreign exchange differences (income) - realized-	506	372	0	0
Other financial income	45	4	0	0
Total finance income	**662**	**451**	**0**	**0**
Financial expenses / income	**(17.831)**	**(17.575)**	**(59)**	**(68)**

For the year ended on 31/12/2020, Company's miscellaneous expenses include auditors remuneration of amount € 7 th. regarding services other than financial statements audit (namely excluding ordinary audit services and tax certificate services of amount € 37 th.). Therefore, the percentage of non-audit services in relation to the audit services provided by the statutory auditor is 19,3%.

Payroll expenses are analyzed as follows:

(b) Other operating income is analysed as follows:

In other income of the year 2020, € 2.723 thousand (2019: € 2.560 thousand) are included mainly due to income from orders delivery charges and rents receivable and expenses of Group's subsidiaries, customers services € 2.449 th. (2019: € 1.973 th.) and photovoltaic income € 344 th. (2019: € 345 th.). Other income also includes income from co-advertising of the Group's subsidiary amounted € 1,5 million (2019: 0 million) and income from lease discounts and VAT refunds due to COVID amounting to € 2.949 thousand.

Moreover, other income of the Company of the year 2020, includes € 1.035 thousand (2019: € 923 thousand) due to income from invoicing software to subsidiaries, € 191 thousand (2019: € 218 thousand) due to income from subleasing property and occupancy expenses to subsidiaries and € 19 thousand (2019: € 83 thousand) due to income from invoicing travels under the context of provision of administrative services.

(c) Net Financial Results are analyzed as follows:

The differentiation in the foreign exchange differences line is due to the activity of the subsidiary in Turkey.

	Group						
	Land	**Buildings and installations**	**Machinery /Installations**	**Vehicles**	**Furniture**	**Assets under construction**	**Total**
Net book value at 31.12.2018 / 31.12.2019	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1.1 - 31.12.2020 / 31.12.2019							
Additions	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other changes in acquisition cost	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Depreciation/amortization	0	(5.407)	(917)	(192)	(3.729)	0	(10.246)
Transfer of acquisition cost to assets held for sale	(54.306)	(124.547)	0	0	0	(1.024)	(179.877)
Other changes in depreciation	0	19.324	58	5	1.086	0	20.471
Depreciation/amortization	0	(8.472)	(993)	(207)	(3.541)	0	(13.214)
Acquisition cost at 31.12.2020	**0**	**83.214**	**12.019**	**5.501**	**59.890**	**3.609**	**164.233**
Other changes in depreciation	0	796	197	24	2.243	0	3.259
Accumulated depreciation at 31.12.2020	**0**	**(49.421)**	**(8.014)**	**(4.631)**	**(45.277)**	**0**	**(107.343)**
Transfer of accumulated depreciation to assets held for sale	0	28.142	0	0	0	0	28.142
Net book value at 31.12.2020	**0**	**33.793**	**4.005**	**870**	**14.613**	**3.609**	**56.890**
Acquisition cost at 31.12.2019	**36**	**98.757**	**11.639**	**5.392**	**55.802**	**3.324**	**174.949**
Accumulated depreciation at 31.12.2019	**0**	**(63.338)**	**(7.155)**	**(4.443)**	**(42.633)**	**0**	**(117.569)**
Net book value at 31.12.2019	**36**	**35.420**	**4.484**	**949**	**13.168**	**3.324**	**57.380**

(d) Consolidated financial statements include, through equity method, the associated companies VYNER LTD and SW SOFIA MALL ENTERPRISES LTD, MANTENKO SA, POLIKENCO SA.

7. Property, plant and equipment

Property, plant and equipment for the Group are analyzed as follows:

Additions in the Property, Plant and Equipment for the period refer to formation expenses and purchase of equipment for retail stores (new and existing) regarding segments of home furniture and household goods and sporting goods.

In home furniture and household goods segment, on 10/9/2020 a new IKEA Store started its operation in Varna, Bulgaria (IKEA Small Store), in the Delta Planet Mall. This is a 8.000 sqm store that is the first of the network of stores with the new philosophy of medium and small size FOURLIS Group intends to develop in the near future. On 9/9/2020, the Pick Up & Order Point Center in Varna, Bulgaria, stopped its operation.

On 28/12/2020, a new IKEA Store of 2.000 sqm started operating in Piraeus, which is also a new generation store for the home furniture and household goods segment (IKEA Small Store).

In sporting goods segment, on 11/5/2020 a new INTERSPORT Store and a new TAF store in Athens (Ermou) started operating, which are the flagship stores of the INTERSPORT and TAF. Also, the Kifissos

Outlet Store in Peristeri (1/10/2020) and the Airport Outlet Store in Paiania (31/10/2020) were added to the network. In Romania, three (3) new Stores were added to the network, namely Targu Mures (16/7/2020), Targoviste (20/8/2020) and Afi Brasov (21/10/2020). In Turkey, five (5) Stores stopped their operation: Adana Optimum (30/4/2020), Ist. Istanbul (30/8/2020), Brs Anatolium (1/9/2020), Ist. Kozzy (31/12/2020) and Bursa Marka (31/12/2020).

Most considerable additions in property, plant and equipment in the year 2020 refer to:

a) property, plant and buildings installations of amount € 2,5 million for IKEA Stores and € 2 million for INTERSPORT & TAF Stores.

b) machinery – installations, furniture and miscellaneous equipment of amount € 2,5 million for IKEA Stores and € 2,8 million for INTERSPORT & TAF Stores.

Other changes in acquisition cost include foreign exchange differences arising from the difference of conversion exchange rates of amount € 1.121 th. regarding assets of foreign companies, write-offs of amount € 1.584 thousand, amount € 18.457 th. which concerns reclassification of the amounts that have been transferred to assets held for sale on 31/12/2019 and sales of assets of amount € 312 th. Also, the other changes in depreciation include exchange arising from the difference of conversion exchange rates of amount € 693 th., write-offs of amount € 1.286 th., amount € 18.457 th. which concerns reclassification of the amounts that have been transferred to assets held for sale on 31/12/2019 and sales of assets of amount € 35 th.

Depreciation/Amortization of Property, Plant and Equipment for the year 2020 amounted to € 10.246 thousand (2019: € 13.214 th.). Total depreciation/amortization of property, plant and equipment and intangible assets of amount € 11.613 th. (2019: € 14.675 th.) was registered by € 186 th. (2019: € 481 th.) in cost of sales, by € 9.914 th. (2019: € 12.316 th.) in distribution expenses and by € 513 th. (2019: € 1.878 th.) in administrative expenses.

On 31/12/2020, the Group examined the value of property, plant and equipment of its stores (Cash Generating Units) and wherever there was existence of indication for impairment of value, an impairment test was implemented. 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. Specifically, for INTERSPORT stores in Turkey, in addition to the loss-making operating result of the stores, the significant devaluation of TRY also contributed to the evaluation of the indications. Based on impairment test, it arose:

• impairment of property, plant and equipment amounting to € euro 408 thousand.

• impairment of right of use assets amounting to € 1.195 thousand (Note 8) and

• impairment of intangible assets amounting to € 470 thousand (Note 10).

The method used is recoverable amount («value in use»), which can be defined as the future cash inflows and outflows from the continuing use of the asset, which are then discounted to reflect the time

[illegible]

value of money and risks. The valuation method of Discounted Cash Flows starts from the approved five-year business plan. The discount rate used in the analysis was estimated at 19,8%, as the subsidiary's weighted average cost of capital (WACC).

It should be noted that the assumptions and scenarios used in the impairment test may change in the future, especially in an environment characterized by high volatility.

Net book value of property, plant and equipment regarding IKEA, INTERSPORT & TAF stores for the Group amounts to € 52.952 thousand (2019: € 53.867 thousand).

For the Company property, plant and equipment for the years 2020 and 2019 are the following:

8. Right of use assets

Right of use assets of the Group for the years 2020 and 2019 are analysed as follows:

Additions of right to use assets of the period relate to new lease agreements for retail stores of the home furniture and households goods and sporting goods segments.

In particular, in the sporting goods segment, within in the year 2020, three (3) new stores started their operation in Greece, at Ermou Street, Athens (11/5/2020), Kifissos Outlet in Peristeri (1/10/2020) and Airport Outlet in Paiania (31/10/2020). Moreover, three (3) new stores were added in Romania, Targu Mures (16/7/2020), Targoviste (20/8/2020) and Afi Brasov (21/10/2020) and a new TAF store in Athens (Ermou).

Company			
	Leasing Buildings	Leasing Vehicles	Total
[illegible]	[illegible]	[illegible]	[illegible]
Other changes			
Additions	0	[illegible]	[illegible]
Other changes in acquisition cost	0	[illegible]	[illegible]
Depreciation/ amortization	(235)	[illegible]	[illegible]
Acquisition cost at 31.12.20[illegible]	**1.507**	[illegible]	[illegible]
Accumulated depreciation at 31.12.20[illegible]	[illegible]	**(58)**	[illegible]
Net book value at 31.12.20[illegible]	[illegible]	[illegible]	[illegible]

In home furniture and household goods segment, on 10/9/2020 the IKEA Store (IKEA Small Store) in Varna, Bulgaria started its operation and on 28/12/2020 the IKEA Store (IKEA Small Store) in Piraeus started its operation.

On 31/12/2020, the Group examined the value of right to use assets of its stores (Cash Generating Units) and wherever there was existence of indication for impairment of value, an impairment test was implemented. 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. Specifically, for INTERSPORT stores in Turkey, in addition to the loss-making operating result of the stores, the significant devaluation of TRY also contributed to the evaluation of the indications. Based on impairment test, it arose:

• impairment of property, plant and equipment amounting to € euro 408 thousand (Note 7).

• impairment of right of use assets amounting to € 1.195 thousand and

• impairment of intangible assets amounting to € 470 thousand (Note 10).

The method used is recoverable amount («value in use»), which can be defined as the future cash inflows and outflows from the continuing use of the asset, which are then discounted to reflect the time value of money and risks. The valuation method of Discounted Cash Flows starts from the approved five-year business plan. The discount rate used in the analysis was estimated at 19,8%, as the subsidiary's weighted average cost of capital (WACC).

It should be noted that the assumptions and scenarios used in the impairment test may change in the future, especially in an environment characterized by high volatility.

Right of use assets of the Company for the years 2020 and 2019 are analysed as follows:

9. Assets held for sale

The Group continues to exploit new investing opportunities regarding the approval it received from Hellenic Capital Market Commission on 28/2/2019 for operating the company under formation "TRADE ESTATES REAL ESTATES INVESTMENT COMPANY", for its operation as a) a Real Estate Investment Company according to the provisions of L. 2778/1999 and b) an internally managed Alternative Investments Fund Manager ("AIFM") according to the provisions of L. 4209/2013. Under the same context, the actions of the Group for the establishment of companies operating in real estate management in Cyprus and Bulgaria (TRADE ESTATES CYPRUS LTD, H.M. ESTATES CYPRUS LTD, TRADE ESTATES BULGARIA EAD) and for the strategic plan of TRADE ESTATES S.A. which includes the finding of a business partner who will make a significant investment in the established company, with percentage that will arise at least and more than 50%. Therefore, on 31/12/2019 the Group classified its assets related to TRADE ESTATES SA of amount € 176,1 mil. as held for sale because on this date all criteria are met regarding their classification based on IFRS 15 as mentioned in Note 3.17. Before classification time, as defined by provisions of IAS 36, an impairment test was made at these specific assets before their classification as assets held for sale and no impairment loss arised. Assets which have been classified for sale compose a cash generating unit (CGU) given that they set an entire total of operations and assets which will be contributed in TRADE ESTATES SA in order implement the approval received by HCMC. These specific assets were measured at the lowest value between book value and fair value minus sale expenses. The fair value estimation was conducted by certified appraisers in February 2021 and amounted to € 184,7 mil.

Based on the estimates, impairment amounted € 1,3 million arised in the assets held for sale of two subsidiaries (RENTIS SA and TRADE ESTATES BULGARIA EAD). During the year 2020 the Management confirmed the assumptions that were used to ensure that the assets held for sale are measured at the lowest value between book value and fair value.

On 31/12/2020 the criteria for the classification of assets held for sale under IFRS 15 continue to be met, given that:

- their net book value will be recovered primarily from the sale and not from their continued use,
- the assets are available for immediate sale in their current condition,
- there is Management's commitment and a buyer-finding program is in progress, while active efforts have been made to sell the assets at a price that is reasonable in relation to their fair value. In particular, professional investment advisers have been hired and while the COVID-19 pandemic has delayed the negotiation process by about 10 months, advanced discussions and exchange of draft contract texts and detailed budget figures with specific potential investors, creates belief that it is very likely within 2021 to find a strategic partner who will make a significant investment in the established company, with percentage that will arise at least and more than 50%.
- the sale is expected to take place no later than the second semester of year 2021.

	Group	
	31/12/2020	31/12/2019
Assets	180.344	177.645
Investments	5.363	0
Deferred Taxes	(3.422)	(2.766)
Total non-current assets	**182.285**	**174.880**
Other receivables	0	1.212
Total current assets	**0**	**1.212**
Non - current loans	(13.800)	(15.100)
Other non-current liabilities	(4.355)	(4.383)
Total non current Liabilities	**(18.155)**	**(19.483)**
Current portion of non-current loans and borrowings	(2.500)	(2.400)
Total current Liabilities	**(2.500)**	**(2.400)**
Net Assets	**161.630**	**154.209**

	Royalties	Software	Miscellaneous	Total
Net book value at 31.12.201[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1.1 - 31.12.20[illegible]				
Additions	0	[illegible]	0	[illegible]
Other changes in acquisition cost	0	[illegible]	[illegible]	[illegible]
Depreciation/ amortization	(278)	[illegible]	[illegible]	[illegible]
Other changes in depreciation	0	[illegible]	[illegible]	[illegible]
Acquisition cost at 31.12.20[illegible]	**8.872**	**[illegible]**	**[illegible]**	**[illegible]**
Accumulated depreciation at 31.12.20[illegible]	**[illegible]**	**[illegible]**	**[illegible]**	**[illegible]**
Net book value at 31.12.20[illegible]	**[illegible]**	**[illegible]**	**[illegible]**	**[illegible]**

Assets and liabilities which are included in category held for sale on 31/12/2020 are as follows:

Changes in the value of assets held for sale within the period 1/1 - 31/12/2020 include:

a) the indirect shareholding of the company MANTENKO SA amounted € 3,3 mil. which was classified as an asset held for sale within the year 2020,

b) the indirect shareholding of the company POLIKENCO SA amounted € € 2.1 million which was classified as an asset held for sale within the year 2020 and

c) the additions amounted € 3,2 million in assets that were recognized as held for sale on 31/12/2019.

10. Intangible assets

Intangible assets are analyzed as follows:

Royalties include the use of brand names (IKEA). Other changes in acquisition cost as well as other depreciation changes regard foreign exchange differences. Additions in intangible assets are related to software licenses.

Depreciation of intangible assets of the Group for the year 2020, amounted to € 2.244 thousand (2019: € 1.461 thousand).

On 31/12/2020, the Group examined the value of intangible assets of its stores (Cash Generating Units) and wherever there was existence of indication for impairment of value, an impairment test was

	Company		
	Software	Miscellaneous	Total
Net book value at 31.12.2019	125	100	225
1.1 - 31.12.2020			
Additions	41	0	41
Depreciation/ amortization	(39)	(19)	(59)
Acquisition cost at 31.12.2020	**624**	**129**	**753**
Accumulated depreciation at 31.12.2020	**(498)**	**(48)**	**(546)**
Net book value at 31.12.2020	**126**	**81**	**207**

	Company		
	Software	Miscellaneous	Total
Net book value at 31.12.2018	122	120	241
1.1 - 31.12.2019			
Additions	30	0	30
Depreciation/ amortization	(27)	(19)	(46)
Acquisition cost at 31.12.2019	**584**	**129**	**713**
Accumulated depreciation at 31.12.2019	**(459)**	**(29)**	**(488)**
Net book value at 31.12.2019	**125**	**100**	**225**

implemented. 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. Specifically, for INTERSPORT stores in Turkey, in addition to the loss-making operating result of the stores, the significant devaluation of TRY also contributed to the evaluation of the indications. Based on impairment test, it arose:

• impairment of property, plant and equipment amounting to € euro 408 thousand (Note 7).

• impairment of right of use assets amounting to € 1.195 thousand (Note 8) and

• impairment of intangible assets amounting to € 470 thousand.

Intangible assets for the Company for the year 2020 are as follows:

11. Investments in subsidiaries and associates

Investments of the Company are analyzed as follows:

	COUNTRY	COMPANY			
		% SHAREHOLDING 2020	**31/12/2020**	**% SHAREHOLDING 2019**	**31/12/2019**
SUBSIDIARIES					
GENCO TRADE SRL	Romania	1,57%	367	1,57%	367
HOUSEMARKET SA	Greece	100%	61.956	100%	61.956
INTERSPORT ATHLETICS SA	Greece	100%	25.664	100%	15.664
STOCK OPTION			3.146		2.714
TOTAL			**91.132**		**80.700**

Operation of each aforementioned company is analyzed in the Report of the Board of Directors.

On 28/12/2020 share capital of subsidiary's INTERSPORT ATHLETICS SA was increased by amount € 10,0 million (see Note 1.2).

On 31/12/2020 there were no indications for the conduction of impairment test for subsidiaries, as subsidiaries had operating profits.

Associated companies VYNER LTD and SW SOFIA MALL ENTERPRISES LTD are included in the consolidated financial statements of the Group through the application of equity method, the amount of which in "investment in subsidiaries and associates" of the Group on 31/12/2020 was € 27.465 th. (2019: € 29.803 th.). After applying the equity method, a loss of € 2.767 thousand (2019: profit € 1.284 thousand) was recognized in the consolidated income statement under "Contribution to associate companies profit and loss" with a corresponding decrease in the carrying value of investments in associates. Further differentiation of the investment value is due to the increase of the share capital of the associate SW SOFIA MALL ENTERPRISES LTD of amount € 250 thousand and due to receivables write-off of amount € 94 thousand of the associate SW SOFIA MALL ENTERPRISES LTD and of amount € 85 thousand of the associate VYNER LTD.

The consolidated financial information of VYNER LTD is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2020	Cyprus	149.269	89.837	7.952	(186)	50,00%
2019	Cyprus	146.395	86.772	11.230	1.242	50,00%

The consolidated financial information of SW SOFIA MALL ENTERPRISES LTD is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2020	Cyprus	2.789	206	198	193	50,00%
2019	Cyprus	2.266	200	183	(169)	50,00%

In relation to the associated company SW SOFIA MALL ENTERPRISES LTD, we note that regarding IAS 28, if the investor's share in an associate's losses equals or exceeds the book value o the investment, the investor no longer recognizes his share in further losses. The proportion in equity of the company, at the end of the current period amounts to € 1.292 th. (2019: € 1.033 th.)

Associated companies MANTENKO SA and POLIKENCO SA are included in the consolidated financial statements of the Group through the application of equity method, the amount of which in "assets held for sale" of the Group on 31/12/2020 was € 5.363 th. (2019: € 0 th.).

The financial information of MANTENKO SA is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2020	Greece	6.587	9	-	-	50,00%

	Total	Not due receivables not impaired	Overdue impaired trade receivables
31/12/2020	**4.034**	2.633	1.401
31/12/2019	**3.040**	1.562	1.478

	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Inventory	91.148	88.626	0	0
Advances for purchases of merchandise	(166)	38	0	0
Total	**90.982**	**88.663**	**0**	**0**

	Group		Company	
	31/12/2020	**31/12/2019**	**31/12/2020**	**31/12/2019**
Guarantees given to Property Lease Holders	[illegible]	[illegible]	47	47
Guarantees given to third party	[illegible]	[illegible]	0	0
Other Long term claims	[illegible]	[illegible]	0	0
Total	**4.979**	**5.145**	**47**	**47**

	Group		Company	
	31/12/2020	**31/12/2019**	**31/12/2020**	**31/12/2019**
Trade receivables	[illegible]	[illegible]	1.120	1.848
Cheques receivables	[illegible]	[illegible]	0	0
Bad Debt Provisions	(7.622)	(7.542)	0	0
Total	**4.034**	**3.040**	**1.120**	**1.848**

The financial information of POLIKENCO SA is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2020	Greece	6.304	2.210	-	-	50,00%

12. Long Term Receivables

Long Term Receivables are analysed as follows:

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

13. Inventory

Inventory is analyzed as follows:

From the total inventory amounting to € 90.982 thousand in 2020, the inventory in the retail trading of home furniture and households goods segment is of amount € 37.594 thousand and in the retail trading of sporting goods segment is of amount € 53.388 thousand. The inventory cost of the Group which was recorded as an expense under cost of goods sold amounts to € 213.074 thousand (2019: € 259.914 thousand). The inventory value that was written off within the financial year was € 918 thousand (2019: € 1.141 thousand). Within the current period impairment provisions of amount € 1.437 thousand (2018: € 388 thousand) were made for unmoved, slow moving and obsolete inventory that will be written off within the next year. The total provision for inventory on 31/12/2020 for the Group amounts to € 3.464 th. (31/12/2019: € 752 th.).

14. Trade receivables

Trade receivables are analyzed as follows:

The above balance is formed by numerous customers and there is not a single customer with a significant balance in the Group.

As at December 31, 2020 and 2019 the ageing of trade receivables is analyzed as follows:

Not due receivables not impaired include amounts resulting from goods sale and other receivables of amount € 1.671 th. (2019: € 1.195 th.), leasing and occupancy invoicing € 501 th. (2019: € 92 th.), from e-shop sales € 282 th. (2019: € 85 th.), electricity invoicing to Renewable Energy Sources and Guarantees of Origin (DAPEEP SA) € 73 th. (2019: € 79 th.), from provision of administrative services to associated company € 106 th. (2019: € 111 th.).

For the Company, total receivables which amount to € 1.120 th. (2019: 1.848 th.) is not due and is related to provision of administrative services.

15. Other receivables

Other receivables are analyzed as follows:

	Group		Company	
	31/12/2020	**31/12/2019**	**31/12/2020**	**31/12/2019**
Debit VAT	145	264	0	0
Credit Cards receivable	3.043	3.940	0	0
Other debtors	11.217	10.831	10.423	6.233
Total	**14.405**	**15.034**	**10.423**	**6.233**

On 31/12/2020, other debtors include accrued expenses and income of amount € 3.471 th. (2019: € 4.917 th.) and suppliers advances of amount € 2.938 th. (2019: € 1.119 th.). Furthermore, other debtors include the amount of € 245 th. for credit cards discounting program of a subsidiary through factoring (2019: € 273 th.), € 1.209 th. for municipal taxes receivables (2019: € 1.209 th.), € 22 th. for pledged deposit accounts (2019: € 432 th.) and € 525 th. for purchases in transit (2019: € 1.216 th.) For the Company for the year 2020, other debtors include receivables from subsidiary regarding dividend of amount € 10.200 th. (2019: 6.200 th.).

16. Cash

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:

	Group		Company	
	31/12/2020	**31/12/2019**	**31/12/2020**	**31/12/2019**
Cash in hand	1.845	1.865	2	2
Bank deposits	113.595	39.113	548	727
Total	**115.440**	**40.978**	**550**	**729**

The increase in cash is due to the utilization of open credit lines and government's financial support measures for companies. The temporary unallocated funds of the Group's companies are invested in short-term deposits in euro. The average weighted deposit interest rate for the year 2020 is 0,10% (2019: 0,57%).

17. Share Capital

On 31/12/2020 the share capital amounted to € 52.092.001,00 divided into 52.092.001 shares of nominal value € 1,00 per share (Note 1). On 31/12/2019 the share capital amounted to € 42.124.018,41

	Group		Company	
	31/12/2020	**31/12/2019**	**31/12/2020**	**31/12/2019**
Statutory Reserves	20.048	20.048	6.686	6.686
Revaluation Reserves	722	722	0	0
Foreign exchange diff. from Statement of Financial Position transl. reserves	(10.341)	(10.027)	0	0
Extraordinary /Taxfree Reserves	16.306	16.313	6.970	6.970
Purchase of own shares	(2.139)	0	(2.139)	0
SOP Reserve	3.044	2.479	3.177	2.612
IRS Reserve	(256)	(287)	0	0
Total	**27.384**	**29.248**	**14.694**	**16.268**

divided into 52.004.961 shares of nominal value € 0,81 per share.

Evolution and coverage of share capital of the Company for the year 2020 are analyzed as follows:

Date of General Assembly	Government Gazette No.	Amount of increase		Amount of decrease	New shares total	Shares total	Share Capital after the increase/decrease	Nominal value per share
		Cash Payments	By capitalizing part of the reserve of retained earnings	By decreae of nominal value of the share and capital return with cash payment to shareholders				
14/6/2019	1782688/07.03.19	-	-	5.180.731,40	-	51.807.314	41.963.924,34	0,81
18/12/2019	2062748/24.01.20	160.094,07	-	-	197.647	52.004.961	42.124.018,41	0,81
21/12/2020	2448494/13.01.21	-	9.880.942,59	-	-	52.004.961	52.004.961,00	1
28/12/2020	2450940/15.01.21	87.040,00	-	-	87.040	52.092.001	52.092.001,00	1
					Total	**52.092.001**	**52.092.001,00**	**1**

18. Reserves

The reserves are analyzed as follows:

Statutory Reserves: 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.

Extraordinary / Tax-free Reserves: The Group has Extraordinary/Tax-free Reserves of amount € 16.306 thousand (2019: € 16.313 thousand), which was mainly derived from disposal of shares listed in Athens Stock Exchange, dividends, interests and income from bad debt provision of L. 3296/04. In case of distribution or capitalisation, the reserves will be taxed with the official tax rate declared by article 71B of L.4172/2013 (Note 26).

Foreign Exchange Differences from subsidiaries accounts conversion: This reserve is comprised from the foreign exchange differences arising from the retranslation of the financial statements of Subsidiaries which have a different functional currency from the parent company.

Cash Flow Hedging reserve: The hedging reserve comprises of the effective portion of the cumulative net change in the fair value of cash flow hedging instruments (IRS) (Note 22).

SOP Reserves: This reserve is created with the General Assembly approval of the SOP for employees of the Company and Group. After the exercise of the options or waive of beneficiaries, the remaining amount of the reserve can be transferred to Retained Earnings.

Revaluation Reserves: This reserve is created from revaluation on land and buildings. According to Greek Law, revaluation reserves can not be distributed to shareholders.

Purchase of own shares: For purchase of own shares see Note 28.

19. Dividends

The Shareholders Ordinary General Assembly held on 12/6/2020 did not propose a dividend distribution for the year 1/1 – 31/12/2019. The parent company registered in its income dividend from subsidiary of amount € 7 million during the year 2020. At the Shareholders Ordinary General Assembly of the year 2020 which is scheduled to take place on 18/6/2021, no dividend distribution will be proposed.

20. Employee retirement benefits

20.1 Liabilities due to termination of service

The obligation of employee compensation due to termination of service (Law 2112/20, 4093/12 for Greek Companies, Bulgarian Labor Law for Bulgarian Companies and Labor Law 1475 for Turkish Company) appears in the Financial Statements in compliance with IAS 19 and is based on an actuarial study elaborated by AON Hewitt on December 31st,2020.

Basic assumptions of the actuarial study for Greece are the following:

Greek Companies	**2020**	**2019**
Average annual payroll increase	1,00%	1,00%
Discount interest rate	0,53%	0,93% - 1,20%
Inflation	1,00%	1,00%
Plan duration (years)	16,69	15-23

In case of an average annual payroll increase by 0,50% (namely 1,50%), the amount of liabilities due to termination of service of Greek companies would increase from 7,35% to 11,87%. In case of a discount rate increase by 0,50%, the amount of liabilities due to termination of service of Greek companies would decrease from 6,71% to 10,55%.

Bulgarian Companies	**2020**	**2019**
Average annual payroll increase	2,50%	1,80%
Discount interest rate	0,29%	0,40%
Inflation	1,00%	0,30%
Plan duration (years)	15-22	21-28

In case of an average annual payroll increase by 0,50% (namely 3%), the amount of liabilities due to termination of service of Bulgarian companies would increase from 11,21% to 13,79%. In case of a

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
Service Cost	409	374	28	10
Interest Cost	66	114	7	31
Cost reduction/settlement/termination service	433	135	115	0
Total amount allocated in Income statement	**907**	**622**	**151**	**40**
Balance of liability at the beginning	**5.896**	**4.736**	**653**	**515**
Compensation due to retirement	907	622	151	40
Paid amounts	(308)	(183)	(10)	0
Actuarial losses	735	725	74	98
Foreign exchange difference	(16)	(5)	0	0
Balance of liability in the end	**7.214**	**5.896**	**868**	**653**

discount rate increase by 0,50% (namely 0,79%), the amount of liabilities due to termination of service of Bulgarian companies would decrease from 10,12% to 12,28%.

Turkish Company	**2020**	**2019**
Average annual payroll increase	11,67%	13,00%
Discount interest rate	12,43%	16,00%
Inflation	9,67%	11,00%
Plan duration (years)	24	23

In case of an inflation increase by 0,50% (namely 10,17%), the amount of liabilities due to termination of service would increase by 11,00% for INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş. In case of a discount rate increase by 0,50% (namely 12,93%), the amount of liabilities due to termination of service would decrease by 10% for INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş. In the analysis of sensitivity of Turkey, a reference is made to the inflation rate and not to compensation increase because benefits in Turkey are subject to a maximum salary (plafond) and an increase/decrease of inflation will affect the maximum salary.

The expense derived from the compensation to employees due to retirement, that was recorded in the Income Statement of the financial year 2020 is analysed as follows:

Amounts in Actuarial gains/losses appear in Statement of Comprehensive Income and regard employee retirement defined benefits programs.

20.2 Share based payments

The Ordinary General Assembly of the Company of June 16, 2017, under the context of Stock Option Plan, approved the disposal of 2.566.520 stock options and the authorization to the Board of Directors regarding the settlement of procedures and details. The program will be implemented in four waves, with a maturity period of five years per wave. Options should be exercised within five years since their maturity date. In case that, after the grant some of the options remain undisposed, those options will be cancelled. The underlying price of each wave is the closing stock price on the day of General

Assembly's resolution regarding the approval of the program.

On 20/11/2017 the board of Directors granted 641.630 Stock Options, which are the first of the four waves. The underlying share price, to which conferred options reflect, is determined at the amount of 5,768 € per share which is the closing stock price of the share (adjusted with the share capital decrease which took place after the date of the General Assembly).

The options of the wave mentioned above are granted within five years as follows:

Vesting Date	**No of Options**
31/12/2017	128.326
31/12/2018	128.326
31/12/2019	128.326
31/12/2020	128.326
31/12/2021	128.326

The fair value of options has been calculated based on the simulation of the Company's share price assuming that the price will develop to the "Binomial Pricing" model. Fair value per option and vesting date has been defined based on model 5 Bermudan option as follows:

Vesting Date	**Value per Option €**
31/12/2017	0,962
31/12/2018	1,064
31/12/2019	1,152
31/12/2020	1,225
31/12/2021	1,290

The variables upon which the data above were calculated are as follows:

Variable	**Value**
Exercise Price	€ 5,77
Grant Date	20/11/2017
Stock Volatility	28,1%
Dividend Yield	1,72%
Attrition Rate	0%
Risk Free Rate	0,3953%

On 19/11/2018 the board of Directors granted 641.630 Stock Options, which are the second of the four waves. The underlying share price, to which conferred options reflect, is determined at the amount of 5,667 € per share which is the closing stock price of the share (adjusted with the share capital decrease which took place after the date of the General Assembly).

The options of the wave mentioned above are granted within five years as follows:

Vesting Date	**No of Options**
31/12/2018	128.326
31/12/2019	128.326
31/12/2020	128.326
31/12/2021	128.326
31/12/2022	128.326

The fair value of options has been calculated based on the simulation of the Company's share price assuming that the price will develop to the "Binomial Pricing" model. Fair value per option and vesting date has been defined based on model 5 Bermudan option as follows:

Vesting Date	Value per Option €
31/12/2018	0,541
31/12/2019	0,623
31/12/2020	0,694
31/12/2021	0,756
31/12/2022	0,809

The variables upon which the data above were calculated are as follows:

Variable	Value
Exercise Price	€ 5,67
Grant Date	19/11/2018
Stock Volatility	26,6%
Dividend Yield	2,012%
Attrition Rate	0%
Risk Free Rate	0,575%

On 19/11/2019 the board of Directors granted 641.630 Stock Options, which are the second of the four waves. The underlying share price, to which conferred options reflect, is determined at the amount of 5,5637 € per share which is the closing stock price of the share (adjusted with the share capital decrease which took place after the date of the General Assembly).

The options of the wave mentioned above are granted within five years as follows:

Vesting Date	No of Options
31/12/2019	128.326
31/12/2020	128.326
31/12/2021	128.326
31/12/2022	128.326
31/12/2023	128.326

The fair value of options has been calculated based on the simulation of the Company's share price assuming that the price will develop to the "Binomial Pricing" model. Fair value per option and vesting date has been defined based on model 5 Bermudan option as follows:

Vesting Date	Value per Option €
31/12/2019	1,006
31/12/2020	1,098
31/12/2021	1,176
31/12/2022	1,240
31/12/2023	1,294

The variables upon which the data above were calculated are as follows:

Variable	Value
Exercise Price	€ 5,56
Grant Date	19/11/2019
Stock Volatility	27,7%
Dividend Yield	1,852%
Attrition Rate	0%
Risk Free Rate	0,575%

On 24/11/2020 the board of Directors granted 641.630 Stock Options, which are the fourth of the four waves. The underlying share price, to which conferred options reflect, is determined at the amount of 5,5637 € per share which is the closing stock price of the share (adjusted with the share capital decrease which took place after the date of the General Assembly).

The options of the wave mentioned above are granted within five years as follows:

Vesting Date	**No of Options**
31/12/2020	128.326
31/12/2021	128.326
31/12/2022	128.326
31/12/2023	128.326
31/12/2024	128.326

The fair value of options has been calculated based on the simulation of the Company's share price assuming that the price will develop to the "Binomial Pricing" model. Fair value per option and vesting date has been defined based on model 5 Bermudan option as follows:

Vesting Date	**Value per Option €**
31/12/2020	0,507
31/12/2021	0,601
31/12/2022	0,683
31/12/2023	0,755
31/12/2024	0,818

The variables upon which the data above were calculated are as follows:

Variable	**Value**
Exercise Price	€ 5,56
Grant Date	24/11/2020
Stock Volatility	38,8%
Dividend Yield	2,111%
Attrition Rate	0%
Risk Free Rate	0,575%

Under the context of the Stock Option Plan which was approved and established by the resolution of the Extraordinary General Assembly of the shareholders on 27/9/2013 (Stock Option Plan – hereinafter "the Program"), within the year 2020, 87.040 options were exercised (hereinafter "the Options"). Following the resolution of the Board of Directors on 28/12/2020 (relevant minutes of the BoD with number 417/28.12.2020), the exercise of the aforementioned options from the corresponding beneficiaries of the Program was certified by payment of the exercise price of the new shares.

It is noted that the underlying price of shares to which the distributed options reflect, had been initially determined at the amount of € 3,40 per share, which was the closing stock price of the share on the date of the resolution of the General Assembly regarding the SOP (27/9/2013). Already, following the resolutions of 20/11/2017, 19/11/2018 and 18/11/2019 of the BoD (relevant minutes of the BoD 389/20.11.2017, 399/19.11.2018 and 407/18.11.2019), an adjustment has been made at the historical price of the Company's share and therefor the implememted exercise price of the options of the SOP is accounted at the amount of € 0,2226 € (3,2226 €) per share.

	Book Value	
	31/12/2020	31/12/2019
€000s		
Trade receivables	4.034	3.040
Other Debtors	11.217	10.831
Credit Cards receivable	3.043	3.940
Cash & cash equivalent	115.440	40.978
Total	**133.734**	**58.790**

Following the certification of the payment of the exercise price of the Stock Options by their beneficiaries, namely the amount of € 280.495,10, 87.040 new common nominal shares were issued and delivered to the corresponding beneficiaries of the Program, of nominal value € 1,00 per share, while the share capital of the Company increased by the amount of € 87.040,00 which reflects to the nominal value of the new shares. Moreover, following the exercise of the aforementioned Options by payment of the exercise value, namely € 3,2226 per share according to the aforementioned, the share premiun, of total amount € 193.455,10, was transferred to "Share Premium reserve".

During the period 1/1–31/12/2020, beneficiaries waived their right to exercise 0 options (2019: 2.378) which were granted by the BoD on 25/11/2013, beneficiaries waived their right to exercise 0 options (2019: 4.677) which were granted by the BoD on 24/11/2014 and also beneficiaries waived their right to exercise 0 options (2019: 6.840) which were granted by the BoD on 25/11/2015.

During the period 1/1–31/12/2020, the amount of € 565.157,54 (2019: € 489.614) was registered in the Consolidated Income Statement as an expense.

20.3 Benefit contributions under the private insurance program

During the year ended on December 31, 2020 the amount of defined benefit contributions under the private insurance program that was recorded as an expense by the parent Company totalled at € 340 thousand (2019: € 335 thousand) while the respective amount recorded as an expense by the Group amounted to € 955 thousand (2019: € 923 thousand).

21. Financial Instruments and Risk Management Policies

21.1 Credit Risk

Exposure to Credit Risk

The maximum exposure to credit risk at the date of the Statement of Financial Position, without taking into consideration any hedging or insurance strategies, was as follows:

The maximum exposure to credit risk on trade receivables of the Group without taking into consideration any hedging or insurance strategies at the date of the Statement of Financial Position, per geographic segment was as follows:

	Book Value 31/12/2020	Book Value 31/12/2019
Wholesale trade customers	2.361	2.291
Retail trade customers	1.682	750

	Greece		Southeastern Europe Countries	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Trade receivables	3.646	2.747	388	293
Other Debtors	9.211	8.181	2.006	2.650
Credit Cards receivable	979	2.202	2.065	1.739
Cash & cash equivalent	89.096	18.665	26.344	22.313
Total	**102.931**	**31.795**	**30.803**	**26.995**

€000s	Immediate termination	3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
31/12/2020						
Credit lines	3.300	0	6.627	0	0	9.927
Short-term loans	36	7	6.882	0	0	6.926
Long-term loans	0	1.851	52.005	150.156	0	204.012
Total	**3.336**	**1.858**	**65.515**	**150.156**	**0**	**220.865**
31/12/2019						
Credit lines	0	2.000	1.813	0	0	3.813
Short-term loans	10.521	0	2.657	0	0	13.178
Long-term loans	494	1.187	8.357	119.183	534	129.755
Total	**11.015**	**3.187**	**12.827**	**119.183**	**534**	**146.746**

The maximum exposure to credit risk at the date of the Statement of Financial Position, per customer type was:

21.2 Liquidity Risk

Liquidity risk is retained at low levels by maintaining adequate bank credit lines and significant cash and cash equivalents which on 31/12/2020 amounted to € 41 million for the Group vs € 115 million on 31/12/2019 while during year 2020, the Group managed to maintain the improved credit terms from its main suppliers.

The contractual loan dues including interest payments, excluding the net - off agreements, are as per paragraph Borrowings, while for Accounts Payable and Other Liabilities have a contractual maturity of less than 12 months.

The table above includes the syndicated loan of the company TRADE ESTATES BULGARIA EAD of amount € 16.300 th. with issuing date 5/12/2019 and duration 5 years since the issuing date (€ 2.500 th. payable in forthcoming period) which was reclassified (Note 9).

21.3 Foreign Exchange Risk

Foreign exchange risk exposure

The Group is exposed to foreign exchange risk arising from its transactions in foreign currencies (RON, USD, TRY, SEK). The Group, in order to minimize the foreign exchange risk, in certain cases pre - purchases foreign currencies.

The Group has investments in companies overseas, the net assets of which are exposed to foreign exchange risk. This type of foreign exchange risk (translation risk) arises due to the operations in Romania (RON), Bulgaria (BGN) and Turkey (TRY). The Management has managed to reduce foreign

	(Trade creditors and other libilities) (Foreign currency in thousands euros)	
	31/12/2020	**31/12/2019**
USD	14	165
GBP	0	(6)
CHF	0	0
SEK	(316)	(711)
RON	2.771	3.036
TRY	22.826	25.733
BGN	0	0
Euro	33.209	32.647

exchange risk, given the strong capital structure of the companies and to decrease borrowings in currencies other than the local.

More particularly, approximately 90% of GENCO TRADE SRL loans, which is located in Romania, are in local currency (RON) in an effort to avoid the exchange difference charges resulting from RON devaluating vs. the Euro. In Bulgaria the local currency is pegged to the Euro (EUR/ BGN = 1.95583) a fact which can not guarantee that economic problems and consequences of the global crisis on Bulgaria, will not increase the risk that this conversion ratio will remain constant. In Turkey, the financing for commercial activity is in local currency, while for investments is in euro.

Sensitivity Analysis

A Euro revaluation of 10% at December 31, vs the below currencies would increase (decrease) the Net Equity and the Operating Results as per the amounts indicated at the below summary. It is assumed that the other variables (Interest Rates) would remain constant. The analysis was performed in a similar manner for 2019.

Impact in €000s	Net Equity	Operating Result
Dec 31 , 2020		
USD	1,4	1,4
GBP	0	0
SEK	(3,2)	(3,2)
RON	277,1	277,1
TRY	2.282,6	2.282,6
TOTAL	**2.557**	**2.557**
Dec 31 , 2019		
USD	16,5	16,5
GBP	(1)	(1)
SEK	(71)	(71)
TRY	304	304
RON	2.573	2.573
TOTAL	**2.821**	**2.821**

A Euro devaluation of 10% at December 31 vs the aforementioned currencies would have an equal but opposite impact in comparison to the ones presented above, based on the assumption that all the other

Financial Position	31/12/2020
TRY - Turkish Lira	9.1131
BGN - Bulgarian Lev	1.95583
RON - Romanian New Leu	4.8683
Profit & Loss	**1/1/2020 - 31/12/2020**
TRY - Turkish Lira	8.0547
BGN - Bulgarian Lev	1.95583
RON - Romanian New Leu	4.8383

variables would remain constant.

The exchange rates of foreign currencies used for the conduction of the financial statements of the year 2020, are presented at the table below:

21.4 Interest Rate Fluctuation Exposure

Profile

The Group is subject to cash flow risks 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. Despite of the fact that we believe that in an environment of prolonged global slowdown, the risk of rising interest rates remains low, the group has entered into Interest Rate Swap (IRS) contracts effectively converting part of the loans from floating to fixed interest rate for a period of 3 to 5 years.

The profile of Group's loan liabilities at the date of the Statement of Financial Position is analysed in paragraph Borrowings.

Sensitivity Analysis of fair value for financial instruments with a variable interest rate

A 1% fluctuation of the Group's borrowing rate at December 31, would increase (decrease) equally the Net Equity and the Operating Results by € 2.208,65 thousand for the year 2020 and € 1.467,46 thousand for the year 2019.

Sensitivity Analysis of fair value for financial instruments with a fixed interest rate

No such Instruments (Assets/Liabilities) valued at fair value through income statement exist for the Company.

21.5 Fair value of financial instruments

The carrying amounts of the financial instruments of assets and liabilities (i.e. trade and other receivables, cash and cash equivalents, trade and other payables, derivative financial instruments, borrowings and finance leases) approximate their fair value. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between two market participants at the measurement date. The fair values of the financial instruments as of 31 December 2020 represent management's best estimate. In situations where there is little, if any, market activity for the asset or liability at the measurement date, the fair value measurement reflects the Group's own judgments about the assumptions that market participants would use in pricing the asset or liability. Those judgments are developed by the Group based on the best information available in the circumstances.

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.

21.6 Capital Management

The primary objective of the Group's capital management is to ensure and maintain strong credit ratings and healthy capital ratios in order to support the investment projects and maximizing the return of invested capital for the shareholders.

The Group monitors its capital management through the use of a gearing ratio - net debt divided by equity plus net debt - where net debt includes interest bearing loans and borrowings minus cash. The Group's strategic objective is to maintain the above ratio between 30% and 45%. On 31/12/2020 the ratio stood at 35% (2019: 33%).

22. Borrowings

Borrowings for the year 2020 and 2019 are analyzed as follows:

	Group	
	31/12/2020	**31/12/2019**
Non - current loans	**187.712**	**112.255**
Current portion of non-current loans and borrowings	51.356	7.638
Non - current loans	136.356	104.617
Short term loans for working capital	16.853	16.991
Total loans and borrowings	**204.565**	**129.246**

On 31/12/2020 the Company had non-current loan liabilities amounted € 77 th. while on 31/12/2019 had no loan liabilities.

The repayment period of non - current loans varies between 1 to 5 years and the average weighted interest rate of the Group's non - current loans was 2,76% % during the period 1/1 – 31/12/2020 (1/1 – 31/12/2019: 3,75%). The average weighted interest rate of the Group's total loans was 2,83% during the period 1/1 – 31/12/2020 (1/1 – 31/12/2019: 7,25%). Repayments and proceeds of loans of the current period amounted to € 102.475 thousand (2019: € 31.539 thousand) and € 176.547 thousand (2019: € 44.458 thousand) respectively. Non - current loans, including their part which is payable within 12 months, cover mainly the Group's growth needs and are analyzed in bond, syndicated and other non - current loans as follows for 31/12/2020 and 31/12/2019 respectively:

31/12/2020		**Amount**	**Issuing Date**	**Duration**
FOURLIS HOLDINGS SA	Refundable down payment	77	16/6/2020	5 years from the issuing date
		77		
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	9.385	23/4/2019	5,5 years from the issuing date (€2.168 th. payable forthcoming period)
		9.385		
TRADE LOGISTICS A.E.B.E.	Bond	5.050	8/3/2017	5 years from the issuing date (€600 th. payable forthcoming period)
	Refundable down payment	113	16/6/2020	5 years from the issuing date
		5.163		
HOUSE MARKET BULGARIA EAD	Syndicated	10.084	11/7/2016	9 years from the issuing date (€1.947 th. payable forthcoming period)
		10.084		

31/12/2020		Amount	Issuing Date	Duration
INTERSPORT A.E	Bond	24.380	28/7/2017	5 years from the issuing date (€1.935 th. payable forthcoming period)
	Bond	14.964	23/7/2020	2 years from the issuing date
	Bond	19.828	17/7/2020	4 years from the issuing date (€1.951 th. payable forthcoming period)
	Bond	9.864	21/12/2020	2 years from the issuing date
	Refundable down payment	123	31/07/2020	5 years from the issuing date
		69.159		
HOUSEMARKET A.E.	Bond	39.765	4/10/2016	5 years from the issuing date
	Bond	9.923	26/2/2019	5 years from the issuing date (€991 th. payable forthcoming period)
	Bond	19.828	17/7/2020	4 years from the issuing date (€2.000 th. payable forthcoming period)
	Bond	19.432	31/7/2020	4 years from the issuing date (€0 th. payable forthcoming period)
	Bond	4.896	24/9/2020	3 years from the issuing date
		93.844		
Total		**187.712**		

31/12/2019		Amount	Issuing Date	Duration
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	11.374	23/4/2019	5,5 years from the issuing date (€2.168 th. payable forthcoming period)
		11.374		

31/12/2019		Amount	Issuing Date	Duration
TRADE LOGISTICS A.E.B.E.	Bond	5.350	8/3/2017	5 years from the issuing date (€600 th. payable forthcoming period)
		5.350		
HOUSE MARKET BULGARIA EAD	Syndicated	11.103	11/7/2016	9 years from the issuing date (€1.960 th. payable forthcoming period)
		11.103		
INTERSPORT A.E	Bond	25.313	28/7/2017	5 years from the issuing date (€1.920 th. payable forthcoming period)
	Bond	4.953	31/3/2018	5 years from the issuing date (payment at maturity date)
		30.266		
HOUSEMARKET A.E.	Bond	39.702	4/10/2016	5 years from the issuing date
	Bond	14.461	26/2/2019	5 years from the issuing date (€991 th. payable forthcoming period)
		54.163		
Total		**112.255**		

Non–current loans include loans with a guarantee of 80% of their value from the Hellenic Development Bank with the financing of the Hellenic State and the European Union:

- Bond loan issued on 16/7/2020 by NATIONAL BANK for the subsidiary INTERSPORT SA of € 15 million with maturity on 31/7/2022.
- Bond loan issued on 16/7/2020 by NATIONAL BANK for the subsidiary INTERSPORT SA of € 20 million with maturity on 30/6/2024.
- Bond loan issued on 21/12/2020 by ALPHA BANK for the subsidiary INTERSPORT SA of € 10 million with maturity on 21/12/2022.
- Bond loan issued on 16/7/2020 by NATIONAL BANK for the subsidiary HOUSEMARKET SA of € 20 million with maturity on 30/6/2024.
- Bond loan issued on 30/7/2020 by EUROBANK for the subsidiary HOUSEMARKET SA of € 20 million with maturity on 31/7/2024.
- Bond loan issued on 24/9/2020 by PIRAEUS BANK for the subsidiary HOUSEMARKET SA of € 5

million with maturity on 24/9/2023.

Current portion of non-current loans and borrowings includes:

- The bond loan issued by the company HOUSEMARKET S.A. of five-year maturity. The Bond Loan, was disposed through a public offering between 28th and 30th of September 2016 in Greece by cash payment and the available 40 million bearer bonds were issued on 6/10/2016 for trading in the Fixed Income Securities Category of the regulated market of Athens Stock Exchange. The loan is subject to Greek law, has a five year maturity date with fixed interest rate 5% per year and quarterly interest payment. The Company purchased totally 107.184 treasury shares, which were canceled according to the announcement of 10/8/2020.
  Direct costs of the bond loan issue amounted to € 853 th., of which € 556 th. have been allocated within the years 2016-2019, € 171 th. have been allocated within the year 2020 and € 126 th. will be allocated within the next months of year 2021 until maturity on 4/10/2021.
- Part of bond loan issued by the subsidiary INTERSPORT SA corresponding to an amount of € 2 million, with four-year maturity ending on 30/6/2024 with a total amount of € 20 million.
- Part of bond loan issued by the subsidiary HOUSEMARKET SA corresponding to an amount of € 2 million, with four-year maturity ending on 30/6/2024 with a total amount of € 20 million.

Short term loans of the Group include current loans and overdraft bank accounts which are used for the Group's working capital needs. The amounts drawn are used mainly to cover current obligations to suppliers. The average weighted interest rate of loans within the period 1/1/2020-31/12/2020 was 2,84% (within the corresponding period of 2019 it was 3,81%).

During the current period, Interest Rate Swaps or IRSs continue to exist, in order to mitigate the risk of subsidiaries of a sudden increase in interest rates in the interbank market.

The terms of the swap agreements are as follows:

- 7year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for nominal amount of € 8,6 million, with a negative fair value for HOUSE MARKET BULGARIA EAD on 31/12/2020 of € 111 thousand (31/12/2019: € 126 thousand). The outcome of the valuation has been registered in the Statement of Comprehensive Income.

- 7year financial product (IRS) that hedges interest rate risk through the exchange of fixed/ floating rate for nominal amount of 12,6 million, with a negative fair value for TRADE ESTATES BULGARIA EAD on 31/12/2019 of € 174 thousand (31/12/2019: € 194 thousand). The outcome of the valuation has been registered in the Statement of Comprehensive Income.

Some of Group's loans include loan covenants. On 31/12/2020 the Group was either in compliance with

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Opening balance	(117.219)	(123.370)	(1.444)	(1.618)
Other changes	[illegible]	[illegible]	20	4
Customers advances	3.867	2.718	0	0
Interest expense on lease liabilities	(5.445)	(5.303)	(56)	(65)
Insurance Organizations	3.019	2.934	196	203
Repayment of leasing	20.771	19.877	328	325
Other payables	5.261	4.902	10.087	107
Total	**(130.703)**	**(117.219)**	**(1.297)**	**(1.444)**
Total	**104.542**	**87.706**	**11.536**	**1.342**

its loan terms or had received waiver in their measurements.

The Group, having centralized its capital management, has the ability to directly identify, quantify, manage and hedge, if necessary, its financial risks created by its operational activities so as to be consistent to the changes in the economic environment. The Group continuously observes and budgets its cash flow and acts appropriately in order to ensure open credit lines for covering current capital needs. The Group has adequate open credit lines with domestic and foreign financial institutions in order to cover the needs of the companies in working capital. On 31/12/2020, the open balance of credit lines amounted to € 136 million (31/12/2019: € 90 million).

23. Leasing Liabilities

On 31/12/2020, leasing liabilities for the Group and Company are analyzed as follows:

Maturities of leasing liabilities are presented below:

During the year 2020 the Group's subsidiaries have received a discount in leases (either by law or as a result of negotiations with lessors).

24. Other Non-Current Liabilities

Other Non-Current Liabilities are analyzed as follows:

25. Trade and other payables

Trade and other payables are analyzed as follows:

Increase in trade and other payables for the Group during the year 2020, is mainly due to the utilization of tax support measures to deal with the COVID-19 pandemic and the provision of improved credit terms by the Group's key suppliers.

26. Income taxes

The nominal tax rates in the countries that the Group is operating vary between 10% and 24% for the year 2020, as follows:

Country	Income Tax Rate (31/12/2020)	Income Tax Rate (31/12/2019)
Greece (*)	24,0%	24,0%
Romania	16,0%	16,0%
Bulgaria	10,0%	10,0%
Cyprus	12,5%	12,5%
Turkey	22,0%	22,0%

The parent company and its subsidiaries have not been audited by the tax authorities for the years noted below:

COMPANY	YEARS
FOURLIS HOLDINGS SA	2015 – 2020 (*)
INTERSPORT ATHLETICS SA	2015 – 2020 (*)
GENCO TRADE SRL	2007 – 2020
GENCO BULGARIA EOOD	2017 – 2020
TRADE LOGISTICS SA	2015 – 2020 (*)
HOUSEMARKET SA	2015 – 2020 (*)
HM HOUSEMARKET (CYPRUS) LTD	2014 – 2020
HOUSE MARKET BULGARIA EAD	2013 – 2020
RENTIS SA	2015 – 2020 (*)
INTERSPORT ATHLETICS (CYPRUS) LTD	2006 – 2010 and 2012 – 2020
WYLDES LTD	2019 – 2020
INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş.	2020
TRADE ESTATE CYPRUS LTD	2019-2020
TRADE ESTATE BULGARIA EAD	2019-2020
H.M. ESTATES CYPRUS LTD	2019-2020

Assosiate companies have not been audited by the tax authorities for the years noted below:

COMPANY	YEARS
VYNER LTD	2019-2020
SW SOFIA MALL ENTERPRISES LTD	2019-2020
MANTENKO SA	2019-2020
POLIKENCO SA	2020

(*) For the fiscal years 2011, 2012 and 2013 all companies of the Group located in Greece, have been subjected to tax audit by Certified Audit Accountants in compliance with the provisions of Article 82 par. 5 of Law 2238/1994 and for the fiscal years 2014, 2015, 2016 and 2017 in compliance with the provisions of Article 65 a of Law 4174/2013. The companies received a Tax Compliance Certificate for fiscal years

	Group		Company	
	1/1 - 31/12/2020	1/1 - 31/12/2019	1/1 - 31/12/2020	1/1 - 31/12/2019
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provision for doubtful debts	899	899	0	0
Deferred income tax	4.565	1.136	0	0
Devaluation of assets	0	0	0	0
Reclass of Revenue account	588	181	0	0
Differences from the application of IFRS 16	1.330	666	11	7
Total	**8.067**	**2.867**	**227**	**178**

2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018 and 2019 while tax audit for the fiscal year 2020 is in progress. Upon completion of the audit, the Management of the Company and Group does not expect any significant liabilities to occur, other than those recorded in the Financial Statements. The years until 2014 are integrated.

The income tax expense for the year 2020 and the relative year 2019 is as follows:

The reconciliation between the nominal tax rate and the effective tax rate is analyzed as follows:

Miscellaneous timing differences include the amount of € 0 th. (31/12/2019: € (494) th.) for the Group and € 0 th. (31/12/2019: € (28) th.) for the Company, regarding the effect of taxes due to change in tax rates.

Deferred taxes on 31/12/2020, which are presented in the Statement of Comprehensive Income and compose income due to valuation of cash flow hedging at the fair value amount to € 3 th. (31/12/2019: € 8 th.) and income due to defined benefits plans amount to € 168 th. (31/12/2019: € 184 th.) for the Group. Deferred taxes on 31/12/2020 which are presented in the Statement of Comprehensive Income due to defined benefits plans for the Company, amount to € 18 th. (31/12/2019: € 23 th.)

Deferred taxes as at 31 December 2020 and 31 December 2019 which appear in Financial Statements are analysed as follows:

Deferred income taxes result from temporary differences between assets and liabilities tax recognition and financial statements composition.

	Group	
	1/1 - 31/12/2020	1/1 - 31/12/2019
Profit / (Loss) after tax attributable to owners of the parent	(8.661)	11.933
Number of issued shares	52.092.001	52.004.961
SOP Impact	546.962	648.300
Effect from purchase of own shares	-358.602	0
Weighted average number of shares	**52.280.361**	**52.653.261**
Basic (Losses)/ Earnings per Share (in Euro)	(0,1663)	0,2295
Diluted (Losses) / Earnings per Share (in Euro)	(0,1663)	0,2266

On 31/12/2020, the Group had accumulated carried forward tax losses in its subsidiaries on part of which a provision was made for deferred tax asset of amount € 4.565 thousand (31/12/2019: € 1.597 thousand) as the Management considered that the recognition criteria were met, ending in year 2025 amount of € 3.923 thousand. For the part of tax losses on which a deferred tax asset has been recognized, the Management estimates that they will be covered against taxable profits before their expiration date.

Given the fact that some of the Group companies have not been audited by the tax authorities for a few years, as mentioned above, based on the approach and interpretation of the tax authorities for the determination of the final tax, it is considered by the Group that adequate provisions for current and future tax audit differences have been made. On 31/12/2020, the cumulative Group's provision for unaudited tax years amounts to € 114 thousand (€ 114 th. on 31/12/2019) and to € 20 thousand for the Company as at 31/12/2020 (€ 20 th. on 31/12/2019) which is displayed in Income Tax Payable.

27. Earnings/Losses per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares during the period. The weighted average number of shares as at 31 December 2020 is 52.092.001 (31/12/2019: 52.004.961).

28. Treasury Shares

The Ordinary General Assembly on 14/6/2019 approved the acquisition of treasury (own) shares, with maximum number of 2.590.365 shares (5% of the paid share capital) for time period of 24 months, namely 14/6/2021, with minimum acquisition limit set at € 1,00 per share and maximum acquisition limit at € 8,00 per share, according to article 49 of Law 4548/2018 and authorized the BoD to determine, within the aforementioned frameworks, the exact time, number and price of the shares to be acquired.

On 6/3/2020, FOURLIS HOLDINGS S.A. pursuant to the resolutions of the Ordinary General Assembly of shareholders on 14/6/2019 and resolutions of the BoD on 13/1/2020, announces the beginning of the Treasury Shares Program in accordance with which the purchase of treasury (own) shares is provided up to the number of 2.590.365 shares until 14/6/2021, with minimum acquisition limit of €1,00 per share and maximum acquisition limit of € 8,00 per share.

	Group		Company	
	31/12/2020	**31/12/2019**	**31/12/2020**	**31/12/2019**
Up to 1 year	990	1.210	0	0
Between 1-5 years	3.872	3.340	0	0
More than 5 years	2.888	2.749	0	0
Total	**7.750**	**7.299**	**0**	**0**

On 31/12/2020 the Company holds 604.051 treasury shares, 1,16% of the total share capital of the Company (31/12/2019: 0).

29. Commitments and Contingencies

29.1 Commitments

Commitments of the Group on 31/12/2020 are:

- The parent Company has issued letters of guarantee for its subsidiaries guaranteeing liabilities amounting to € 74.957 th.
- Subsidiary companies have issued letters of guarantee for indirect subsidiaries guaranteeing liabilities amounting to € 18.558 th.
- The parent Company has contracted as a guarantor with the amount of € 2.100 th. for future leases and loan liabilities from investment of an associate company.
- A subsidiary company mortgage its property to secure a bond loan amounting to € 45.372 th.
- A subsidiary company has provided fluctuating guarantee on assets until the amount of € 13.000 th. to secure bilateral loan.

29.2 Operating Lease

Group as Lessor

The future leasing contracts of the Group as a lessor are as below:

29.3 Litigation

There are no litigation or arbitration proceedings as well as resolutions of judicial institutions that might have a material impact on the assets of the Group's companies.

30. Related parties

Related parties of the Group include the Company, subsidiary and associated companies, the management and the first line managers and the companies controlled by them. The parent company provides advice and services to its subsidiaries in the areas of IT, HR, financial planning and controlling, treasury and social responsibility.

		Group		Company	
		31/12/2020	31/12/2019	31/12/2020	31/12/2019
Receivables from:	HOUSE MARKET SA	[illegible]	[illegible]	[illegible]	[illegible]
	H.M. HOUSE MARKET (CYPRUS) LTD	[illegible]	[illegible]	[illegible]	[illegible]
	INTERSPORT SA	[illegible]	[illegible]	[illegible]	[illegible]
	INTERSPORT (CYPRUS) LTD	[illegible]	[illegible]	[illegible]	[illegible]
	RENTIS SA	0	0	1	2
	GENCO TRADE SRL	0	0	100	21
	GENCO BULGARIA	0	0	5	6
	HOUSE MARKET BULGARIA EAD	0	0	39	37
	INTERSPORT ATLETIK	0	0	107	675
	TRADE LOGISTICS SA	0	0	22	24
	TRADE ESTATES CYPRUS LTD	0	0	5	0
	TRADE ESTATES BULGARIA EAD	0	0	5	0
	VYNER	0	140	0	0
	TRADE STATUS SA	106	111	106	111
	SOFIA SOUTH RING MALL AED	62	6	0	0
	SW SOFIA MALL ENTERPRISES LTD	0	94	0	0
	TOTAL	**168**	**351**	**11.319**	**8.047**
Payables to:	INTERSPORT SA	0	0	10.000	3
	TRADE LOGISTICS SA	0	0	1	1
	TRADE STATUS SA	0	1	0	0
	Management members	46	60	46	60
	TOTAL	**46**	**60**	**10.046**	**64**

Administrative expenses	[illegible]	[illegible]	[illegible]	[illegible]
Distribution expenses	16.613	11.659	0	0
Other operating expenses	[illegible]	0	0	0
Dividends	7.000	8.200	7.000	6.200

The analysis of the related party receivables and payables as at 31 December 2020 and 2019 are as follows:

Related party transactions as at 31 December 2020 and 2019 are as follows:

Transactions and fees of management members for the years 2020 and 2019 are as follows:

There are no other transactions, receivables - liabilities between the Group and the Company with the management. The transactions with related parties are arm's length and include mainly sales and purchases of goods and services under the context of the ordinary operation of the Group.

31. Transactions with Subsidiaries

During financial years 2020 and 2019, between the parent company and its subsidiaries the following transactions occurred:

The Group has issued letters of guarantee for its subsidiary and associated companies guaranteeing liabilities. The analysis of such letters of guarantee is disclosed in which appears in Note «Commitments and Contingencies».

32. Significant Changes in Consolidated Data

The most significant changes recorded in the Consolidated and Separate Statement of Financial Position as of 31/12/2020 in comparison with the corresponding data as at 31/12/2019 are the following:

- Increase in the amount of "Cash and cash equivalents" and "Other receivables" is due to the pandemic response actions taken by the Group, whose retail stores in all countries of operation have suspended their operations by order of governments for 2 to 4 months, depending on the country.
- Increase in the amount of "Trade and other payables" is due to change in credit terms agreed in response to the pandemic.

33. Subsequent events

There are no other subsequent events as of 31/12/2020 that may significantly affect the financial position and results of the Group other than the following:

- those mentioned in Note 6 of the Annual Report and are related to the exercise of stock options of the Stock Option Plan,
- On 05/03/2021 the subsidiary TRADE LOGISTICS SA issued a bond loan amounted € 13 million maturity on 30/12/2028.

Web site for the publication of the Annual Financial Statements

The Annual Financial Report of the Group (Consolidated and Separate), The Independent Auditors Report and the Board of Directors Report for the year 2020 have been published by posting on the internet at the web address http://www.fourlis.gr. At the same web address, all Annual Financial Statements, Audit Reports and Board of Directors Reports of the companies which are consolidated and they are not listed and which cumulatively represent a percentage higher than 5% of consolidated revenues or assets or operating results after the deduction of minority shares proportion, are published.