



"HELLENIC DUTY FREE SHOPS S.A. "

GENERAL COMMERCIAL REGISTER No.: 006287501000

(COMPANIES REG. No.: 58597/04/B/05/76)

23RD KM. ATHENS -LAMIA NATIONAL ROAD, AGIOS STEFANOS, ATTICA GR-145 65

Annual Financial Statements

for the fiscal year 1 January – 31 December 2021

**prepared in accordance with the International Financial Reporting Standards (IFRS) as
they were adopted by the European Union**

**It is hereby confirmed that the attached financial statements for the period 01.01.2021 -
31.12.2021 are those approved by the Company's Board of Directors on 29 April 2022 and they
have been published by posting then on the internet at www.shopdutyfree.com**

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I. Annual Report of the Board of Directors for the year 01.01.2021–31.12.2021

To the Ordinary General Meeting of Shareholders

Dear Shareholders,

The Board of Directors of "Hellenic Duty Free Shops S.A" would like to submit the annual financial statements for the period from 01.01.2021 to 31.12.2021. for approval. The Board would also like to report on events occurring during the year.

Major events of the closing financial year

To 2021 was an equally difficult year, as was 2020, for travel retail. The results of the Company were greatly affected by COVID-19, with the turnover reaching € 154.8 million, greatly improved compared to the the €80.7 million in 2020. Respectively, for the Group the turnover reached €165.4 million, also improved compared to the € 90.2 million in 2020. The organic growth of the company was in the order of 92% however, compared to 2019, it is still reduced by approximately 47%. Our company was called to face the temporary and alternating interruptions or restrictions of its most important activity, throughout 2020 and for certain periods during 2021. Due to the constant restrictions on the smooth operation of the Company, travel restrictions and the economic impact of the pandemic on the economy and consumption, we had to react quickly and decisively at all levels of the organization and in close cooperation with our stakeholders, such as suppliers, employees, banks. Throughout 2021, the Company's management worked on various strategies and future flow forecasts, taking initiatives to accelerate sales volume, stop stockpiling, reduce payroll costs and other expenses, and renegotiate to ensure profitability by reducing lease payments. Επίσης ολοκληρώθηκαν επενδύσεις σε αεροδρόμια της χώρας γεγονός που οδήγησε στην αύξηση των πωλήσεων και της κερδοφορίας. Despite these challenges, through financing and a more rational management of the existing working capital we managed to create a strong financial liquidity at the end of December 2021.

Air passenger traffic amounted to 17.4 mil. passengers compared to 9.6 mil. passengers in 2020 and 32.1 mil. passengers in 2019, recording an increase of 81.3 % compared to 2020, whereas, due to the c due to the conditions created by the pandemic, there is still a decrease of 45.8% compared to 2019. Sales of the "AIRPORTS" operating sector stood at €120.3 mill in 2021, versus €52.5 mill in 2020 recording an increase of 129%, while the Group (including "HELLENIC DISTRIBUTIONS" S.A.) sales reached €121.4 mill compared to € 53.5 mill in 2020 recording an increase of 127%.

Sales of the "PORTS" operating sector stood at 2.2 mill in 2021 recording an increase of 97%. Sales of the "BORDERS" operating sector stood at €28.8 mill in 2021, recording an increase of 19%.

A. Overview of the closing financial year 2021

Consolidated Results

Amounts in million €

	1/1-31/12/2021	1/1-31/12/2020
Sales	161.1	86.7
EBIT	14.5	(14.6)
EBT	12	(19.3)
Profits /(losses) net of tax	13.7	(15.5)

Sales per operating segment

For administrative purposes, the Group is organized into 4 main business segments: a) Airports, b) Ports, c) Borders and d) Wholesales. Group operations, which do not meet the criteria to be considered a separate operating segment, are combined and presented into the "Other" segment.

Group results per segment can be broken down as follows:

BREAKDOWN OF GROUP OPERATING RESULTS PER OPERATION SEGMENT AS 2021

01.01 - 31.12.2021	AIRPORTS	PORTS	BORDERS	WHOLESALE	OTHER	TOTAL
Sales	121.401	2.238	28.755	6.486	3.060	161.940
Intra-group Sales	-	-	-	(836)	-	(836)
Advertising Income	2.096	3	99	9	2.064	4.271
Turnover	123.497	2.241	28.854	5.659	5.124	165.375
Cost of Goods Sold	(61.684)	(1.194)	(12.766)	(4.616)	(1.309)	(81.569)
Intra-group Cost of Goods Sold	-	-	-	748	-	748
Gross profit	61.813	1.047	16.088	1.791	3.815	84.554
Lease payments	(4.093)	(19)	(1.101)	(40)	98	(5.155)
Personnel expenses	(10.426)	(730)	(2.462)	(1.685)	(6.781)	(22.084)
General expenses	(2.720)	(239)	(614)	(432)	(4.760)	(8.765)
Depreciation	(18.989)	(544)	(1.132)	(362)	(13.003)	(34.030)
Profits/(loss) before interest and tax (EBIT)	25.618	(484)	10.780	(723)	(20.673)	14.518
Financial Income	-	-	-	-	55	55
Financial Expenses	1.162	(72)	(3)	(7)	(3.355)	(2.275)
Other Financial Results	-	1	-	(2)	(258)	(259)
Profits/loss) before tax (EBT)	26.780	(555)	10.777	(732)	(24.231)	12.039

BREAKDOWN OF GROUP OPERATING RESULTS PER OPERATION SEGMENT AS AT 2020* **Restatement**

01.01 - 31.12.2020	AIRPORTS	PORTS	BORDERS	WHOLESALE	OTHER	TOTAL
Sales	53.478	1.136	24.163	6.619	2.067	87.463
Intra-group Sales	-	-	-	(737)	-	(737)
Advertising Income	1.095	2	127	73	2.161	3.458
Turnover	54.573	1.138	24.290	5.955	4.228	90.185
Cost of Goods Sold	(28.212)	(638)	(10.191)	(5.282)	(1.216)	(45.539)
Intra-group Cost of Goods Sold	-	-	-	737	-	737
Gross profit	26.361	500	14.099	1.410	3.012	45.383
Lease payments	16.903	(34)	(1.012)	(9)	(278)	15.570
Personnel expenses	(8.242)	(704)	(2.580)	(424)	(9.427)	(21.377)
General expenses	(2.121)	(312)	(752)	(55)	(4.085)	(7.325)
Depreciation	(41.589)	(1.751)	(2.570)	(637)	(272)	(46.819)
Profits/(loss) before interest and tax (EBIT)	(8.688)	(2.301)	7.185	285	(11.050)	(14.568)
Financial Income	-	-	-	-	103	103
Financial Expenses	(1.548)	(75)	(2)	5	(3.220)	(4.840)
Other Financial Results	13	-	2	(3)	(40)	(28)
Profits/loss) before tax (EBT)	(10.223)	(2.376)	7.185	287	(14.207)	(19.333)

- Group financial position data and ratios

The breakdown of the Group operations and performance is set out in the ratios shown below.

GROUP						
Liquidity			31.12.2021		31.12.2020 Restatement	
Current	Current Assets		137.897	1,38	107.197	1,14
	Current Liabilities		100.100		94.033	
Quick	(Current Assets - Inventory)		106.430	1,06	83.550	0,89
	Current Liabilities		100.100		94.033	
Cash and cash equivalents	(Cash + cash equivalents)		80.084	80,00%	58.665	62,39%
	Current Liabilities		100.100		94.033	
Adjusted Working Capital	(Receivables + Inventory)		57.813	4.063	48.532	19.500
	(Trade Payables + other current liabilities)		53.750		29.032	
Activity ratios						
Current assets turnover ratio	Sales w/o advertising exp.		161.104	1,17	86.726	0,81
	Current Assets		137.897		107.197	
Inventory turnover ratio	Cost of goods sold		80.821	2,93	44.802	1,52
	Average inventory		27.557		29.473	
Inventory days	Average inventory *365		27.557	124	29.473	50
	Cost of goods sold		80.821		44.802	
Financial Leverage Ratios						
Debt to Equity ratio	Foreign capitals		90.063	0,18	113.926	0,24
	Total Equity		497.302		483.547	
Profitability Ratios						
Gross Profit	Gross Profit		84.554	52,48%	45.383	52,33%
	Sales w/o advertising exp.		161.104		86.726	
Return on Assets	Net Profits		12.039	1,70%	(19.333)	(2,53%)
	Total Assets		705.965		765.052	
Return on Equity	Net Profits		12.039	2,41%	(19.333)	(4,00%)
	Total Equity		497.302		483.547	

COMPANY						
Liquidity			31.12.2021		31.12.2020 Αναδιατυπωμένο	
Current	Current Assets		124.013	1,28	93.908	1,03
	Current Liabilities		97.019		91.057	
Quick	(Current Assets - Inventory)		94.229	0,97	71.826	0,79
	Current Liabilities		97.019		91.057	
Cash and cash equivalents	(Cash + cash equivalents)		69.368	71,50%	49.067	53,89%
	Current Liabilities		97.019		91.057	
Adjusted Working Capital	(Receivables + Inventory)		54.645	3.583	44.841	18.157
	(Trade Payables + other current liabilities)		51.062		26.684	
Activity ratios						
Current assets	Sales w/o advertising exp.		152.479	1,23	79.564	0,85
	Current assets		124.013		93.908	
Inventory turnover ratio	Cost of goods sold		74.787	2,88	39.778	1,43
	Average inventory		25.933		27.829	
Inventory days	Average inventory*365		25.933	127	27.829	255
	Cost of goods sold		74.787		39.778	
Financial Leverage Ratios						
Debt to Equity ratio	Total Debt		89.893	0,18	113.754	0,24
	Total Equity		492.157		478.435	
Profitability Ratios						
Gross Profit	Gross Profit		79.999	52,47%	40.961	51,48%
	Sales		152.479		79.564	
Return on Assets	Net Profits		11.744	1,68%	(18.880)	(2,50%)
	Total Assets		697.448		756.652	
Return on Equity	Net Profits		11.744	2,39%	(18.880)	(3,95%)
	Total Equity		492.156		478.435	

B. Key risks and uncertainties

In Management's opinion, the key risks are as follows:

Macroeconomic conditions in Greece

The macroeconomic and financial environment in Greece for the year 2022 focuses on the favorable prospects regarding the second semester, since the developments in the field of COVID-19 with the vaccinations and the expected lifting of travel restrictions, are expected to lead to a significant increase in the activities of the Company which is estimated to reach 80% by the end of 2022 reaching the sales made in 2019. However, as there is still an uncertain economic environment and given the recent geopolitical crisis in Ukraine, the Management constantly assess the situation and its possible future effects on the Company, in order to ensure that all necessary actions and initiatives are taken to minimize the impact on the Group's domestic activities.

Market risk

ii) Market Risk:

O This risk derives from the loan HDFS obtained from the parent company DUFY, as well as from the bank loans, and specifically from the fact that this agreement is expressed in floating interest rate, linked to the EURIBOR index. Therefore, the Group is exposed to the risk of interest rate changes. However, the Company does not run a significant risk of interest rate fluctuations since financial risks and, in particular, interest rates are managed centrally by the DUFY Group's Cash Management Division.

ii) Exchange rate risk:

The risk stems from the fact that consumer behavior of customers is affected by the revaluation and devaluation of the home country currency against Euro. Regarding the purchase of goods, the largest volume is paid in euros and consequently the Company does not run a significant risk of exchange rate fluctuations. Commercial divisions take into account the risk of changes in exchange rates when determining the retail prices of their goods.

iii) Price – Inflation risk:

In Management's opinion, the Group does not run any risk of price fluctuations, as it does not hold a major securities portfolio and the prices of tradable products do not fluctuate significantly.

The rise in inflationary pressures internationally, coupled with the disruption of the international financial system and the energy crisis may modify consumer behavior thereby affecting both the Company's and the Group's sales and profitability, however, such effect is not expected to be significant as the effect on absolute, unit values of the goods will not be significant.

Credit Risk

This is the risk that a counterparty will breach its contractual obligations. The Group does not run any major credit risk since 92,15 % of its turnover concern retail sales while Advertising Income (2,6 % of turnover) come from customers who are also suppliers. In terms of dealing with credit risk from wholesales, Group ensures that, in the majority of cases, most wholesale operations relate to selected customers.

Liquidity Risk

The Group maintains high liquidity thanks to the retail nature of most of its sales and ensures further enhancement of its liquidity by retaining costs.

Inventory Risk

This risk arises from retaining obsolete inventory and being unable to sell off those inventories or having to sell them at prices below their value. The Group has valued its old inventory at net realizable value, assessed in line with the DUFY Group's international policy and actual market data. Management considers that this valuation method (which in fact realizes provisions about inventory valuation) fully ensures against inventory risk.

Risk from the spread of COVID-19 pandemic

On March 11, 2020, the World Health Organization declared a COVID-19 pandemic. Government agencies have taken various steps to combat the spread of COVID-19, including placing orders at home and restricting the activities of many companies for specific periods of time. The Group is in the business of travel retail which was significantly affected by complications in its smooth operation due to COVID-19, and more specifically by the travel restrictions from and into Greece as they have been imposed both by the Greek and foreign governments. The aforementioned restrictions have led to a significant reduction in passenger travel, resulting in a sharp reduction in passenger traffic and correspondingly to both the Company's and the Group's sales. As a result, the Group's revenues decreased in 2020 compared to the same period in 2019 by approximately 70%. while in 2021, due to the measures against the pandemic (i.e. vaccinations) there was a recovery in the order of 83% compared to 2020 and a decrease of 46% compared to 2019. In response to the COVID-19 pandemic, both the Company and the Group responded quickly and in 2021 they recovered due to the increased passenger traffic and the extension of the tourist season. It is noted that within the year 2021, significant investments were completed in the airports of Thessaloniki, Santorini, Mykonos and Kos, which led to the improvement of profitability. The recovery was also

aided by the gradual lifting of the strict measures that had been imposed and the development of vaccination programs, which have already contributed to the reduced incidence of new mutations in the virus.

The Company closely monitors developments regarding the spread of the coronavirus, in order to adapt to the specific conditions that arise while fully complying with the official instructions of the competent authorities for the operation of its physical stores and headquarters.

It is noted that the management's assessment of the smooth operation of the company and the Group and the preparation of financial statements in accordance with the principle of continuing activity, is reinforced by the existence of the exclusive right of the Company to sell duty-free items within the Greek territory. a right that further strengthens its market position.

C. Labor and Environmental Issues

Diversification and equal opportunities policy

The core value of both the DUFY Group and the HDFS SA is respect for humans. HDFS SA and its subsidiaries are non-discriminatory on the basis of "protected features". Protected characteristics include gender, disability, race, color, nationality or national identity, religion or belief, marital status, age, pregnancy and maternity. This policy applies equally to the treatment of our visitors, customers and customers – suppliers by our employees as well as the treatment of our employees by these third parties. The company respects the diversity of employees and manages any matter of diversity arising in a fair and sensible manner. Everyone has a duty to act in accordance with this policy and treat their colleagues with dignity at any time. The company does not support any discriminatory practice or behavior.

Respect for workers' rights and trade union freedom

Since 1980, the Hellenic Duty-Free Shops' Association of Employees has been operating smoothly. The Hellenic Duty Free Shops' Association of Employees is the official body for representing employees of the company in which everyone has the right to participate.

Environmental issues

The Company, supported by a specialized consulting company, has developed and implemented a system of procedures in accordance with the International Standard ISO 14001 and the certification process of the Environmental Management System has already commenced by the selected company TUV Austria Hellas. In this context, a number of inspections are carried out at the local stores of the company in order to ascertain the proper implementation of procedures and compliance with legislation.

Other issues

It is noted that the Group due to the nature of its activities has no activity in the field of research and development (R&D). Also on December 31, 2021 it did not hold own shares nor did it have branches.

Supply chain issues

The Company aims to maximize the satisfaction of its customers and ensures the development of mechanisms aimed at the timely recognition and treatment of situations that may adversely affect the business continuity of its critical operations, such as the smooth continuation of the availability of goods in the Greek market through its stores in airports, ports and border stations. In an attempt to ensure business continuity, the Company assesses its weaknesses and investigates the threats that may affect its business model and relate to its supply chain and takes appropriate precautionary measures.

Trends – Prospects

The prospects of incoming tourism in Greece for 2022 as the measures to restrict travel are declining and a large part of the population in Greece and worldwide has now been vaccinated. However, recent geopolitical events in Ukraine, military action by Russia and the response of European countries and the United States in the form of financial sanctions, could affect the global tourism market as well as passenger traffic at the Company's places of activity.

An important role for the course of Greek tourism in the summer period of 2022 will play:

- The effect of Covid 19 epidemic
- The course of vaccination in Europe
- The crisis in Ukraine
- Exchange rates (Ruble, Sterlina, Turkish Lira)

For 2022 The Company proceeds to the completion of the renovation works and the creation of new stores - sales units at the AIA - Extra Schengen, the Airports of Thessaloniki, Rhodes, Kos, Corfu, Chania, Mykonos and Samos. At five of the above Airports, the Company will establish Hudson Convenience Stores, which are trademarks of its parent company. These investments are estimated to reach a total of € 2 million.

With the implementation of the aforementioned projects, together with marketing activities as well as many differentiations in the product mix and the meticulous and more extensive and comprehensive presentation of Greek products with presence in more airports, significant increases are expected in all indicators compared to those of 2021.

In this context, the Group and the Company will make, as always, every effort to achieve the economic targets for 2022.

Events after the date of the Statement of Financial Position

There are no significant events after the date of the Statement of Financial Position, which concern either the Group or the Company and need to be amended or disclosed in the financial statements.

Recent geopolitical developments in Ukraine, military action by Russia, and the possible response of European countries and the United States in the form of financial sanctions could affect the global tourism market as well as passenger traffic on the Company's sites of activity.

The Company monitors the developments in Ukraine and while their potential impact on its activity can not be assessed at this stage, the Management considers that they will not affect the continuation of the Company's activities in the near future.

The General Manager

Alberto Iglesias Pastoriza

II. Audit Report prepared by Independent Certified Public Accountant



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Independent Auditor's Report

To the Shareholder of the Company HELLENIC DUTY FREE SHOPS SA

Audit Report of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of HELLENIC DUTY FREE SHOPS SA (the Company), which comprise the separate and consolidated statement of financial position as at 31 December 2021, and the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended as well as a summary of significant accounting policies and the notes.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company HELLENIC DUTY FREE SHOPS SA and its subsidiaries (the Group) as at 31 December 2021, its financial performance and the consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs), as endorsed by the European Union.

Basis for opinion

We performed our audit in accordance with the International Standards on Auditing (ISAs) as these have been incorporated into the Greek legislation. 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 have been independent of the Company and its consolidated subsidiaries, throughout the length of our appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as incorporated into the Greek legislation and the ethical requirements in Greece relevant to the audit of the separate and consolidated financial statements and we have fulfilled our ethical requirements in accordance with the applicable legislation and the above mentioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management 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 IFRS 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 the 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.

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 ISA, as these have been incorporated into the Greek Legislation, will always detect a material misstatement if 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 ISA, as these have been incorporated into the Greek legislation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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.

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

Report on other Legal and Regulatory Requirements

Taking into consideration that management is responsible for the preparation of the Board of Director's report, according to the provisions of paragraph 5 of article 2 (part B) of Law 4336/2015 we note the following:

- a) In our opinion, the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of articles 150 and 153 of Greek Law 4548/2018 and its content is consistent with the accompanying separate and consolidated financial statements for the year ended 31 December 2021.
- b) Based on the knowledge we obtained during our audit of the Company HELLENIC DUTY FREE SHOPS SA and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

Athens, __ May 2022

THE CERTIFIED PUBLIC ACCOUNTANT

Paris Efthymiades
Reg. No SOEL: 18171

Deloitte Certified Public Accountants S.A.
3a Fragkokklisias & Granikou str., 151 25 Marousi
Reg. No SOEL: E 120

Certified true translation of the original in the Greek language

Paris Efthymiades



III. Annual Financial Statements

1. Statement of Financial Position (Consolidated and Separate) as at 31.12.2021

		GROUP		COMPANY	
(Amounts in € '000)	Note	31.12.2021	31.12.2020 Restatement*	31.12.2021	31.12.2020 Restatement*
Assets					
Non-current assets					
Property, Plant and Equipment	4	34.477	35.987	34.362	35.806
Intangible assets	5	315.706	328.036	315.700	328.027
Right-of-use assets	6	5.685	77.503	5.341	76.744
Goodwill	5	181.100	181.100	181.100	181.100
Investments in subsidiaries		-	-	6.296	6.296
Other long-term assets	7	31.100	35.229	30.636	34.771
Total non-current assets		568.068	657.855	573.435	662.744
Current assets					
Inventories	8	31.467	23.647	29.784	22.082
Trade & other trade receivables	9	4.410	2.197	3.273	926
Other receivables	9	21.936	22.688	21.588	21.833
Cash and cash equivalents	10	80.084	58.665	69.368	49.067
Total current assets		137.897	107.197	124.013	93.908
Total assets		705.965	765.052	697.448	756.652
Equity & Liabilities					
Equity					
Share Capital		397.535	397.535	397.535	397.535
Other Reserves		10.204	9.504	9.942	9.242
Results carried forward		89.563	76.508	84.679	71.658
Equity attributed to parent company shareholders		497.302	483.547	492.156	478.435
Non-controlling interests		-	-	-	-
Total Equity		497.302	483.547	492.156	478.435
Non-current liabilities					
Borrowings	12	48.465	74.466	48.465	74.466
Lease obligations	20	4.464	53.782	4.224	53.411
Deferred tax liabilities	17	51.727	56.860	51.896	57.116
Employee benefit obligations	13	1.780	1.623	1.561	1.426
Other long-term liabilities	14	2.127	741	2.127	741
Total Non-current liabilities		108.563	187.472	108.273	187.160
Current liabilities					
Borrowing	12	41.598	39.460	41.428	39.288
Lease obligations	20	1.404	25.483	1.290	25.085
Trade payables and other liabilities	15	32.092	12.581	30.046	11.217
Current tax liabilities		3.348	58	3.239	-
Other Current liabilities	15	21.658	16.451	21.016	15.467
Total Current liabilities		100.100	94.033	97.019	91.057
Total Liabilities		208.663	281.505	205.292	278.217
Equity & Liabilities		705.965	765.052	697.448	756.652

*The Restatement as at 31.12.2020 are described in note 2.19

Notes on pages 20 to 76 are an integral part of the present Financial Statements

2. Statement of Comprehensive Income (Consolidated and Separate) for the year ended on 31.12.2021

(Amounts in € '000)	Notes	GROUP		COMPANY	
		1.1.2021- 31.12.2021	1.1.2020- 31.12.2020 Restatement*	1.1.2021- 31.12.2021	1.1.2020- 31.12.2020 Restatement*
Net sales	18	161.104	86.726	152.479	79.564
Advertising Income	3	4.271	3.459	2.307	1.175
Turnover		165.375	90.185	154.786	80.739
Cost of sales	19	(80.821)	(44.802)	(74.787)	(39.778)
Gross profit		84.554	45.383	79.999	40.961
Lease expenses	20	(5.155)	15.570	(4.703)	15.495
Personnel expenses	21	(22.084)	(21.377)	(18.715)	(17.371)
General expenses	22	(8.765)	(7.325)	(8.671)	(7.077)
Depreciation and amortization	23	(34.032)	(46.819)	(33.711)	(46.192)
Profits/(loss) before interest and taxes (EBIT)		14.518	(14.568)	14.199	(14.184)
Finance income	24	55	103	48	99
Finance expenses	24	(2.275)	(4.840)	(2.249)	(4.792)
Other finance results	24	(259)	(28)	(254)	(3)
Profits/(loss) before taxes (EBT)		12.039	(19.333)	11.744	(18.880)
Income tax	16	1.706	3.842	1.963	4.031
Net profit/(loss)		13.744	(15.491)	13.706	(14.849)
Other total income/(expenses): directly to Equity					
Actuarial gain / (loss) in Equity	13	16	(71)	21	(70)
Deferred income tax	17	(5)	24	(6)	24
Other total income/(expenses) after taxes		11	(47)	15	(46)
Consolidated comprehensive income net of tax		13.755	(15.538)	13.721	(14.895)
Consolidated comprehensive income/(expenses) Attributed to:					
Owners of parent company		13.755	(15.538)	13.721	(14.895)
Minority rights		-	-	-	-
Total		13.755	(15.538)	13.721	(14.895)
Profit /(loss) for the yeat per share					
Basic and reduced (in €) :		1,73	(1,95)	1,73	(1,87)
Weighted mean number of shares		7.951	7.951	7.951	7.951
* The restatement as at 31.12.2020 are described in note 2.19					

Notes on pages 20 to 76 are an integral part of the present Financial Statements

3. Statement of Changes in Equity (Consolidated and Separate for the year ended as at 31.12.2021)

3.1 Statement of Changes in Equity (Consolidated) for the year ended as at 31.12.2021

Group								
	Share Capital	Statutory reserves	Share capital issue expenses	Staff retirement compensation	Αποτελέσματα εις νέον	Results carried forward	Total equity attributable to company shareholders	Non-controlling Interests
Balance as at 1st January 2020 (as published)	397.535	14.025	(4.039)	(586)	90.912	497.847	-	497.847
Recas Restatement t balance due to reclassification	-	-	-	183	1.325	1.508	-	1.508
Restatement Balance as at 1st January 2020	397.535	14.025	(4.039)	(403)	92.237	499.355	-	499.355
Net profit /(loss) of the period	-	-	-	-	(15.491)	(15.491)	-	(15.491)
Other comprehensive income/(loss)	-	-	-	(47)	-	(47)	-	(47)
Consolidated comprehensive income net of tax	-	-	-	(47)	(15.491)	(15.538)	-	(15.538)
Transfer between Reserves	-	(42)	-	10	32	-	-	-
Balance as at 31st December 2020	397.535	13.983	(4.039)	(440)	76.778	483.817	-	483.817
Restatement of Balances due to change of accounting policy and correction of error	-	-	-	-	(270)	(270)	-	(270)
Balance as at 1st January 2021	397.535	13.983	(4.039)	(440)	76.508	483.547	-	483.547
Net profit /(loss) of the period	-	-	-	-	13.744	13.744	-	13.744
Other comprehensive income/(loss)	-	-	-	11	-	11	-	11
Settling balance of reserve of consolidated net position	-	689	-	-	(689)	-	-	-
Consolidated comprehensive income, net of tax	-	689	-	11	13.056	13.755	-	13.755
Balance as at 31st December 2021	397.535	14.672	(4.039)	(429)	89.564	497.302	-	497.302

Notes on pages 20 to 76 are an integral part of the present Financial Statements

3.2 Statement of Changes in Equity (Separate) for the year ended on 31.12..2021

Company								
	Share Capital	Statutory reserves	Share capital issue expenses	Staff retirement compensation	Αποτελέσματα εις νέον	Results carried forward	Total equity attributable to company shareholders	Non-controlling Interests
Balance as at 1st January 2020 (as published)	397.535	13.668	(3.977)	(590)	85.084	491.720	-	491.720
Restatement* balance due to change of accounting policy	-	-	-	187	1.275	1.462	-	1.462
Restatement Balance as at 1st January 2020	397.535	13.668	(3.977)	(403)	86.359	493.182	-	493.182
Net profit /(loss) of the period	-	-	-	-	(14.849)	(14.849)	-	(14.849)
Other comprehensive income/(loss)	-	-	-	(46)	-	(46)	-	(46)
Consolidated comprehensive income net of tax	-	-	-	(46)	(14.849)	(14.895)	-	(14.895)
Balance as at 31st December 2020	397.535	13.668	(3.977)	(449)	71.510	478.287	-	478.287
Restatement of Balances due to change of accounting policy and correction of error	-	-	-	-	148	148	-	148
Restatement balance as at 1st January 2021	397.535	13.668	(3.977)	(449)	71.658	478.435	-	478.435
Net profit /(loss) of the period	-	-	-	-	13.706	13.706	-	13.706
Other comprehensive income/(loss)	-	-	-	15	-	15	-	15
Settling balance of reserve of consolidated net position	-	685	-	-	(685)	-	-	-
Consolidated comprehensive income net of tax	-	685	-	15	13.022	13.721	-	13.721
Balance as at 31st December 2021	397.535	14.353	(3.977)	(434)	84.680	492.156	-	492.155

Notes on pages 20 to 76 are an integral part of the present Financial Statements

4 Statement of Cash Flows (Consolidated and Separate) for the year ended on 31.12.2021

(Amounts in € '000)	Notes	01.01 - 31.12.2021	GROUP 01.01 - 31.12.2020 * Restatement	01.01 - 31.12.2021	COMPANY 01.01 - 31.12.2020* Restatement
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit /(loss) before taxes		12.039	(19.333)	11.744	(18.880)
Depreciation and amortization	4,5,6,23	34.032	46.819	33.711	46.192
Reversal of MAG leases	20	(11.791)	(18.048)	(11.593)	(17.663)
Staff compensation provisions	7,13	376	990	365	980
Bad debt provisions	14	19	-	323	-
Provisions / Reversal of risk provisions	8	1.386	(758)	1386	(758)
Inventory obsolescence provisions		(43)	(931)	(43)	(931)
Depreciation of loan expenses		396	190	396	190
Finance Income	24	(55)	(103)	(48)	(99)
Finance expense	24	1.879	4.595	1.853	4.547
Loss /(Profits) from impairment/sale of assets		10	661	10	661
Loss/(gain) on foreign exchange differences		259	28	254	3
Operating profit before changes in working Capital		38.507	14.110	38.358	14.242
(Increase) / Decrease in:					
Inventories	8	(7.776)	12.806	(7.658)	12.572
trade and other accounts receivable	9	(1.442)	(3.888)	(2.425)	(6223)
Increase / (Decrease) in:					
trade and other accounts payable	15	17.375	(19.037)	16.692	(19.173)
Accrued and other short-term liabilities	15	6.157	(1.986)	6.495	(1.414)
Changes in working capital		14.312	(12.105)	13.104	(14.238)
Tax paid		(168)	-	-	-
Payments for staff compensation	13	(207)	(3.666)	(207)	(3666)
Interest paid	24	(4.124)	(3.323)	(4.120)	(3.291)
(Increase)/decrease in other long-term receivables	7	4.129	9.541	4.135	9.501
Total inflows from operating activities		52.449	4.557	51.270	2.548
Investing Activities					
Purchase of property, plant and equipment	5	(3.756)	(5.938)	(3.755)	(5.937)
Purchase of intangible assets	6	(111)	(966)	(111)	(966)
Interest and related income received	24	55	103	48	99
Total net outflows from investing activities		(3.812)	(6.801)	(3.818)	(6.804)
Financing Activities					
Short and long-term loan payments	12	(24.288)	(20.000)	(24.288)	(20.000)
Loans proceeds	12	-	68.564	-	68.564
Lease payments	20	(2.930)	(10.278)	(2.863)	(10.088)
Total inflows /(outflows) from financing activities		(27.218)	38.286	(27.151)	38.476
Net increase in cash and cash equivalents		21.419	36.042	20.301	34.220
Cash and cash equivalents – Opening Balance		58.665	22.623	49.067	14.847
Cash and cash equivalents – Closing Balance		80.084	58.665	69.368	49.067

Notes on pages 20 to 76 are an integral part of the present Financial Statements

Notes to the Annual Financial Statements

1. General Information

"Hellenic Duty Free Shops S.A." (hereinafter "HDFS S.A." OR "The Company") is a public company registered in the Companies Register in Greece (General Commercial Reg. No. 006287501000) with its headquarters in Agios Stefanos, Attica. The company operates in the travel retail trade sector. The duration of the Company is unlimited and ends with the dissolution of the Company in accordance with the law.

These financial statements include the financial statements of "Hellenic Duty Free Shops S.A." and its subsidiaries "Hellenic Distribution S.A" and «HDFS DOOEL Skopje», altogether referred to as the Group, and cover the period from 1st January 2021 till 31st December 2021 and were approved by the Company's Board of Directors on 29 April 2022.

1.1 Major events of the closing financial year

To 2021 was an equally difficult year, as was 2020, for travel retail. The results of the Company were greatly affected by COVID-19, with the turnover reaching € 154.8 million, greatly improved compared to the the €80.7 million in 2020. Respectively, for the Group the turnover reached €165.4 million, also improved compared to the € 90.2 million in 2020. The organic growth of the company was in the order of 92% however, compared to 2019, it is still reduced by approximately 47%. Our company was called to face the temporary and alternating interruptions or restrictions of its most important activity, throughout 2020 and for certain periods during 2021. Due to the constant restrictions on the smooth operation of the Company, travel restrictions and the economic impact of the pandemic on the economy and consumption, we had to react quickly and decisively at all levels of the organization and in close cooperation with our stakeholders, such as suppliers, employees, banks. Throughout 2021, the Company's management worked on various strategies and future flow forecasts, taking initiatives to accelerate sales volume, stop stockpiling, reduce payroll costs and other expenses, and renegotiate to ensure profitability by reducing lease payments. Επίσης ολοκληρώθηκαν επενδύσεις σε αεροδρόμια της χώρας γεγονός που οδήγησε στην αύξηση των πωλήσεων και της κερδοφορίας. Despite these challenges, through financing and a more rational management of the existing working capital we managed to create a strong financial liquidity at the end of December 2021.

Air passenger traffic amounted to 17.4 mil. passengers compared to 9.6 mil. passengers in 2020 and 32.1 mil. passengers in 2019, recording an increase of 81.3 % compared to 2020, whereas, due to the c due to the conditions created by the pandemic, there is still a decrease of 45.8% compared to 2019. Sales of the "AIRPORTS" operating sector stood at €120.3 mill in 2021, versus €52.5 mill in 2020 recording an increase of 129%, while the Group (including "HELLENIC DISTRIBUTIONS" S.A.) sales reached €121.4 mill compared to € 53.5 mill in 2020 recording an increase of 127%.

Sales of the "PORTS" operating sector stood at 2.2 mill in 2021 recording an increase of 97%. Sales of the "BORDERS" operating sector stood at €28.8 mill in 2021, recording an increase of 19%.

1.2 Group Structure

"Hellenic Duty Free Shops S.A.", its subsidiaries "Hellenic Distribution S.A" and «HDFS DOOEL Skopje», ανήκουν άμεσα κατά 100% στην DUFY INTERNATIONAL AG. are 100% directly owned by DUFY INTERNATIONAL AG. The consolidated financial statements include the financial statements of the Parent Company and its wholly-owned subsidiaries, "Hellenic Distributions S.A." and «HDFS DOOEL Skopje», which are consolidated using the full consolidation method.

2. Important accounting policies used by the Group

2.1 Basis of preparation of the Financial Statements

The consolidated financial statements of "HELLENIC DUTY FREE SHOPS S.A." covering the entire fiscal year 2021, have been prepared in accordance with the historical cost basis. Historical cost is generally based on the fair value of the consideration given for the acquisition of goods and services. Fair value is defined as the sale price of an asset or settlement of a liability between parties operating under normal market conditions at the measurement date, whether or not that price is directly observable or is calculated using another valuation method. Fair value for measurement or presentation purposes in these financial statements is determined based on the above, except for leases to which IFRS 16 applies, as well as measurements that have similarities to fair value but are not fair value such as net realizable value. IAS 2 or value in use in IAS 36.

Furthermore, they were prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and approved by the European Union («EU»). The Management examined the impact of the COVID-19 pandemic until the date of approval of the Consolidated and Separate Financial Statements while closely monitoring the developments related to the current pandemic and has taken and continues to take measures to mitigate potential risks, while reaching the conclusion that the principle of continuing activity is the appropriate basis for their preparation. Having reached this conclusion, the Management reassessed its plan taking into account the estimates for the course of the economy, the financial results of 2021. . Management believes that the actions taken to date are sufficient to mitigate substantial uncertainty and concluded that the Group is able to meet all its obligations on time, at least for a period of 12 months from the Balance Sheet date and that there are no substantial uncertainties that may call into question its ability to operate on an ongoing basis. The future financial performance of the Company depends on the wider financial environment in which it operates. The factors that particularly affect the Company's performance are the economic growth and the recovery rate after the pandemic as well as the passenger traffic at the airports-ports-border stations, which together will affect the demand for goods and will be a determining factor for profitability and for operating expenses.

The Financial Statements are presented in thousands of euros, unless otherwise stated.

The preparation of financial statements in accordance with IFRS requires the use of accounting estimates and management's judgement in the process of applying the Group's accounting policies. Critical assumptions made by management when implementing the company's accounting methods have been disclosed, where appropriate.

2.2 New standards, amended standards and interpretations

A) Standards, amended standards and interpretations issued by IASB, which are compulsory for accounting periods starting as of 1st January 2021.

The accounting policies adopted are consistent with those adopted in the previous financial year except for the following standards that the Group / Company have adopted since 1 January 2021 and the changes reported in note 2.19. The Company implemented the decision of the IFRS Interpretations Committee published in May 2021 on IAS 19 "Employee benefits" and presents below (Note 2.19) the nature and impact of the change. The remaining amendments and interpretations first applied in 2021 did not have a material impact on the financial statements for the year ended 31 December 2021.

• Reference interest rate reform – Phase 2 IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16 (Amendments)

In August 2020, the IASB issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, under which the its work on the impact of the benchmark interbank interest rate reform on financial reporting is completed. The amendments provide for temporary facilities that deal with the impact on financial information when an interbank lending rate is replaced by an alternative near-zero risk interest rate. More concretely, the amendments provide

for a practical facility regarding changes in accounting on the basis of the determination of contractual cash flows of financial assets and liabilities, requiring the adjustment of the effective interest rate, as in the case of a change in the market rate. Moreover, the amendments provide for temporary facilitations applicable to existing hedging relationships, including a temporary relief from the requirement of distinct recognition of an alternative near-zero risk interest rate, defined as the hedging of a risk element. In addition, the amendments enter into IFRS 7 "Financial instruments: Disclosures" additional disclosures allowing the users of the Financial Statements to understand the effects of reference interest rate reform on financial instruments and the entity's risk management strategy. The amendments do not require the entity to reform prior reference periods.

• **IFRS 16 Leases –lease discounts associated with Covid-19 (Amendments)**

The amendments are effective retroactively for annual accounting periods, beginning on or after 1 June 2020. Earlier application is permitted, including the financial statements that were not yet approved for issuance on 28 May, 2020. The IASB amended the standard exempting lessees from applying the IFRS 16 requirements for lease accounting, for lease deductions arising as a direct consequence of the Covid-19 pandemic. The amendment provides a practical facility to lessee in order to enter in the accounting any change or discount made to the lease payments as a consequence of Covid-19, in the same way, based on the requirements of IFRS 16, even if the change or amendment is not considered as an amendment to the lease, provided that all the following conditions are met:

1. The change in the lease payments results in a revised lease consideration which is practically equal to or less than the lease consideration immediately prior to the change,
2. Any reduction in lease payments affects payments due on or before 30 June 2021,
3. There is no substantial change in other terms and conditions of the lease agreement

• **Decision of the IFRS Interpretations Committee, on «Employee Benefits (IAS 19)»**

The IFS Interpretations Committee issued in May 2021 the final decision on the agenda entitled "Employee Benefits (IAS 19)" which includes explanatory material on how to distribute benefits in periods of service per specific program of defined benefits as the one provided for in art. 8 of L.3198/1955 regarding the provision of compensation due to retirement (the "Program of Defined Benefits of Labor Law"). This disclosure differentiates how the basic principles and rules of IAS 19 have been applied in Greece in the past in this regard, and consequently the entities that prepare their financial statements in accordance with IFRS is required to amend their Accounting Policy accordingly. Based on the above, the above decision was implemented as a change in accounting policy. The effect of the change is presented in the Note 2.19.

B) Standards, amended standards and interpretations, which are not yet effective

The Company has not adopted any of the following standards, interpretations or amendments which have been issued but are not applicable in the current accounting period. In addition, the Company is in the process of evaluating all standards and interpretations or amendments that have been issued but did not apply in the current period.

• **IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures – Amendment**

Sale or Assets Contribution between an investor and their associate or joint venture: The amendments address an acknowledged inconsistency between IFRS 10 requirements and IAS 28 ones when dealing with the sale or assets contribution between an investor and their associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when the transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when the transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB indefinitely postponed the effective date of this amendment expecting the outcome of its research project on the equity method of accounting. European Union has not yet adopted the amendments.

• **IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Annual Upgrades 2018-2020 IFRS (Amendments)**

The amendments are effective for annual accounting periods beginning on or after 1 January 2022 with earlier application being permitted.

The IASB issued, to a lesser extent, amendments to standards as follows:

- *IFRS 3 Business Combinations*: the amendments update a reference to IFRS 3 in the Conceptual Framework for Financial Reporting without changing the accounting requirements of the business combination standard
- *IAS 16 Property, Plant and Equipment*: the amendments prohibit the reduction of the cost of property, plant and equipment by amounts received from the sale of items produced while the company prepares the asset for its intended use. Sales revenue and related costs are recognized in profit or loss.
- *IAS 37 Contingencies, Contingent Liabilities and Contingent Assets*: Amendments determine the cost of performing a contract, in assessing whether the contract is onerous.
- Minor modifications were made in the *Annual Improvements 2018-2020* to the standards IFRS 1- Annual Improvements 2018-2020, IFRS 9- Annual Improvements 2018-2020, IAS 41- Agriculture and to the indicative examples accompanying IFRS 16-Leases

• **IAS 1 Presentation of Financial Statements and Practice Statement IFRS 2 Disclosure of Accounting Policies (Amendments)**

The amendments are effective for annual accounting periods beginning on or after 1 January 2023, with earlier application being permitted. The amendments provide guidance on the application of judgment on the importance of accounting policy disclosures. In particular, the amendments replace the requirement to disclose "significant" accounting policies with the requirement to disclose "material" accounting policies. Guidelines and illustrative examples are also added to the Practice Statement to assist in applying the concept of materiality to accounting policy disclosures. The amendments have not yet been adopted by the European Union.

• **IAS 1 Presentation of Financial Statements**

Classification of Liabilities as Short-Term or Long-Term (Amendments): The amendments apply for annual periods beginning on or after January 1, 2022, with earlier application permitted. However, due to the Covid-19 pandemic, the IASB extended the implementation date by one year, ie from 1 January 2023, giving companies more time to identify any changes in the classification of liabilities. The amendments are intended to be consistent with the application of the requirements of the standard, helping companies determine whether borrowing and other liabilities with an uncertain settlement date are classified as current or long-term liabilities in the Statement of Financial Position. The amendments affect the presentation of liabilities in the Statement of Financial Position, while they do not change the existing requirements regarding the measurement or the time of recognition of an asset, liability, income or expense or the disclosures on these items. The amendments also clarify the classification requirements for borrowing, which a company can settle by issuing equity securities. In November 2021, the IASB issued a draft report which clarifies the classification of liabilities subject to compliance conditions at a date later than the reporting period. In particular, the IASB proposed limited scope amendments to IAS 1, which reverse the 2020 amendments that require entities to classify as subject to compliance liabilities only within the next 12 months after the reporting period, if compliance conditions are not met at the end of the reporting period. The proposals are for the entities to present separately the long-term liabilities that are subject to compliance conditions within twelve months from the reporting period. In addition, additional disclosures will be required when entities do not comply with the compliance requirements at the end of the reporting period. Proposals will be effective for annual reference periods beginning on or after 1 January 2024 and must be applied retrospectively in accordance with IAS 8, with earlier application permitted. The IASB also proposed postponing the entry into force of the 2020 amendments regarding the classification of liabilities as short-term or long-term, until the implementation of the draft report proposals. Amendments including proposals for the draft report have not yet been adopted by the European Union.

• **IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors:**

Definition of accounting estimates (Amendments): Amendments take effect for annual reference periods beginning on or after 1 January 2023, with earlier application permitted and applicable to changes in accounting policies and

changes in accounting estimates made on or after the commencement of of this period. The amendments introduce a new definition of accounting estimate as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify what changes in accounting estimates are and how they differ from changes in accounting policies and corrections. The amendments have not yet been adopted by the European Union.

• **IAS 12 Deferred Taxes Related to Assets and Liabilities from a Single Transaction (Amendments)**

The amendments apply for annual periods beginning on or after 1 January 2023, with earlier application permitted. In May 2021, the IASB issued amendments that limit the scope of the original recognition exemption in IAS 12 and set out how companies should deal with deferred tax on transactions such as leases and decommissioning obligations. According to the amendments, the initial recognition exemption does not apply to transactions that, upon initial recognition, create equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and a lease liability (or decommissioning liability and decommissioning asset) creates temporary differences that are not equal. The amendments have not yet been adopted by the European Union.

• **IFRS 16 Leases –lease discounts associated with Covid-19 after 30th June 2021 (Amendments)**

The amendments are effective retroactively for annual accounting periods, beginning on or after 1 April 2021, while earlier application is permitted, including the financial statements that were not yet approved for issuance on 31 March 2021. In March 2021, The IASB amended the standard exempting lessees from applying the IFRS 16 requirements for lease accounting, for lease deductions arising as a direct consequence of the Covid-19 pandemic. The amendment provides a practical facility to lessee in order to enter in the accounting any change or discount made to the lease payments as a consequence of Covid-19, in the same way, based on the requirements of IFRS 16, even if the change or amendment is not considered as an amendment to the lease. Based on the amendment, the practical facility applied for reductions in lease payments and affects payments due on or before 30 June 22, provided that the remaining conditions of practical facility are met.

The Company considers possible effects of the above amendments on the financial statements.

2.3 Consolidation

2.3.1 Subsidiaries

The consolidated financial statements include the financial statements of the Company and all of its controlled entities (subsidiaries). There is control when the Company has the ability to determine the financial and operational activities of an entity in order to gain benefits. The results, assets and liabilities of subsidiaries are incorporated into the financial statements using the total consolidation method. The financial statements of subsidiaries are prepared using the same accounting policies as those followed by the Company. Intragroup transactions, intragroup balances and intragroup income and expenses are eliminated during consolidation. Goodwill arising from the entities acquisition, if positive, is accounted for as a non-depreciable asset, which is tested each year for impairment. If negative, it is accounted for as income in the Group's income statement. Goodwill is the difference between the price paid for the acquisition and the fair value of the individual assets, liabilities and contingent liabilities of the acquired company.

A change in the ownership regime of a subsidiary, without entailing a loss of control, is treated as an equity transaction. If the Group loses control of a subsidiary then:

- It deletes the assets (including goodwill) and liabilities of the subsidiary
- It deletes the book value of any non-controlling interests
- It deletes the accumulated conversion differences posted in equity
- It recognizes the fair value of the consideration received
- It recognizes the fair value of the residual investment
- It recognizes any surplus or deficit in the results
- It reclassifies the parent company's interest in the assets previously recognized in other comprehensive income in P&L or accounted for as retained earnings, as appropriate

2.3.2 Foreign exchange currency conversion

(a) Functional and presentation currency.

All items presented in the Group companies' and Company's financial statements are presented in euro, which is the currency of the economic environment in which they operate (the functional currency). Any deviations in the totals from the addition of separate numbers are due to rounding.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Profits and losses from foreign exchange differences arising from the settlement of such transactions during the fiscal year and the conversion of monetary items expressed in foreign currency with the current exchange rates on the balance sheet date are posted to the results. Foreign exchange differences derived from non-monetary items valued at fair value are considered part of the fair value and thus they are recorded wherever fair value differences are recorded. The items presented in the financial statements of the Group companies are measured using the currency of the economic environment of the country in which each group company operates. The separate financial statements of the companies included in the consolidation and initially presented in a currency other than the Group's presentation currency, they have now been converted into €. Assets and liabilities have been converted to €. Assets and liabilities are expressed in € at the closing exchange rate on the balance sheet date. Income and expenses are translated into the presentation currency of the group at the average exchange rates of each reporting period. Any differences arising from that process are carried forward to the reverse used for converting the balance sheets of subsidiaries into a foreign currency in equity via Other Comprehensive Income.

2.4 Summary of main accounting policies

2.4.1 Business combinations and goodwill

All business combinations are accounted for using the acquisition method. The cost of acquisition is estimated to be the total consideration transferred as computed on the date of acquisition at fair value plus the size of any non-controlling interests in the acquired entity. For each business combination, the acquirer estimates the non-controlling interests in the acquired entity either at fair value or as a proportion of the net identified assets of the acquired entity. Expenses on acquisition are recorded in the income statement.

On the date of acquisition, the Group values the acquired assets and outstanding liabilities to classify them in the appropriate way and determine them in line with the contractual terms, the economic circumstances and the relevant conditions on the date of acquisition. That involves the purchaser segregating embedded derivatives from the main contracts.

In a business combination which takes place gradually, the Group re-calculates its equity interests previously held in the acquired entity at fair value on the date of acquisition and the difference is transferred to the results.

Any contingent consideration to be transferred by the acquirer will be presented at fair value on the date of acquisition. Any subsequent changes in fair value of the contingent consideration, which will be treated as assets or liabilities, will be presented in line with IAS 39 either on the results or as a change to OCI. If the contingent consideration is classified as an equity item, no new re-calculation will be made until the subsequent settlement is accounted for in equity.

Goodwill is initially valued at cost as the difference between the total amount of the value transferred and the amount recognized for non-controlling interests in the net identified assets and outstanding liabilities. If that price is below the fair value of the net assets of the subsidiary acquired, the difference is presented in the income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of

impairment testing, goodwill acquired in a business combination is allocated, since the date of acquisition, to each cash generating unit expected to take advantage of the combination, irrespective of whether other receivables or liabilities of the acquired entity are assigned to those units.

When the goodwill is part of a cash generating unit and a part of the activity inside the unit is sold, the goodwill associated with the operation sold is included in the book value of the operation when gains or losses from sale of the operation are determined. In this case, the goodwill is measured based on the relevant value of the operation sold and the percentage of the cash generating unit which is retained.

2.4.2 Participation in associates

Group investments in other legal entities over which the Company exerts significant influence without being subsidiaries or joint ventures, are accounted for using the equity method. Using this method, holding in associates is recorded at acquisition cost and subsequently that figure is increased or decreased when the investor's interest in the associate's results is recognized, when other changes in the associate's equity are recognized or in the case that dividends received (less provisions for impairment) are recognized. The consolidated income statement indicated the Group's share in the results of the operations of the associate. When there is a change recognized directly on the associate's equity, the Group recognizes its share in that change on the statement of changes in equity. Unrealized gains and losses from transactions between the Group and the associate are eliminated to the extent of the holding percentage in the associate. The associate's financial statements are prepared for the same reporting period as the Group ones. Whenever needed, adjustment entries are made so that the associate's accounting principles are identical to those of the Group. After the equity method has been used, the Group determines whether it is necessary to recognize impairment loss for its investment in the associate. On the date of the statement of financial position, the Group determines whether there is any objective indication that the investment in the associate has become impaired. When significant influence over the associate is lost, the Group calculates the residual value of the investment at fair value.

2.4.3 Property, plant and equipment

Property, plant and equipment are presented in the financial statements at acquisition cost or presumed (deemed) cost as determined based on fair values on the transition dates less accumulated depreciation and any fixed assets devaluation. The acquisition cost includes all expenses directly attributable to assets acquisition.

Subsequent costs are recorded either as an increase in fixed assets' book value or as a separate asset only to the extent that these costs increase the future economic benefits expected to inflow the entity as a result of using the asset and their cost can be measured reliably. The cost of repair and maintenance is recognized in the income statement when realized.

Depreciation of other tangible assets (other than land which is not depreciated) is calculated using the straight line method over their useful life as follows:

Classes of Assets	Years of useful economic life
- Buildings and technical installations on third party property	5 - 10
- Furniture	4 – 10
- Vehicles	8 - 10
- Computers	5

Residual value and the useful life of property, plant and equipment are subject to re-evaluation on each balance sheet date. When the book value of property, plant and equipment exceeds the recoverable value, the difference (impairment) is directly recorded as an expense in the income statement.

When the tangible assets are sold, differences between the consideration received and the book value are accounted for as profits or losses in the income statement. Repairs and maintenance costs are expensed in the period to which they relate.

Self-generated tangible assets constitute an addition to the acquisition cost of fixed assets at values which include direct payroll costs for staff involved in construction (the corresponding employer contributions), the cost of materials used and other general costs.

2.4.4 Intangible assets

2.4.4.1 Trademarks and licences

Trademarks and licenses acquired are initially recognized at their historical cost. Licenses have a limited useful life and they are presented at cost less accumulated depreciation. Depreciation is calculated using the useful life method to allocate the cost of trademarks and licenses over their estimated useful life.

Exclusive right/license to operate duty free shops:

By virtue of art 120 of L.2533/1997, the agreement between «HDFS S.A» and the Greek State granting the license (right) to exclusively operate duty free shops was signed and HDFS could sell duty free and tax free products in its existing and future shops in international airports, land border stations and ports of the country, for a 50-year period of time, starting from 1.1.1998.

Based on the concession of this right, HDFS S.A. acquired a strong advantage which solidifies its positions in the market.

Granting the license (right) to exclusively operate (Article 120 of Law 2533/1997) duty free shops is shown in the financial statements at fair value as estimated by an independent valuer using the discounted cash flow method in 2013 on the date that the travel retail company «FOLLI FOLLIE S.A.» was absorbed. Depreciation is estimated using the straight line method over the useful life of the assets amounting to 35 years until 1.1.2048.

2.4.5 Other intangible assets

This category includes the Group's leasing rights, which are initially recognized at their acquisition cost. After the initial recognition, intangible assets are measured at cost less accumulated depreciation and any impairment losses incurred. This category also includes software acquired and being used in production or management. The software licenses acquired are capitalized based on the costs incurred to acquire and install the specific software.

The expenditure associated with software maintenance is recognized as an expense in the period in which the expenditure is incurred. Expenditure which is capitalized is depreciated using the straight line method over the estimated useful life of the assets.

2.4.6 Goodwill

Goodwill represents the excess amount between the takeover value and the fair value of the group's share in the identifiable assets and liabilities of the acquiree at the date of acquisition. Gains or losses on the disposal of a subsidiary include the carrying amount of goodwill relating to the subsidiary sold. In the event that the fair value of the company's share in the net assets of the acquired subsidiary at the date of acquisition is higher than the acquisition cost, negative goodwill arises which is recognized immediately in the income statement.

Goodwill is allocated to cash-generating units (CGU) for the purpose of impairment testing. The allocation is made to the groups of CGUs expected to benefit from the business combinations, relating to which the goodwill arose, and it is recognized according to the operating segment. Goodwill is subject to impairment control every year or even sooner if there are relevant indications. Goodwill impairment is determined by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill has been allocated. When the recoverable amount (higher of value in use and fair value less costs to sell) of the CGU is less than its carrying amount including goodwill, an impairment loss is recognized. Impairment loss relating to goodwill cannot be reversed in future periods.

2.4.7 Non-financial asset impairment

The Company and the Group assess, at each reporting date, whether an indication of impairment exists. If any indication exists or an annual impairment testing for an asset is required, then, the asset's recoverable amount is assessed. Assets that have an indefinite useful life are not depreciated and they are tested annually for impairment or more frequently if specific facts indicating the possible assets impairment. Assets subject to depreciation are tested for impairment when there are relevant indications that the carrying amount may not be recovered. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher between fair value less costs to sell and value in use (current value of cash flows to be created based on management's assessment of future economic and operating conditions). For the purpose of assessing impairment loss, assets are grouped at the lowest cash-generating units, if possible. For non-financial assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indications exist, the Group estimates the asset's or CGU's recoverable amount. Any previously recognized impairment losses are reversed only if there have been changes in the estimates and assumptions made when the impairment loss was recognized. When, subsequently, the impairment loss is reversed, the carrying amount of the asset or cash-generating unit is increased to its revised estimated recoverable amount so that the increased carrying amount that is determined would not exceed that of the carrying amount whether any impairment loss on the asset (or cash-generating unit) had been recognized in previous years. The above reversal of the impairment loss is recognized directly as income in the income statement. Impairment resulting from the impairment of goodwill is recognized immediately in profit or loss and is not reversed in subsequent periods.

2.5 Financial Assets

2.5.1 Initial recognition and measurement

Financial assets can be classified, when initially recognized and depending on their nature and their characteristics, into the following four categories:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through profit or loss.
- Financial assets designated at fair value through OCI

All the financial assets are initially recognized at their fair value, which is usually the acquisition cost plus the direct transaction costs. Acquisitions and disposals are recognized on the date of the transaction which is the date on which the Company undertakes to purchase or sell the asset.

2.5.2 Subsequent measurement

i. Financial assets measured at amortized cost

Financial assets are measured at amortized cost if both of the following conditions are met:

1. the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
2. based on the contractual terms governing the financial asset, cash flows that are solely payments of principal and interest on the principal amount outstanding are generated at specific dates.

ii. Financial assets designated at fair value through OCI

Financial assets are designated at fair value through OCI if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is achieved through the collection of contractual cash flows as well as the disposal of financial assets, and
- b) based on the contractual terms governing the financial asset, cash flows that are solely payments of principal and interest on the principal amount outstanding are generated at specific dates

iii. Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss, unless it is measured at amortized cost in accordance with paragraph i) or in fair value through OCI in accordance with paragraph ii). However, upon initial recognition, the Company may irrevocably elect for specific equity investments, which would otherwise be measured at fair value through profit or loss, to present the subsequent changes in fair value in OCI.

The realized and unrealized gains or losses resulting from the changes in the fair value of the financial assets measured at fair value through profit or loss, are recognized in the income statement of the period in which they occur.

2.5.3 Derecognition

The Company and the Group derecognize a financial asset if and only if the contractual rights on the cash flows of the financial asset have expired or they have transferred the financial asset and the transfer meets the conditions for derecognition.

2.5.4 Reclassification

Reclassification of financial assets takes place in rare cases and is due to the Company's and the Group's decision to modify the business model it applies for those financial assets management.

2.5.5 Impairment

Under IFRS 9 provisions, the impairment of financial assets measured at amortized cost or fair value through OCI, is carried out by recognizing expected credit losses (ECLs).

At each reporting date, IFRS 9 requires the estimation of a loss provision for a financial asset in an amount equal to the expected credit losses over its lifetime if the credit risk of the financial asset has increased significantly since initial recognition. Conversely, in case that the credit risk of a financial asset has not increased significantly on the reporting date since the initial recognition, IFRS 9 requires the estimation of the provision loss in an amount equal to the 12-month ECLs.

The risk parameters taken into account for the estimation of expected credit losses are the estimated probability of default, the percentage of loss on the outstanding capital given that the customer has failed to repay the amount due and the balance that the company is exposed to in case of default. In certain cases, the Company may assess for specific financial assets that there is a credit event when there is internal or external information indicating that the collection of the amounts specified under the relevant contract is not likely to be collected in full.

As a general rule, the stage classification is carried out at each reporting date.

Regarding the "Trade and other receivables", IFRS 9 requires the application of a simplified approach in calculating ECLs. Using this approach, the Company calculated the ECLs through the whole life of the receivables. For this purpose, a credit loss provision matrix was used based on the aging of the balances, which calculates the relevant loss provisions in a way that reflects the experience gained from historical events as well as provisions of the future financial status of the customers and the economic environment. A more detailed description of the accounting treatment is presented in Note 9.

2.6 Financial Liabilities

2.6.1 Initial recognition

Balances of trade and other payables are recognized at cost which is equal to the fair value of the future payment for the purchases of goods and services provided. Trade and other short-term liabilities are non-interest-bearing accounts and they are usually settled within 120 days.

All loan liabilities are initially recognized at cost, which reflects the fair value of the receivable amounts minus the relatively direct contract and transaction costs, if significant. After initial recognition, interest bearing loans are measured at unamortized cost using the effective interest method. Unamortized cost is calculated after taking into

account issuance costs and the difference between initial and maturity amount. Gains and losses are recognized in profit or loss when the liabilities are derecognized or impaired as well as through the amortization process.

2.6.2 Subsequent measurement

After initial recognition, the entity measures all financial liabilities at amortized cost using the effective interest method, except for:

- a) financial liabilities at fair value through profit or loss
- b) financial liabilities arising when the transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach is applied
- c) financial guarantees contracts
- d) commitments to provide a loan at a below-market interest rate

The unamortized cost of loans is calculated after taking into account issuance costs and the difference between initial and maturity amount. Gains and losses are recognized in profit or loss when the liabilities are derecognized or impaired as well as through the amortization process.

Loans are classified as short term liabilities, unless the Company has the right to defer the payment of the obligation for at least 12 months from the date of the financial statements.

2.6.3 Derecognition

An entity shall derecognize a financial liability (or a part thereof) from its financial statements if and only if it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled or expired. An exchange between an existing borrower and a lender of debt securities with substantially different terms shall be accounted for as elimination of the original financial liability and recognition of a new financial liability. Similarly, a substantial modification of an existing financial liability terms (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as a repayment of the original financial liability and recognition of a new financial liability. The difference between the book value of a financial liability (or part of a financial liability) fully repaid or transferred to another party and the consideration paid, including any non-cash assets transferred and liabilities assumed, shall be recognized in the income statement.

2.6.4 Offsetting of financial assets with financial liabilities

Offsetting financial assets with financial liabilities and presenting the resulting net amount in the financial statements are both allowed only if there is a legal right to offset as well as an intention to settle the net amount resulting from the offsetting or make a simultaneous settlement.

2.7 Inventories

Starting from the current year which started on January 1, 2021 and ended on December 31, 2021, the management of the Company and the Group decided to change the accounting policy in relation to the valuation of its inventories from annual weighted average to rolling average weighted as the new method is identical to that of the Dufry Group to which it belongs and more reasonably reflects the amount of the final stock (Note.2.19). Inventory is measured at the lower between acquisition cost and net realizable value. Cost is determined using the weighted average cost method. Net realizable value is estimated based on the current selling prices of the inventory in the ordinary course of business, less any selling expenses, where applicable.

2.8 Loans, trade and other receivables

Loans and receivables are non-derivative financial assets with fixed and specified payments and they do not carry a market price in any active market. They are generated when the Group provides money, products or services directly to a debtor without any intention of commercial use. They are measured at unamortized cost using the effective interest rate method less any impairment provisions. Each change in the value of loans and receivables is recognized in the income statement when loans and receivables are written off or impaired in accordance with the effective interest rate method.

Trade receivables are initially recognized at fair value and are they are subsequently measured at the unamortized cost using the effective interest rate method. Provisions for the expected non-recoverable amounts are

appropriately recognized in the income statement when there is an objective indication that the assets is impaired. The provision recognized is measured as the difference between the book value of the asset and the present value of the estimated future cash flows discounted with the effective interest rate in effect at the initial recognition. Impairment testing is carried out for certain receivables on an individual basis (for each distinct customer) in cases that the receivable collection is overdue on the date of the financial statements or in cases where there are objective indications of the need for impairment. Other receivables are grouped and tested for impairment on the whole. Impairment loss is the difference between the book value of receivables and the estimated future cash flows and it is recognized in the income statement as an expense.

Loans and trade receivables are included in the current assets apart from those having maturity date after 12 months of the balance sheet date, which are included in the non-current assets. They are grouped as trade and other receivables on the balance sheet and they constitute the greater part of the Group and Company financial assets.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in the bank and the treasury as well as short-term investments of high liquidity, such as repos and bank deposits with a maturity of less than 3 months.

For the purpose of preparing the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above without including the outstanding balances of bank overdrafts.

2.10 Share capital

Ordinary shares are classified as equity. Direct issuance costs are presented after deducting the related income tax applied as a reduction of the issue proceeds. Direct costs related to the shares issue for business acquisition are included in the acquisition cost of the business acquired. The own shares' acquisition cost reduced by income tax (if applicable) is presented as a reduction in group equity until the own shares are sold or cancelled. Any profit or loss from sale of own shares, net of direct other transaction costs and income tax, if applicable, is presented as a reserve in equity.

2.11 Income tax

2.11.1 Current income tax

Current tax assets/liabilities include those liabilities or receivables from tax authorities related to current or previous reporting periods that have not been settled by the time of the balance sheet date. They are calculated in accordance with tax rates and laws in force and based on taxable profits of each financial year. All changes on current tax assets or liabilities are recognized as tax expense in profit or loss.

2.11.2 Deferred income tax

Deferred income tax is calculated using the liability method that focuses on temporary differences. This includes the comparison between the carrying amount of assets and liabilities in the consolidated financial statements and their tax bases.

Deferred tax assets are recognized to the extent that they are likely to offset against future income tax.

The Group and the Company account for a previously non-recognized deferred tax asset to the extent that a future taxable profit is probable.

Deferred tax asset is remeasured at each balance sheet date and is reduced to the extent that it is not deemed probable that there will be sufficient taxable profits against which part or all of the deferred income tax asset may be used.

Deferred tax liabilities are recognized for all taxable temporary differences. Taxable temporary differences relate to deductible temporary differences and carried forward unused tax losses to the extent that it is probable that a taxable profit will be available which will offset them.

Deferred tax assets and liabilities are calculated based on the tax rates expected to be in force in the period that the asset is recovered or the liability is settled, taking into account the tax rates (and tax laws) that are substantially in force on the Balance Sheet date.

Changes in deferred tax assets or liabilities are recognized as an income tax item in the income statement, other than those arising from specific changes in assets or liabilities, which are recognized directly in group equity and result in the relevant change in deferred tax assets or liabilities being charged/credited against the respective equity account.

The Company and its subsidiaries, given in paragraph 12.71 of IAS 12, present in the consolidated Statement of Financial Position the deferred tax liabilities and the deferred tax receivables.

2.12 Pension and short-term employee benefits

2.12.1 Short-term benefits

Short-term benefits to staff (except for termination of employment benefits) in cash and kind are recognized as an expense when accrued. Any unpaid amount is recorded as a liability, whereas in case the amount already paid exceeds the benefit amount, the entity recognizes the excessive amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a future payment decrease or refund.

2.12.2 Post-employment benefits

The Group and the Company have designated both defined benefit and defined contribution plans.

2.12.2.1 Defined contribution plans

Group and Company staff are primarily covered by the main public social security entity which concerns the private sector (Single Social Security Entity "ΕΦΚΑ") which provides pension and healthcare benefits. Each employee is required to contribute part of his monthly salary to the fund as well as part of the overall contribution is covered by the Group and the Company. Upon retirement, the pension fund is responsible for paying retirement benefits to employees. Consequently, the Group and the Company has no legal or constructive obligation to pay future benefits based on this scheme.

Based on the defined contribution plan, the Group's and Company's obligation (whether legal or constructive) is limited to the amount it has agreed to contribute to the fund which manages contributions and provides benefits. Consequently, the amount of benefits which the employee will receive is determined by the amount the Group (and/or the employee) pays and the paid investments on those contributions. The contribution payable by the Group and the Company towards a defined contribution plan is recognized as a liability after deducting the contribution paid as the corresponding expense.

2.12.2.2 Defined benefit plans – Defined benefit obligations

Obligations to pay retirement compensation are calculated on the discounted value of future benefits which have been accumulated at the end of the year based on the recognition of an employee's right to retirement benefits during his expected working life. These obligations are calculated based on the financial and actuarial assumptions which are explained in Note 13 and are determined annually by independent actuaries using the projected unit credit method. The net cost of retirement in the period is included in the payroll cost in the attached financial statements.

The obligation to compensate for retirement is recognized in the statement of financial position and is the present value of future cash outflows using interest rates of high quality corporate bonds or treasury bonds that their maturity is similar to that of the related pension obligation, as the discount rate.

The past service cost is recognized in the income statement at the earlier of:

- The date on which it is amended or curtailed and
- The date the Company and Group recognize costs for restructuring.

The financial cost is determined by applying the discount rate used to measure the defined benefit obligation (or receivable). The Company and the Group recognize the following changes in the defined benefit obligation in payroll expenses and financial expenses:

- Service costs consisting of current service costs and previous service costs, Profits and Loss from curtails and unusual modifications to the defined benefit plan,
- Net financial expense or income

Re-assessments to actuarial gains or losses are directly recognized in the statement of financial position by debiting or crediting the retained earnings account accordingly, through other comprehensive income for the period in which those gains or losses are incurred. The re-assessments are not reclassified in the income statement in subsequent periods.

2.13 Other provisions

Provisions are recognized when a present obligation is likely to lead to an outflow of resources embodying economic benefits for the Group and it can be reliably measured. The timing and size of the outflow may be uncertain. A present commitment arises from the presence of a legal or constructive obligation as a result of a past events. Every provision formed is only used for the expenses for which it had initially been formed. Provisions are reviewed at each reporting date and are adjusted accordingly in order to reflect the current best estimate.

Provisions are measured at the expected cost of the expenditure required to settle the current obligation based on the most reliable evidence available as at the balance sheet date including the risks and uncertainties relating to the current obligation. When the impact of the time value of money is significant, the amount of the provisions is the present value of the expenses expected to be required in order to settle the liability.

When the discounting method is used, the book value of a provision is increased in each period so as to reflect the passage of time. This increase is recognized as a financial expense in the income statement. When there are a number of similar obligations, the probability that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is also recognized even though the likelihood of outflow for any item may be small. If it is no longer likely that an outflow of resources embodying economic benefits will be required to settle the liability, the provision is reversed.

2.14 Contingent liabilities

Provisions are recognized when the Group or Company have a current legal or statutory obligation deriving from past events, which is likely to require an outflow of resources embodying economic benefits to settle the obligation and the size of the obligation (the liability) can be reliably measured. Provisions are revised at each reporting date and are adjusted to reflect the present value of the expenditure required to settle the liability.

If the impact of the time value of money is significant, the provisions are calculated by discounting expected future cash flows using a pre-tax rate, which expresses current market estimates for the time value of money and, where is considered necessary, the risks specifically associated with the liability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the likelihood of a resource outflow embodying economic benefits is minimal. Contingent assets are not recognized in the financial statements but are disclosed when there is likelihood of an inflow of economic benefits.

2.15 Contingent assets

Possible inflows from economic benefits for the Group which do not meet the criteria of an asset are considered contingent assets and are disclosed in the Notes of the financial statements.

2.16 IFRS 16: Leases

Right-of-use assets

The Group and the Company recognized right-of-use assets at the beginning of the lease (date when assets are made available for use). Right-of-use assets are measured at cost minus the accumulated impairment and depreciation and adapted as at the re-measurement of the respective lease obligations. The cost of right-of-use assets includes the amount of lease obligations recognized, the initial directly linked expenses and lease payments made on or before the starting date, minus discounts or other incentives. Apart from the cases when the Group and the Company are relatively certain that the leased assets will be acquired at the end of the lease agreement, the recognized right-of-use assets are impaired with the stable method against the shorter period between the useful life of the underlying asset and the terms of the lease. Right-of-use assets are subject to a value impairment control, either each one separately, or as a unit generating cash flows.

Lease liabilities

On the lease commencement, the Group and the Company recognize lease liabilities equal to the present value of lease payments over the lease term. The lease payments include the contractual fixed lease payments, MAGs, less the amount of any subsidies offered, variable lease payments that depend on an index/rate and any expected residual value payments. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for a lease termination, if the lease terms reasonably indicate that the Group will exercise the option to terminate the contract. The variable lease payments that do not depend on an index/rate are recognized as expense in the period on which the event or the condition that triggers the payment occurs.

When calculating the present value of lease payments, the Group and the Company use the incremental borrowing rate at the lease commencement date if the annual percentage rate is not directly determined in the lease contract. After the lease commencement, the amount of lease liabilities is increased by the amount of interest expenses and reduced by the amount of lease payments. In addition, the carrying amount of lease liabilities is re-measured if there is a contract modification or any change in the lease term, the fixed lease payments or the assessment to purchase the underlying asset. These re-measurements are disclosed as modifications in a single line on the right-of-use assets.

The IFRS Interpretations Committee (the "Committee") has issued a summary of the decisions taken at its public meetings to clarify IFRS 16 interpretations on the following issues:

(a) Short-term leases and leases of low-value assets

The Group applies the exception concerning the short-term leases (i.e. those leases that have a lease term of 12 months or less from the lease commencement date and do not contain a purchase option). In addition, it applies the exception of low valued assets (i.e. valued at less than €5.000). Lease payments for short-term and low-value assets are recognized as expenses with the stable method, throughout the duration of the lease.

(b) Significant estimates in determining the lease term of contracts with renewal options

The Group determines the lease term as the contractual term of the lease, including the period covered by (a) an option to extend the lease, if it is reasonably certain for the option to be exercised or (b) an option to terminate the lease, if it is reasonably certain for the option not to be exercised.

Regarding some of its leases, the Group has the option to extend the lease term. The Group evaluates whether it is reasonably certain to exercise the option to renew the lease, taking into consideration all the relevant factors that create an economic incentive to exercise the renewal option. After the lease commencement date, the Group reassesses the lease term and whether there is a significant event or a change in circumstances falling under its

control and affecting the option to exercise (or not to) the option to renew (such as a change in group business strategy).

(c) Lease term determination

According to the Committee's decision issued, when assessing the notion of insignificant penalty as a part of establishing the lease terms, the relevant analysis should not only capture the fine as specified in the contract but using, instead, a broader economic consideration of the penalty and thus including all kinds of possible economic outflows related to the termination of the contract. The Group applies this decision and uses judgment in estimating the lease term, especially in cases where the agreements do not provide for a predetermined term. The Group considers all the relevant factors that create an economic incentive for it to exercise either the renewal or termination option.

2.16.1.1 Operating leases

All other leases are treated as operating leases. Payments under operating leases are recognized as expenses in the income statement using the straight line method (income for the year matched to expenses). The relevant expenses such as maintenance and insurance are recognized as expenses when incurred.

2.16.2 A company in the Group as lessor

2.16.2.1 Operating leases

Leases where the Group does not transfer substantially all the risks and rewards of the asset are classified as operating leases. Initial direct costs incurred by lessors in negotiating and arranging an operating lease are added to the book value of the leased asset and recognized throughout the lease term as lease revenues.

2.17 Revenue recognition

Revenue is recognized to the extent that it is likely that the economic benefits will accrue to the Group and the relevant amounts can be reliably measured. Revenues are net of VAT, discounts and refunds. Revenues generated in transactions among companies in the Group that are consolidated using the total consolidation method are fully eliminated. Revenue is recognized as follows:

- **Sales of goods:** Revenue is recognized when the substantial risks and rewards deriving from ownership of the goods have been transferred to the purchaser and collection of the receivable is reasonably secured. Goods sold on a wholesale basis are primarily sold on credit. If a contract / sale includes more than one contractual obligation, the total value of the contract is divided into individual obligations based on the individual sales values. The amount of revenue that is recognized is the amount that has been divided into the corresponding contractual obligation that has been fulfilled, based on the price that the Group expects to receive in accordance with the terms of the contract.
- **Provision of services:** Revenue from fixed rate services agreements is recognized based on the stage of completion of the service on the reporting date. According to this method, revenue is recognized based on the proportion of the service provided up to the reporting date compared to the total services to be provided. When the result of the transaction relating to service provision cannot be reasonably calculated, the revenue is only recognized to the extent that the recognized expenses are recoverable. In cases where the initial revenue estimates, the expenses or the completion percentage change, those changes may lead to increases or decreases in the estimated revenue or expenses and are presented in the revenue for the period.
- **Dividends:** Dividends are recognized as revenue when the right to receive payment is established.

- **Interest income:** Interest income is recognized on a time proportion basis using the effective interest method.
- **Income from property rents** is accounted for on an accrued basis, in line with the points included in the relevant contracts / agreements.

2.18 Critical accounting estimates, assumptions and judgments

The basic accounting estimates and judgments that the Management has made during the implementation of the accounting policies and which have the most significant impact on the Financial Statements of the Company and the Group are the following:

Important crises in the implementation of accounting policies:

(a) Provision for bad debt: The Group makes provisions for risks, which may arise from legal cases that may lead to financial outflows for their resolution. These forecasts are recognized based on the value of the cases and the probabilities associated with the final outcome of the case.

(b) Determination of lease term: In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The following factors are normally the most relevant: If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate) the lease. If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate) the lease. Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset. Most extension options in offices and vehicles leases have not been included in the lease liability, because the Group could replace the assets without significant cost or business disruption. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment and that is within the control of the lessee.

(c) Provisions for bad debts: The Group's Management periodically reassesses the adequacy of the provision for bad debts in relation to its credit policy, taking into account reports from the legal department for recent developments in cases it handles.

Basic sources of estimation uncertainty:

(a) Income tax provision: According to IAS 12, income tax provisions are based on estimates related to taxes to be paid to the tax authorities and include the current income tax for each financial year, the provision for additional tax that may arise in future tax audits and the recognition of future tax benefits. The finalization of income tax may differ from the relative amounts included in these financial statements.

(b) Depreciation rates and useful life: The Group's fixed assets are depreciated according to their estimated useful economic life. The useful life in each case is reassessed periodically in order to determine if the initial period is still appropriate. The actual life of these fixed assets may vary depending on various factors, such as technological advances and maintenance programs.

(c) Goodwill and impairment test: The Group tests whether the goodwill has been impaired at least on an annual basis. This requires an estimate of the value in use of the cash generating unit to which goodwill is allocated. In order to estimate the value in use of this unit, the Group is required to estimate the amount of future cash flows and also to determine the appropriate discount rate so as to calculate the present value of future cash flows.

(d) Impairment of property, plant and equipment: The tangible assets are tested for impairment purposes when events or changes in circumstances indicate that the carrying amount may not be recoverable. To calculate the value in use, management assesses future cash flows from the asset or cash generating unit and selects the appropriate discount rate to calculate the present value of future cash flows.

(e) Deferred tax liabilities: Deferred tax liabilities are recognized for all tax losses to the extent that it is likely that there will be sufficient tax gains to be offset against those tax losses. Significant judgment is required on the part of management to determine the amount of deferred tax assets that can be recognized, based on the probable time and level of future taxable profits as well as future tax planning strategies.

(f) Provision for expected credit losses of receivables: The Group uses a provision matrix to calculate ECLs for trade receivables over their life. The provision matrix is based on the Group's historical credit loss experience calibrated to adjust the historical credit loss experience with forward-looking information specific to the debtors and the economic environment. At each year end, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The correlation among historical observed credit losses, future economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and to forecast of economic conditions. Moreover, the Group's historical credit loss experience and forecast of economic conditions may not be representative of customers' actual default in the future.

2.19 Reclassifications

Starting from the current year that started on January 1, 2021 and ended on December 31, 2021, the management of the Company and the Group decided to change the accounting policy in relation to the valuation of its inventories and specifically with the method of determining the acquisition price from annual weighted average on a rolling weighted average, as the new method is identical to that of the Dufry Group to which it belongs and reflects more reasonably the amount of the final stock. However, given their insignificant differentiation, the two methods, as expected, did not give a significant difference in the end-of-year reserve of 2020, amounting to the additional amount of Euro 148 thousand or 0.67% of the final stock for the Company and Euro 106 thousand or 0.47 % for the Group. Due to the impractical implementation of the change of policy for the corporate year that ended on December 31, 2019, as this requires the creation of a new warehouse balance, as well as the fact that the two methods do not result in significant differentiation, the Group and the Company relevant paragraphs of IAS 8 (IAS 8.24 & 25) and more specifically did not identify the cumulative effect of the application of the new accounting policy in all previous periods, but adjusted the comparative information to the earliest possible date, ie 31 December 2020.

The IFRS Interpretations Committee issued in May 2021 the final decision on the agenda entitled "Distribution of benefits in periods of service in accordance with International Accounting Standard (IAS) 19", which includes explanatory material on how to distribute benefits in periods service on a specific defined benefit plan. Based on the above Decision, the way in which similar principles were applied in Greece, the basic principles of IAS 19 in this regard, and consequently, the entities that prepare their financial statements in accordance with IFRS are required to amend their accounting policy accordingly to this decision. Until the issuance of the decision of the IFRS interpretation committee, the Company applied IAS 19 distributing the benefits as defined by article 8 of L.3198 / 1955, L.2112 / 1920 and its amendment by L.4093 / 2012 where applicable, in the period following the recruitment of employees. The implementation of this final Decision by the Company, results in the distribution of benefits in the last 16 years before the date of retirement of employees in accordance with the applicable legal framework. Based on the above, the implementation of the above final Decision by the Company and the Group has been treated as a change in accounting policy.

Error Correction

Until the year ended December 31, 2020 the consolidated financial statements did not include the company HDFS DOOEL Skopje as this subsidiary was inactive from the date of acquisition of the Group by the Dufry Group and the value of the participation had been written off at initial recognition. The Company started in 2021 to have a small activity. Given the resumption of operations, the Group consolidated its subsidiary HDFS DOOEL Skopje in the current consolidated financial statements by amending the comparative consolidated items as shown in the tables below. The impact of the inactive Company on the Statement of Equity Changes

as at 31 December 2020 amounted to a cumulative loss of Euro 376 thousand. that the effect on equity due to inactivity is not expected to result in a significant differentiation, the Group applied the relevant paragraphs of standard IAS 8 (IAS 8.24 & 25) and more specifically did not determine the cumulative effect of applying the correction to all the previous periods, but adjusted the comparative information to the earliest possible date, ie 31 December 2020. Below is the Income Statement for the year ended 31 December 2021:

General Income and Expenses	7
Profits before taxes and financial results (EBIT)	7
Financial Revenue	
Financial expenses	(11)
Earnings before taxes (EBT)	(4)
Income tax	0
Profits net of taxes	(4)

Τα αποτελέσματα της αλλαγής λογιστικής πολιτικής και η διόρθωση λάθους για την Εταιρεία και τον Όμιλο παρουσιάζονται στους παρακάτω πίνακες.

Company							
Description	Published 01/01/2020	Amendme nt to IAS 19account ing policy	Restatement 01/01/2020	Re- publishe d 31/12/2 020	Amendment to IFRS 19 Accounting Policy	Amendment to Inventory Valuation Policy	Restatement 31/12/2020
Financial position statement							
Post-employment benefits	5.916	(1.874)	4.042	-	-	-	-
inventories	-	-	-	21.934	-	148	22.082
Deferred tax liabilities	60.894	412	61.306	56.625	491	-	57.116
Other Reserves	9.101	187	9.288	8.795	447	-	9.242
Profits carried forward	85.084	1.275	86.359	70.215	1.295	148	71.658
Post-employment benefits	-	-	-	3.659	(2. 233)	-	1.426
Corporate Income Statement and Other Income							
Description	Published 1/1-31/12/2020	Amendment to IAS 19 Interpretation accounting policy	Restatement 1/1- 31/12/2020				
Staff Expenses	(17.397)	26	(17.371)				
Profits before taxes and financial results (EBIT)	(14.210)	26	(14.184)				
Profits before taxes (EBT)	(18.906)	26	(18.880)				
Income tax	4.036	(5)	4.031				
Profits after taxes	(14.871)	22	(14.849)				
Actuarial gain / (loss) in Equity	(403)	333	(70)				
Deferred income tax	97	(73)	24				
Other total income / (expenses) after taxes	(306)	260	(46)				

Group

Description	Published 01/01/2020	Amendment to IAS 19 Interpretation accounting policy	Restatement 01/01/2020	Published 31/12/2020	Amendment to IAS 19 Interpretation accounting policy	Amendment to the inventory valuation accounting policy	Consolidation HDFS DOOEL Skopje	Restatement 31/12/2020
Other long-term receivables	45.012	(258)	44.754	35.471	(242)	-	-	35.229
Inventories	-	-	-	23.535	-	106	6	23.647
Trade and other trade receivables	-	-	-	2.407	-	-	(210)	2.197
Post-employment benefits	6.436	(2.190)	4.246	4.164	(2.541)	-	-	1.623
Deferred tax liabilities	60.610	425	61.035	56.353	507	-	-	56.860
Short-term loan liabilities	-	-	-	4.288	-	-	172	4.460
Other Reserves	9.400	183	9.583	9.055	449	-	-	9.504
Profits carried forward	90.912	1.325	92.237	75.434	1.344	106	(376)	76.508

Consolidated Income Statement and Other Income			
Description	Published 31/12/2020	Amendment of IAS 19 Interpretation accounting policy	Restatement 31/12/2020
Staff Expenses	(21.400)	24	(21.377)
Profits before taxes and financial results (EBIT)	(14.592)	24	(14.568)
Profits before taxes (EBT)	(19.357)	24	(19.333)
Income tax	3.847	(5)	3.842
Profits net of taxes	(15.510)	19	(15.491)
Actuarial gain / (loss) in Equity	(413)	342	(71)
Deferred income tax	100	(76)	24
Other total income / (expenses) after taxes	(313)	266	(47)

3. Segmental Reporting

For administrative purposes, the Group is organized into 4 main business segments: a) airports, b) ports, c) borders and d) wholesales. IFRS 8 – Operating Segments states that Management must monitor the operating result of business segments separately in order to take decisions about the distribution of resources and the performance evaluation. A segment's performance is evaluated based on operating results which are corrected to eliminate intra-group transactions.

Group operations, which do not meet the criteria and thresholds under IFRS 8 to be considered a separate operating segment, are combined and presented in the "Other" segment. This category includes the expenses of the headquarters as well. Group results per sector are analyzed as follows:

BREAKDOWN OF GROUP OPERATING RESULTS PER OPERATION SEGMENT AS AT 31.12.20

01.01 - 31.12.2021	AIRPORTS	PORTS	BORDERS	WHOLESALE	OTHER	TOTAL
Sales	121.401	2.238	28.755	6.486	3.060	161.940
Intra-group sales	-	-	-	(836)	-	(836)
Advertising Income	2.096	3	99	9	2.064	4.271
Turnover	123.497	2.241	28.854	5.659	5.124	165.375
Cost of Goods Sold	(61.684)	(1.194)	(12.766)	(4.616)	(1.309)	(81.569)
Intra-group cost of goods sold	-	-	-	748	-	748
Gross profit	61.813	1.047	16.088	1.791	3.815	84.554
Leases	(4.093)	(19)	(1.101)	(40)	98	(5.155)
Personnel expenses	(10.426)	(730)	(2.462)	(1.685)	(6.781)	(22.084)
General expenses	(2.720)	(239)	(614)	(432)	(4.760)	(8.765)
Depreciation	(18.989)	(544)	(1.132)	(362)	(13.003)	(34.030)
Profits / Loss before interest and tax (EBIT)	25.618	(484)	10.780	(723)	(20.673)	14.518
Financial income	-	-	-	-	55	55
Financial expense	1.162	(72)	(3)	(7)	(3.355)	(2.275)
Other financial income	-	1	-	(2)	(258)	(259)
Profits / Loss before tax (EBT)	26.780	(555)	10.777	(732)	(24.231)	12.039

BREAKDOWN OF GROUP OPERATING RESULTS PER OPERATION SEGMENT AS AT 31.12.20

(Restatement)

01.01 - 31.12.2020	AIRPORTS	PORTS	BORDERS	WHOLESALE	OTHER	TOTAL
Sales	53.478	1.136	24.163	6.619	2.067	87.463
Intra-group sales	-	-	-	(737)	-	(737)
Advertising Income	1.095	2	127	73	2.161	3.459
Turnover	54.573	1.138	24.290	5.955	4.228	90.185
Cost of Goods Sold	(28.212)	(638)	(10.191)	(5.282)	(1.216)	(45.539)
Intra-group cost of goods sold	-	-	-	737	-	737
Gross profit	26.361	500	14.099	1.410	3.012	45.383
Depreciation	(41.589)	(1.751)	(2.570)	(637)	(272)	(46.819)
Profits / Loss before interest and tax (EBIT)	(8.792)	(2.301)	7.186	307	(10.969)	(14.568)
Financial income	-	-	-	-	103	103
Financial expense	(1.548)	(75)	(2)	5	(3.220)	(4.840)
Other financial income	13	-	2	(3)	(40)	(28)
Profits / Loss before tax (EBT)	(10.327)	(2.376)	7.186	309	(14.126)	(19.333)

BREAKDOWN OF GROUP ASSETS – LIABILITIES PER OPERATING SEGMENT AS AT 31.12.21

GROUP						
(Amounts in € '000)						
01.01 - 31.12.2021	AIRPORTS	PORTS	BORDERS	WHOLESALE	OTHER	TOTAL
Tangible and intangible assets	285.654	16.759	49.597	909	184.050	536.968
Other long-term assets	30.842	29	1	0	228	31.100
Inventory	19.670	1.885	3.132	1.054	5.727	31.467
Trade and other receivables				4.410	21.936	26.346
Cash and cash equivalents	168	38	262	0	79.616	80.084
Total	336.334	18.710	52.992	6.373	291.557	705.965
Trade Payables	17.968	271	731	824	12.298	32.092
Other non-allocated liabilities					673.873	673.873
Total	17.968	271	731	824	686.171	705.965

BREAKDOWN OF GROUP ASSETS – LIABILITIES PER OPERATING SEGMENT AS AT 31.12.20 * Restatement

GROUP						
(Amounts in € '000)						
01.01 - 31.12.2020	AIRPORTS	PORTS	BORDERS	WHOLESALE	OTHER	TOTAL
Tangible and intangible assets	367.558	19.609	50.746	346	184.366	622.625
Other long-term assets	34.660	39	2	-	528	35.229
Inventory	11.423	1.367	3.229	6.923	705	23.647
Trade and other receivables	-	-	-	3.148	21.737	24.885
Cash and cash equivalents	155	51	115	-	58.344	58.665
Total	413.796	21.066	54.092	10.417	266.020	765.052
Trade Payables	5.980	699	1651	3.760	492	12.581
Other non-allocated liabilities					752.471	752.471
Total	5.980	699	1.651	3.760	752.963	765.052

4. Property, plant and equipment (Consolidated and Separate)

The changes in Group and Company property, plant and equipment and investment property are outlined below:

Group							
	Land	Buildings – facilities	Machinery - mechanical equipment	Vehicles	Furniture & other equipment	Fixed assets under construction	Total
<u>Acquisition cost</u>							
Opening balance as at 01.01.2020	94	37.347	2.634	700	23.248	558	64.581
Additions	-	283	28	25	200	5.402	5.938
Sales – Decreases	-	(1.266)	(184)	-	(949)	-	(2.399)
Transfers	-	698	25	-	809	(1.532)	-
Assets derecognition	-	66	(21)	-	(126)	-	(81)
Exchange rate diff.	-	-	(1)	-	(10)	-	(11)
Balance as at 31.12.2020	94	37.128	2.481	725	23.172	4.428	68.028
Opening balance as at 01.01.2021	94	37.128	2.481	725	23.172	4.428	68.028
Additions	-	1.880	51	-	1.019	2.942	5.892
Sales – Decreases	-	-	(2)	-	(2)	(10)	(14)
Transfers	-	4.003	129	-	3.021	(7.153)	-
Balance 31.12.2021	94	43.011	2.659	725	27.210	207	73.906
<u>Accumulated depreciation</u>							
Opening balance as at 01.01.2020	-	16.169	1.267	384	9.314	-	27.134
Depreciation for the year	-	4.160	263	84	2.198	-	6.705
Decrease in depreciation	-	(938)	(127)	-	(641)	-	(1.706)
depreciation	-	-	(1)	-	(10)	-	(11)
Assets derecognition	-	66	(21)	-	(126)	-	(81)
balance 31.12.2020	-	19.457	1.381	468	10.735	-	32.041
Opening balance as at 01.01.2021	-	19.457	1.381	468	10.735	-	32.041
Depreciation for the year	-	4.721	269	77	2.323	-	7.390
Decrease in depreciation	-	-	(1)	-	(1)	-	(2)
balance 31.12.2021	-	24.178	1.649	545	13.057	-	39.429
<u>Net book value 31.12.2020</u>							
	94	17.671	1.100	257	12.437	4.428	35.987
<u>Net book value 31.12.2021</u>							
	94	18.833	1.010	180	14.153	207	34.477

Company							
	Land	Buildings – facilities	Machinery - mechanical equipment	Vehicles	Furniture & other equipment	Fixed assets under construction	Total
<u>Acquisition cost</u>							
Opening balance as at 01.01.2020	94	37.159	2.599	625	22.693	558	63.728
Additions	-	283	28	25	199	5.402	5.937
Sales – Decreases	-	(1.266)	(184)	-	(949)	-	(2.399)
Transfers	-	698	25	-	809	(1.532)	-
Assets derecognition	-	66	(21)	-	(126)	-	(81)
Balance as at 31.12.2020	94	36.940	2.447	650	22.626	4.428	67.185
Opening balance as at 01.01.2021	94	36.940	2.447	650	22.626	4.428	67.185
Additions	-	1.880	51	-	1.019	2.941	5.891
Sales – Decreases	-	-	-	-	-	(10)	(10)
Transfers	-	4.003	129	-	3.020	(7.152)	-
Balance 31.12.2021	94	42.823	2.627	650	26.665	207	73.066
<u>Accumulated depreciation</u>							
Opening balance as at 01.01.2020	-	16.051	1.245	352	8.879	-	26.527
Depreciation for the year	-	4.137	260	76	2.166	-	6.639
Decrease in depreciation	-	(938)	(127)	-	(641)	-	(1.706)
Assets derecognition	-	66	(21)	-	(126)	-	(81)
balance 31.12.2020	-	19.316	1.357	428	10.278	-	31.379
Opening balance as at 01.01.2021	-	19.316	1.357	428	10.278	-	31.379
Depreciation for the year	-	4.698	265	69	2.293	-	7.325
balance 31.12.2021	-	24.014	1.622	497	12.571	-	38.704
<u>Net book value 31.12.2020</u>	94	17.624	1.090	222	12.348	4.428	35.806
<u>Net book value 31.12.2021</u>	94	18.809	1.005	153	14.094	207	34.362

The depreciation charged to the results is presented in Note 23. There are no mortgages or mortgage liens or other encumbrances registered with respect to the tangible assets covered by loans.

5. Intangible assets (Consolidated and Separate)

	Group					
	Computer software	Leases	Concessions & industrial property Rights	Assets under construction	Total	Goodwill
<u>Acquisition cost</u>						
Opening balance as at 01.01.2020	1.235	201	418.600	903	420.939	181.100
Additions	966	-	-	-	966	-
Sales – Decreases	-	-	-	(1)	(1)	-
Transfers	902	-	-	(902)	-	-
Balance as at 31.12.2020	3.103	201	418.600	-	421.904	181.100
Opening balance as at 01.01.2021	3.103	201	418.600	-	421.904	181.100
Additions	73	-	-	38	111	-
Balance as at 31.12.2021	3.176	201	418.600	38	422.015	181.100
<u>Accumulated depreciation</u>						
Opening balance as at 01.01.2020	1.068	76	80.412	-	81.556	-
Depreciation for the year	301	40	11.971	-	12.312	-
Balance as at 31.12.2020	1.369	116	92.383	-	93.868	-
Opening balance as at 01.01.2021	1.369	116	92.383	-	93.868	-
Depreciation for the year	430	40	11.971	-	12.441	-
Balance as at 31.12.2021	1.799	156	104.354	-	106.309	-
<u>Net Book value 31.12.2020</u>						
	1.734	85	326.217	-	328.036	181.100
<u>Net Book value 31.12.2021</u>						
	1.377	45	314.246	38	315.706	181.100

Company						
	Computer software	Leases	Concessions & industrial property Rights	Assets under construction	Total	Goodwill
<u>Acquisition cost</u>						
Opening balance as at 01.01.2020	1.120	201	418.600	900	420.821	181.100
Additions	966	-	-	-	966	-
Sales – Decreases	-	-	-	(1)	(1)	-
Transfers	899	-	-	(899)	-	-
Balance 31.12.2020	2.985	201	418.600	-	421.786	181.100
Opening balance as at 01.01.2021	2.985	201	418.600	-	421.786	181.100
Additions	73	-	-	38	111	-
Balance as at 31.12.2021	3.058	201	418.600	38	421.897	181.100
<u>Accumulated depreciations</u>						
Opening balance as at 01.01.2020	964	76	80.412	-	81.452	-
Depreciations for the year	297	40	11.971	-	12.308	-
Balance as at 31.12.2020	1.261	116	92.383	-	93.760	-
Opening balance as at 01.01.2021	1.261	116	92.383	-	93.760	-
Depreciations for the year	426	40	11.971	-	12.437	-
Balance as at 31.12.2021	1.687	156	104.354	-	106.197	-
<u>Net Book Value 31.12.2020</u>						
	1.724	85	326.217	-	328.027	181.100
<u>Net Book Value 31.12.2021</u>						
	1.371	45	314.246	38	315.700	181.100

The depreciation charged to the results is presented in Note 23.

Goodwill and rights are assessed annually for impairment in December of each year or more often when circumstances indicate that the book value may have been impaired.

The annual impairment test on the net book value of the goodwill was determined on the basis of the calculation of net discounted cash flows expected to arise from the specific activity. Cash flow forecasts are based on economic forecasts approved by the Management and cover a period of five years. The discount rate applied to cash flow forecasts was 7,2% while cash flows for a period of more than five years grew by 2-4% per category, which is the expected average growth rate for the industry.

The basic assumptions used to calculate the value in use of the above impairment tests are as follows:

Budgeted gross margins: The basis used to determine the budgeted gross margins is the average of the effective gross margins achieved by each cash generating unit over the previous five-year period.

Capital needs: All the expected needs for long-term capital as well as for working capital have been taken into account based on the real needs over the last five years, so that the cash generating units maintain their productivity and market share.

Discount rate: The discount rates represent the current risk assessment in the market with reference to each cash generating unit, taking into account the value of money and individual risks of the assets not included in the cash flow estimates. The calculation of the discount rate is based on specific conditions of the Company and its operating

departments and comes from the weighted average cost of capital (WACC). The WACC takes into account both loan obligations and equity. The cost of the equity comes from the expected return on investment by the Company's investors. The cost of debt is based on interest-bearing loans that the Company is required to service.

Reduction of sales: all necessary operations to reduce the risk of sales reduction due to coronavirus impact, of the energy crisis and the increase of inflation in Greece and the main countries of origin of the travellers were realized.

No impairment of goodwill and / or the right of use arose, as a result of these impairment tests on the book values of Euro 181.1m and 314.3m. respectively. Management's view is that a possible change in the basic assumptions on which the recoverable amount was based, will not exceed the accounting value of cash flow unit vs the recoverable amount.

6. Right-of-use assets

In July 2021, the Company amended specific important concession agreements, by abolishing the minimum annua guaranteed rents ("MAG"), with retroactive effect for the whole of 2021, with the consequence that the rents become completely variable. This event led to the derecognition of the respective rights of use and the corresponding lease obligations as well as the monitoring of these outside the IFRS 16 Leases.

The impact from the above amendments on the financial statements is analyzed as follows:

Group					
	Stores	Buildings – facilities	Vehicles	Other	Total
<u>Acquisition cost</u>					
Balance as at 1.1.2020	121.754	3.981	805	118	126.658
Additions/ Modifications	2.818	213	-	496	3.527
Withdrawals	-	(1)	-	-	(1)
Depreciations	-	-	-	-	0
Balance as at 31.12.2020	124.572	4.193	805	614	130.184
Balance as at 1.1.2021	124.572	4.193	805	614	130.184
Additions/ Modifications	3.141	870	597	-	4.608
Withdrawals	(124.890)	-	-	-	(124.890)
Depreciations	-	-	-	-	-
Balance as at 31.12.2021	2.823	5.063	1.402	614	9.902
<u>Accumulated depreciation</u>					
Balance as at 1.1.2020	23.664	899	197	118	24.878
Impairment	26.572	945	203	83	27.803
Withdrawals	-	-	-	-	-
Depreciations	-	-	-	-	-
Balance as at 31.12.2020	50.236	1.844	400	201	52.681
Balance as at 1.1.2021	50.236	1.844	400	201	52.681
Impairment	12.895	965	257	83	14.199
Withdrawals	(62.663)	-	-	-	(62.663)
Depreciations	-	-	-	-	-
Balance as at 31.12.2021	467	2.809	657	284	4.217
<u>Net Book Value 31.12.2020</u>					
	74.336	2.349	405	413	77.503
<u>Net Book Value 31.12.2021</u>					
	2.355	2.254	745	330	5.685

Company					
	Stores	Buildings – facilities	Vehicles	Other	Total
<u>Acquisition cost</u>					
Balance as at 1.1.2020	120.674	3.344	758	118	124.894
Additions/ Modifications	2.640	213	-	496	3.349
Withdrawals	-	(1)	-	-	(1)
Depreciations	-	-	-	-	-
Balance as at 31.12.2020	123.314	3.556	758	614	128.242
Balance as at 1.1.2021	123.314	3.556	758	614	128.242
Additions/ Modifications	3.141	870	597	-	4.608
Withdrawals	(123.633)	-	-	-	(123.633)
Depreciations	-	-	-	-	-
Balance as at 31.12.2021	2.822	4.426	1.355	614	9.217
<u>Accumulated depreciation</u>					
Balance as at 1.1.2020	23.150	798	186	118	24.252
Impairment	26.129	843	191	83	27.246
Withdrawals	-	-	-	-	-
Depreciations	-	-	-	-	-
Balance as at 31.12.2020	49.279	1.641	377	201	51.498
Balance as at 1.1.2021	49.279	1.641	377	201	51.498
Impairment	12.756	863	245	83	13.947
Withdrawals	(61.569)	-	-	-	(61.569)
Depreciations	-	-	-	-	-
Balance as at 31.12.2021	466	2.504	622	284	3.876
<u>Net Book Value</u>					
31.12.2020	74.035	1.915	381	413	76.744
31.12.2021	2.356	1.922	733	330	5.341

In the year 2020, the Group had lease agreements with minimum guaranteed leases that were covered by IFRS 16 and were reflected as right-of-use assets in the category "Stores". Following the amendment of the contracts in 2021, the total rents became variable and these rights were derecognized. The other leases that have been calculated and accounted for right-of-use assets relate to the rental of buildings, stores, warehouses and vehicles.

7. Other long-term receivables

(Amounts in € '000)	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Other long-term assets				
Guarantees for rents	4.232	4.234	3.880	3.881
Long-term receivables from provision for staff loan	112	105	-	-
Advance payments to FRAPORT	26.756	30.890	26.756	30.890
Total	31.100	35.229	30.636	34.771

Advance payments to FRAPORT, refer to amounts paid by the company to FRAPORT in 2017 when the relevant lease agreements were signed in the 14 regional airports.

Said advance payment amounting initially to 50 mil € is depreciated against leases until 2027, according to the relevant agreement.

Follows the analysis of the long-term receivables from provision for staff loan.

(Amounts in €'000)	Staff loans	Staff loans
O ΟΜΙΛΟΣ	01.01 - 31.12.2021	01.01 - 31.12.2020* Restatement
Amounts recognized in Balance Sheet		
Current value of asset	112	105
Net asset in the Statement	112	105
Amounts recognized in the Income Statement		
Current service cost	13	16
Cost of curtailment/settlements/termination of service	154	293
Total expenses in Income Statement	166	310
Change in the present value of Asset		
Present value of asset at the beginning of the period	105	123
Current service cost	13	16
Interest cost	-	-
Benefits paid to the employer	(157)	(330)
Cost of curtailment/settlements/termination of service	154	293
Past service cost during the period	-	0
Actuarial loss / (gain) – financial assumptions	(3)	2
Actuarial loss / (gain) – Experience of the period	-	-
Net asset at the end of the year	112	105
Adjustments		
Adjustments in Liabilities from changes in assumptions	3	(2)
Empirical adjustments in Liabilities	-	-
Total actuarial gain / (loss) in Equity	3	(2)
Changes in Net Asset recognized in the Statement of Financial Position		
Net Asset	105	381
Change in accounting policy according to the interpretation with effect on Equity net of taxes	0	(257)
Benefits paid to the employer	(157)	(330)
Total expense recognized in Income Statement	166	310
Total amount recognized in Equity	(3)	2
Net asset at the end of the period	219	1056
Cashflows		
Expected plan benefits over next financial year	33,847	29,767
Actuarial assumptions		
Discount rate	0,46%	0,04%
Future salary growth	-	-
Liability duration	5,24	5,61

8. Inventories

Inventories are measured at the lower of acquisition cost or net realizable value, as specified in IAS 2.

(Amounts in € '000)		Group		Company	
Inventories	31.12.2021	31.12.2020*	Restatement	31.12.2021	31.12.2020*
Merchandise	34.220	26.443		32.133	24.474
Less: provisions for obsolete and damaged merchandise	(2.753)	(2.796)		(2.349)	(2.392)
Total	31.467	23.647		29.784	22.082

group

provisions for obsolete and damaged merchandise

31.12.2021 31.12.2020

Provision opening

2.796 3.727

Reverse provision

(43) (931)

Provision ending

2.753 2.796

9. Trade receivables and other current assets

(Amounts in € '000)	(Ποσά σε Ευρώ '000)	GROUP		
Trade receivables	Εμπορικές απαιτήσεις	31.12.2021	31.12.2020*	31.12.2020*
Trade receivables - (customers)	Εμπορικές Απαιτήσεις - (πελάτες)	4.544	1.859	
Trade receivables - (related parties)	Εμπορικές Απαιτήσεις - (συνδεδεμένα μέρη)	(76)	334	
Trade receivables - (credit cards)	Εμπορικές Απαιτήσεις - (πιστωτικές κάρτες)	23	8	
Cheques receivables (post-dated)	Επιταγές Εισπρακτές (μεταχρον.)	545	641	
Provision for bad debt	Πρόβλεψη επισφαλών απαιτήσεων	(626)	(645)	
Total	Σύνολο	4.410	2.197	

(Amounts in € '000)	GROUP		COMPANY	
Other current assets	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Advertising services receivables	2.451	3.084	2.136	2.257
Advances to Trade Payables	-	1.628	-	1.628
Prepaid expenses	176	147	174	141
Advances to employees	41	57	41	54
State receivables	1.500	1.542	1.498	1.541
Other receivables	178	263	145	245
Prepaid rent	17.392	15.782	17.396	15.782
Accrued income	198	185	198	185
Total	21.936	22.688	21.588	21.833

At each reporting date, the Group and the Company perform an impairment test using a table on the basis of which the expected credit losses are calculated. The maximum exposure to credit risk on the reporting day is the carrying amount of each category of receivables as mentioned above. Guarantees mainly include prenotations on debtors' property, personal guarantees and bank guarantees.

The adoption of IFRS 9 led to a change in the Company's accounting treatment as for dealing with impairment losses on financial assets since it replaced the IAS 39 treatment for the recognition of incurred losses with the

recognition of expected credit losses.

The provision for bad debt resulted from the individual assessment for each customer - debtor of the ability to repay its balance, taking into account its maturity. The trade receivables of the Company and most of the Group's trade receivables derive from marketing and promotion services revenues.

Below is an analysis of the maturity of other trade receivables:

COMPANY						
Maturity of Trade and Other Receivables (amounts in € '000)	Due & not impaired				Not due & not impaired	Total
	0 - 3 months	3 - 6 months	6-12 months	> year		
2021	369	182	507	2.055	21.749	24.861
2020	1.899	139	-	1.322	19.399	22.759

GROUP						
Maturity of Trade and Other Receivables (amounts in € '000)	Due & not impaired				Not due & not impaired	Total
	0 - 3 months	3 - 6 months	6-12 months	> year		
2021	954	484	541	2.285	22.082	26.347
2020	2.163	528	240	1.510	20.444	24.885

10. Cash and cash equivalents

Cash and cash equivalents are broken down as follows as at 31 December 2021 and 31 December 2020:

(Amounts in €'000)	GROUP		COMPANY	
Cash and cash equivalents	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Cash on hand	598	342	580	323
Deposits on demand and time deposits	79.486	58.323	68.788	48.744
Total	80.084	58.665	69.368	49.067

Income from deposits on demand interests appear in the books of the financial year in "credit interests and related income" in the Income Statement.

11. Equity attributable to Group – Company shareholders

The Company's share capital initially stood at 500.000 €, divided into 10,000 nominal shares with a nominal value of € 50 each.

On November 15, 2012 the Company's Extraordinary General Meeting of Shareholders decided to increase the Company's share capital by € 11,000,000 by issuing 220,000 new shares with a nominal value of € 50 each.

The Board of Directors decision on January 24, 2013 partially certified the payment of the increase decided by the Extraordinary General Meeting on 15.11.2012, for the amount of € 6,500,000, through the issuance of 130,000 new, common, nominal shares, with a nominal value of € 50 each.

The Company's Extraordinary General Meeting decided on March 19, 2013 to increase the share capital by contribution in kind of the travel retail sector of the company with the trade name "Folli Follie Commercial Manufacturing And Technical Société Anonyme" and the distinctive title "Folli-Follie Group", in accordance with the provisions of Legislative Decree 1297/1972., with a value of € 390,534,600 plus a payment of € 400 in cash. This

contribution in kind increases the Company's share capital to € 397,535,000 divided into 7,950,700 nominal shares, with a nominal value of € 50 each. The Share capital of the Company is fully paid up.

It is noted that within the Other Reserves are included capital increase costs of Euro 4,039 thousand and Euro 3,977 thousand respectively as at 31 December 2021 for the Group and the Company respectively.

Statutory reserves

Under Greek law, companies are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory books to a statutory reserve until this reserve is equal to one third of the outstanding share capital. This reserve cannot be distributed but can be used to offset accumulated losses.

Other Reserves

Other reserves include Actuarial gains / (losses) from defined benefit pension plans, derived from a) from empirical adjustments (the result of differences between previous actuarial assumptions and those that eventually occurred) and b) from changes in actuarial assumptions.

12. Borrowings

Borrowings are broken as follows:

(Amounts in € '000)				
	GROUP		COMPANY	
Borrowings	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Borrowings				
Intercompany loans	25.170	45.172	25.000	45.000
Less: loan arrangement feed	-	-	-	-
bank borrowings	65.712	70.000	65.712	70.000
Less: loan issuance expenses	819	1.246	819	1.246
Total	90.063	113.926	89.893	113.754
Long-term borrowings	48.465	74.466	48.465	74.466
Out of which, Intercompany loans	-	-	-	-
Short-term borrowings	41.598	39.460	41.428	39.288
Out of which, Intercompany loans	25.170	35.172	25.000	35.000
Total	90.063	113.926	89.893	113.754
Maturity				
Over 5 years	-	-	-	-
From 1 – 5 years	48.465	74.466	48.465	74.466
Less than 1 year	41.598	39.460	41.428	39.288
Total	90.063	113.926	89.893	113.754

On April 11, 2013 when the travel retail sector of Folli-Follie S.A. was absorbed, the Company assumed loans of € 335,000,000 but on April 22, 2013 these were substituted by a corporate bond of the same amount. On December 12, 2013 when the Company's entire share capital (100%) was acquired by DUFY, the parent company issued a

new loan of € 287,508,000 to HDF S.A., € 285,000,000 of which was used to repay the outstanding balance of the corporate bond and € 2,508,000 relates to the parent company's expenses for issuing the loan. The duration of the new loan is 4 years at the Euribor rate plus a margin of 575 basis points.

On 31 December 2017 the parent company Dufry renewed the expiration date of the initial loan and set a new expiration date on 31 December 2018 without any other changes.

On 31 December 2018 the parent company Dufry renewed the expiration date of the initial loan and set a new expiration date on 31 December 31 December 2019 without any other changes.

Στις 31 December 2019 the parent company Dufry renewed the expiration date of the initial loan and set a new expiration date on 31 December 31 December 2020 with interest rate of 3,5% compared to the interest rate of 2018 which was 3 months Euribor plus a spread of 575 basis points. The balance as at 31 December 2019 amounted to € 65 mil. And within 2020 the Company repaid the total amount of 20 mil.

On 10 December 2020 the parent company Dufry renewed the expiration date of the initial loan and set a new expiration date on 31 December 2022 without any other changes in the terms of the loan. The balance as at 31 December 2020 amounted to € 45 mil. While the respective interests burdening the financial year amounted to € 2.2 mil.

The balance on 31 December amounts to € 25 mil.

Within July 2020 two bond loans were issued, € 40 mil. and € 30 mil. Respectively; The bond loan of 40 mil. Will start to be repaid after 18 months and the second, of 30 mil. After 12 months.

More precisely, in July 2020, the Company issued two 5-year bond loans, for € 30 mil. and € 40 mil. Respectively, from financial institutions in Greece, guaranteed by the COVID-19 Loan Guarantee Fund of the Hellenic Development Bank "HDB" established by virtue of Ministerial Decision 2500/6/2020 and co-funded by the European Regional Development Fund and the Greek State, along with the contribution of the Operational Program Competitiveness, Entrepreneurship and Innovation (EPANEK). The interest rate for the €30mil bond loan is Euribor +2.2% and the interest rate for the €40 mil. bond loan is Euribor +2.1%. Repayment of the loans begins in July 2021 with € 4.2 mil and in total, the balance is to paid within 5 years by predetermined installments. The cash flow from these loans gave the company enough working capital to cover its operational needs.

The table below shows changes in financial liabilities, including cash and non-cash changes. Liabilities from financial activities are those for which cash flows are reflected or future cash flows will be reflected in the consolidated Cash Flow Statement as cash flows from financial activities.

<i>Group</i>	31/12/2020	Cash Flows from borrowings	Additions	Other	31/12/2021
Bank loans	71.246	(4.288)	-	(427)	66.531
Intercompany loans	45.172	(20.002)	-	-	25.170
Lease liabilities	79.266	(2.930)	4.769	(75.074)	6.030
Total	195.684	(27.220)	4.769	(75.501)	97.732

<i>Company</i>	31/12/2020	Cash Flows from borrowings	Additions	Other	31/12/2021
Bank loans	71.246	(4.288)	-	(427)	66.531
Intercompany loans	45.000	(20.000)	-	-	25.000
Lease liabilities	78.496	(2.863)	4.608	(74.726)	5.515
Total	194.742	(27.151)	4.608	(75.153)	97.046

13. Staff retirement liabilities

The IFRS Interpretations Committee issued in May 2021 the final decision on the agenda entitled "Post-employment benefits in accordance with International Accounting Standard (IAS) 19", which includes explanatory material on

how to distribute benefits in periods service on a specific defined benefit plan. Based on the above Decision, the way in which similar principles were applied in Greece, the basic principles of IAS 19 in this regard, and consequently, the entities that prepare their financial statements in accordance with IFRS are required to amend their accounting policy accordingly to that decision. Until the issuance of the decision of the IFRS interpretation committee, the Company applied IAS 19 distributing the benefits as defined by article 8 of L.3198 / 1955, L.2112 / 1920 and its amendment by L.4093 / 2012 where applicable, in the period from the date of recruitment to the date of retirement of the employees. The implementation of this final Decision by the Company, results in the distribution of benefits in the last 16 years before the date of retirement of employees in accordance with the applicable legal framework. Based on the above, the implementation of the above final Decision by the Company and the Group has been treated as a change in accounting policy with the results of this being described in Note 2.19.

(Amounts in € '000)	Group		Company	
	01.01 - 31.12.2021	01.01 - 31.12.2020* Restatement	01.01 - 31.12.2021	01.01 - 31.12.2020* Restatement
Amounts recognized in the Statement of Financial Position				
Present value of liabilities	1.780	1.623	1.561	1.426
Net liability in the Statement of Financial Position	1.780	1.623	1.561	1.426
Amounts recognized in the Income Statement				
Current service cost	181	231	159	205
Net interest on liability/(assets)	1	10	1	9
Recognition of past service cost	77	0	77	0
Cost of curtailment/settlements/termination of service	282	1.059	129	765
Total expenses in Income Statement	542	1.300	365	980
Change in the present value of Liability				
Present value of liability at the beginning of the period	1.622	4.245	1.426	4.042
Current service cost	181	231	159	205
Interest cost	1	10	1	9
Benefits paid by the employer	(364)	(3.996)	(207)	(3.666)
Cost of curtailment/settlements/termination of service	282	1.059	129	765
Past service cost during the period	77	0	77	0
Actuarial loss / (gain) – financial assumptions	(42)	34	-37	30
Actuarial loss / (gain) – experience of the period	22	40	15	41
Net liability at the end of the year	1.780	1.622	1.561	1.426
Adjustments				
Adjustments to liabilities from changes in assumptions	42	(34)	37	(30)
Empirical adjustments to liabilities	(22)	(40)	(15)	(41)
Total actuarial gain / (loss) in Equity	20	(73)	22	(70)
Changes in Net Liability recognized in the Statement of Financial Position				
Net Liability	1.622	6.437	1.426	5.916
Change in accounting policy according to the interpretation with effect on Equity net of taxes	0	(2.190)	0	(1.874)
Benefits paid to the employer	(364)	(3.996)	(207)	(3.666)
Total expense recognized in Income Statement	542	1.300	365	980
Total amount recognized in Equity	(20)	73	(22)	70

Net liability at the end of the period	1.780	1.623	1.561	1.426
Cashflows				
Expected plan benefits over next financial year	381	262	347	232
Actuarial assumptions				
Discount rate	0,49%	0,07%	0,49%	0,07%
Future salary growth	-	-	-	-
Liability duration	5,15	5,70	5,15	5,70

In case of change of the discount rate by +0,50%, then the current value of the commitment of determined personnel benefits αξία της staff benefits would decrease by -2.5%, while in the event of a change in this interest rate by -0.50%, then the present value of the commitment of determined staff benefits would increase by +2.6%.

14. Other long-term provisions

Other long-term provisions are broken down as follows:

(Amounts in €'000)	GROUP		COMPANY	
Other long-term provisions	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Provision for additional taxes & duties	2.064	678	2.064	678
Provisions for contingency risks & expenses	63	63	63	63
Total	2.127	741	2.127	741

Provisions for additional taxes & duties

Provisions for pending customs cases.

Legal appeals and suspension requests of the Company and its executive) are pending before the Administrative First Instance Court/Appeal Court in Thessaloniki against imputation acts of the 5th Customs Office of Thessaloniki Airport regarding the allegedly improperly issued receipts of retail sale of duty free goods from the Company's store at Macedonia Airport during the period July 2001 – June 2005. The contested imputation acts have imposed on the Company and the accountable natural persons the corresponding tax charges as estimated by the issuing authority (excise duties and VAT) plus multiple attributable fees (three times the tax charges) as well as "Production and Quality Control Fund Spirits – Alcohol" and stamp duties, in accordance with the Law, amounting to the total of € 9,608 ths.

The Company has paid about € 8.8 mil. (including interests amounting to € 0.6 mil.) at the Customs, which, if not justified by the courts, it shall pursue to recover said amount. If the Customs are justified by the court, then the Company shall have to pay an additional amount of about € 1,6 mil. plus € 0.4 mil. reflecting an amount already reimbursed to the company after the issuance of a favorable decision by the administrative court. the total amount to be paid shall be € 2.0 mil. for which amount sufficient provision is formed.

To date, in five (5) cases the Administrative Court of Appeal of Thessaloniki has ruled in favor of the Company and the Greek State has filed applications for the reversal of these decisions. In one (1) of the above cases the Council of State ruled in favor of the Greek State and referred the case to the Administrative Court of Thessaloniki and after adjournment on October 13, 2021, finally the hearing took place on February 9, 2022 and the decision is awaited. A number of other decisions of the Administrative Court of Appeal of Thessaloniki rejected the appeals of the Company and appealed them before the Council of State, which were heard. The Council of State issued a series of decisions rejecting the Company's appeals.

Given the negative outcome of these cases, the Company formed a relevant provision and charged the results of the current year with an amount of Euro 1.4 million (Note. 22).

	Amounts in €'000
Opening provision balance as at 1 January 2020	1.499
Reversals	(797)
Provisions for the period	40

Closing balance as at 31 December 2020	741
Provisions for the period	1.386
Closing balance as at 31 December 2021	2.127

Provisions for risks & expenses

In December 31, 2021 and December 31, 2020 the Company had formed a provision for other disputed cases amounting to Euro 63 ths.

15. Trade and other short-term liabilities

Trade and other liabilities can be broken down as follows:

(Amounts in € '000)		GROUP		COMPANY	
		31.12.2020*		31.12.2020*	
Trade and other liabilities	31.12.2021	Restatement	31.12.2021	Restatement	
Trade liabilities	31.975	12.354	29.929	10.990	
Cheques payable – notes & promissory notes payable	117	227	117	227	
Trade liabilities	32.092	12.581	30.046	11.217	
Lease liabilities	7.830	7.142	7.749	7.101	
Other liabilities	9.427	5.239	9.092	5.026	
Staff expenditure liabilities	3.110	3.718	2.889	3.006	
Other tax liabilities	1.291	352	1.286	334	
Other short-term liabilities	21.658	16.451	21.016	15.467	

Trade liabilities include liabilities to related parties amounting to € 27,683 ths. as it is referred to in Note 26.

16. Income tax

The income tax expense/(income) shown in the attached consolidated and separate financial statements can be broken down as follows:

(Amounts in € '000)		GROUP		COMPANY	
		31.12.2021	31.12.20*	31.12.2021	31.12.20*
Income tax	021	Restatement	t	Restatement	
Current tax	(3.433)	(310)	(3.264)	(136)	
Deferred tax	5.139	4.152	5.227	4.167	
Total	1.706	3.842	1.963	4.031	

The tax rate for Societes Anonymes in Greece for 2021 is 22% (2020: 24% based on article 22 of Law 4646/2019 (Government Gazette A '201 / 12.12.2019)). The new rate was applied in accordance with the provisions of Law 4799/2021, issued in May 2021.

The deferred taxes on temporary differences between the accounting and tax bases were calculated with the respective tax rate that is expected to be effective the year in which they will be in force.

The provision for the amount of income tax determined by the application of the Greek tax rate on the earnings before tax is summarized as follows:

(Amounts in € '000)		GROUP		COMPANY	
		Restatement		Restatement	
Income tax	01.01-31.12.2021	01.01-31.12.2020	01.01-31.12.2021	01.01-31.12.2020	
Profits/Losse before tax	12.039	(19.333)	11.744	(18.880)	
<i>Current tax rate</i>	22%	24 %	22%	24%	
Proportional tax	2.649	(4.640)	2.584	(4.531)	

Impact of the tax rate change in Greece	(4.694)	-	(4.718)	-
Correction of final tax of the previous year	21	173	-	136
Tax impact from elimination of intra-group profit	(7)	(11)	-	-
Tax impact of non-taxable income and expenses that are not deductible for tax purposes	325	433	271	364
Use of tax losses for which no deferred tax asset was recognized	(100)	-	(100)	-
Dividends in bonus form to staff on which no tax was calculated but withheld in the liquidation	101	203	-	-
Provision for income tax	(1.706)	(3.842)	(1.963)	(4.031)
Effective income tax rate	(14,17%)	19,87%	(16,72%)	21,35%

Greek tax legislation and the relevant provisions are subject to interpretation by the tax authorities. Income tax returns are submitted annually and the profit or loss declared for taxation purposes are considered temporary until the tax authorities audit the tax returns and books of the taxpayer at which time the relevant tax obligations will be settled. Tax losses, to the extent it is recognized by tax authorities, may be used to offset the profits of the five years following the respective financial year.

Tax Compliance Report

Effective from fiscal years 2011 onwards, Greek companies meeting certain criteria can obtain an "Annual Tax Compliance Report" as provided for by par. 5, article 82 of Law 2238/1994 and article 65A of Law 4174/2013 from their statutory auditor in respect of compliance with tax law. The issuance of a Tax Compliance Report under certain conditions, substitutes the full tax audit by the tax authorities, however the tax authorities reserve the right of future tax audit without fulfilling its tax obligations for the relevant period. The Company has been audited by the respective statutory auditor and has received unqualified Tax Compliance Reports with emphasis of matter for fiscal years from 2013 to 2018 inclusive and for 2019 and 2020 the tax compliance report is issued without any reservations. For the year 2015 and more specifically for the emphasis issue, the Company was re-audited by the tax authorities in 2021 without any findings.

The subsidiary of the company HELLENIC DISTRIBUTIONS S.A. has received tax compliance reports without reservations from 2013 to 2020 inclusive. For the financial year 2021 the Company and its subsidiary have been subject to the tax audit by Chartered accountants, as provided by the provisions of art. 65A L. 4174/2013. The tax audit is in progress and the relevant Tax Compliance Report is expected to be issued after the publication of the financial statements for the year 2021. Upon completion of the tax audit, Management of the Company and the Subsidiary does not expect significant tax liabilities to incur other than those recorded and presented in the financial statements. It is noted that the years up to 2015, limitation period for tax cases have expired. The subsidiary HDFS SKOPJE DOO is not subject to regular tax audit while the last one is for the year 2018. Due to the inaction of the Subsidiary, the Management of the Group does not expect significant tax liabilities to arise in addition to those recorded and reflected in the financial statements.

17. Deferred income tax

Deferred taxes are linked to provisional differences in book values and tax bases of both assets and liabilities; they are calculated by using established tax rates.

	GROUP		COMPANY	
	31-Dec		31-Dec	
	2021	2020	2021	2020
(Amounts in € '000)				

Opening balance (net deferred tax liability)	(56.860)	(60.610)	(57.116)	(60.894)
Impact from new accounting standards (IFRS 9)	-	(426)	-	(413)
Debit / credit in the consolidated income statement	5.138	4.152	5.226	4.167
Directly charged to OCI	(5)	24	(6)	24
Closing balance (net deferred tax liability)	(51.727)	(56.860)	(51.896)	(57.116)

The deferred tax assets and liabilities recognized in the consolidated and separate statements of financial position and consolidated and separate income statements attached are broken down as follows:

Statement of Financial Position				
(Amounts in '000)	GROUP		COMPANY	
	31-Dec		31-Dec	
	2021	2020	2021	2020
Deferred tax liabilities				
- Property, Plant and Equipment	-	-	-	-
- Intangible assets	55.313	62.599	55.311	62.602
- against liabilities	498	544	498	543
Gross deferred tax liabilities	55.811	63.143	55.809	63.145
Deferred tax assets				
- Property, Plant and Equipment	2.534	2.159	2.518	2.144
- Retirement benefit compensation	367	410	343	387
- Right-of-use and lease liabilities	40	429	38	426
- Provisions	1.006	1.088	872	875
- of deferred discounted interest for next fin. year	-	37	-	37
- of tax loss	-	2.160	-	2.160
- Other	137	-	142	-
Gross deferred tax assets	4.084	6.283	3.913	6.029
Net deferred tax liabilities	51.727	56.860	51.896	57.116

Income Statement				
(Amounts in '000)	GROUP		COMPANY	
	31-Dec		31-Dec	
	2021	2020	2021	2020
Deferred tax liabilities				
- Property, Plant and Equipment	-	-	-	-
- Intangible assets	(7.286)	(2.145)	(7.291)	(2.147)
- Loan expenses	(299)	299	(299)	299
- against liabilities	(46)	(26)	(45)	-
Deferred tax assets	-	-	-	-
- Property, Plant and Equipment	(375)	(441)	(374)	(439)
- Retirement benefit compensation	38	635	38	644
- Right-of-use and lease liabilities	389	(220)	388	(271)
- Provisions	82	234	3	234
- of deferred discounted interest for next fin. year	336	(336)	336	(336)

- of tax loss	2.160	(2.160)	2.160	(2.160)
- Other	(137)	8	(142)	9
Deferred income tax expense/ (gain)				
in Income Statement	(5.138)	(4.152)	(5.226)	(4.167)
Amounts charged directly to OCI				
Actuarial (gains)/losses)	(5)	24	(6)	24

18. Net Sales

A breakdown of turnover by operating segment is shown in note 3 of the financial statements. The following table shows the analysis of sales by market category:

(Amounts in € '000)	GROUP		COMPANY	
Sales	2021	2020	2021	2020
Duty free retail sales	80.937	38.138	80.710	38.138
Duty paid retail sales	74.418	42.409	70.844	39.476
Wholesale	5.749	6.179	925	1.950
Total	161.104	86.726	152.479	79.564

19. Cost of Sales

(Amounts in € '000)	GROUP		COMPANY	
Cost of sales	2021	2020	2021	2020
Cost of sales	(80.999)	(45.426)	(74.942)	(40.491)
Goods valuation differences	178	879	155	961
Transportation expenses & fees	-	(255)	-	(248)
Total				
Cost of goods sold	(80.821)	(44.802)	(74.787)	(39.778)

20. Leases

(Amounts in € '000)	GROUP		COMPANY	
	2021	2020	2021	2020
Leases	(5.155)	15.570	(4.703)	15.495
Total	(5.155)	15.570	(4.703)	15.495

In July 2021, the Company amended specific important concession agreements, by abolishing the minimum annua guaranteed rents ("MAG"), with retroactive effect for the whole of 2021, with the consequence that the rents become completely variable. This event led to the derecognition of the respective rights of use and the corresponding lease obligations as well as the monitoring of these outside the IFRS 16 Leases

Given the fact that these MAGs were accounted for up to the date of the amendment in accordance with IFRS 16, with the amortization of the right of use and interest in the income statement, the amount of Euro 11.1 mil. was accounted for as income under the item "leases".

During the fiscal year 2020 due to the impact of the Covid19 pandemic on its operations, the Company agreed and received an exemption for minimum annual guaranteed leases ("MAG") of basic lease agreements. This exemption

accounted for the previous year as income included in the "lease" item. The relevant total amount of the exemption for MAG amounted to Euro 25.3 million.

The tables here below reflect the rights-of-use in the long-term and short-term liabilities in the financial statements for the Group and for the company.

Group							
	Stores	Buildings & facilities	Vehicles	Other	Total	Short-term lease	Long-term lease
Opening balance as at 01.01.2020	98.698	3.118	613	0	102.429	24.654	77.775
Additions/modifications	2.804	213	-	495	3.512		
Financial cost	1.584	50	9	7	1.650		
Adjustments of MAG exemptions due to Covid-19	(17.725)	(322)	-	-	(18.048)		
Repayments	(9.337)	(646)	(209)	(86)	(10.277)		
Balance as at 31.12.2020	76.024	2.413	413	416	79.266	25.483	53.782
Additions/modifications	3.302	870	597	-	4.769		
Derecognitions	(64.043)	-	-	-	(64.043)		
Financial cost	699	41	14	6	760		
Adjustments of MAG exemptions due to Covid-19	(11.403)	(388)	-	-	(11.791)		
Repayments	(1.969)	(612)	(263)	(86)	(2.930)		
Balance as at 31.12.2021	2.610	2.324	761	336	6.031	1.404	4.464

Company							
	Stores	Buildings & facilities	Vehicles	Other	Total	Short-term lease	Long-term lease
<u>Acquisition value</u>							
Balance as at 01.1.2020	98.124	2.577	577	-	101.278	24.112	77.166
Additions/modifications	2.627	213	-	495	3.335		
Financial cost	1.578	41	8	7	1.634		
Adjustments of MAG exemptions due to Covid-19	(17.376)	(287)			(17.663)		
Repayments	(9.232)	(573)	(197)	(86)	(10.088)		
Balance as at 31.12.2020	75.721	1.971	388	416	78.496	25.085	53.411
Additions/modifications	3.141	870	597	-	4.608		
Derecognitions	(63.883)	-	-	-	(63.883)		
Financial cost	691	39	14	6	750		
Liability adjustments as rental income	(11.259)	(334)	-	-	(11.593)		
Repayments	(1.968)	(558)	(251)	(86)	(2.863)		
Balance as at 31.12.2021	2.443	1.988	748	336	5.515	1.290	4.224

21. Staff expenses

(Amounts in €'000) Staff expenses	GROUP		COMPANY	
	2021	2020	2021	2020
Salaries	17.270	15.766	14.368	12.611
Social security contributions	3.326	3.287	2.901	2.807
Post-employment benefits	391	1.266	380	926
Staff benefits and expenses	1.097	1.058	1.066	1.027
Total	22.084	21.377	18.715	17.371

22. General expenses

(Amounts in €'000) General expenses	GROUP		COMPANY	
	2021	2020	2021	2020
Repairs, maintenance and building facilities	2.192	1.861	2.125	1.808
Electronic equipment costs	1.581	1.997	1.486	1.983
Building and warehouse rents	57	-	57	-
Legal and consulting services fees	1.184	989	1.075	937
Travel, motor car and public relations expenses	590	524	557	493
Bank expenses	114	148	83	145
Insurance	240	257	231	247
Other office expenses	765	845	750	826
Tax & duties	650	284	635	263
Commissions and advertising costs	487	367	471	344
Credit card commissions	763	338	731	329
Packaging materials	181	(10)	165	(19)
Other advertising expenses	80	163	77	161
Revenue from commissions	(186)	(43)	(186)	(43)
Other advertising income	(69)	(23)	(16)	(13)
Other extraordinary expenses	1.713	500	1.675	490
Other extraordinary revenue	(1.556)	(1.305)	(1.556)	(1.305)
Prior periods revenues	(81)	(257)	(28)	(253)
(Loss)/gains from impairment/sale of tangible assets	-	661	-	661
Transportation costs & fees	16	-	16	23
Receivables write-off	44	29	323	-
Total	8.765	7.325	8.671	7.077

Other Extraordinary Income includes the amount of € 1.4 mil. regarding the creation of provision for contingent risks due to court cases, as described in Note 14.

Other Extraordinary Income includes the amount of € 1.5 mil. regarding the State aid that the Company was granted in the form of fixed expenses subsidy, awarded to companies affected by the Covid-19 pandemic.

23. Depreciation

Depreciation is broken down as follows:

(Amounts in €'000)	GROUP		COMPANY	
	2021	2020	2021	2020
Depreciation of property, plant and equipment	7.391	6.704	7.326	6.638
Amortization of intangible assets	12.441	12.312	12.437	12.308
Depreciation of right-of-use assets	14.200	27.803	13.948	27.246
Total	34.032	46.819	33.711	46.192

24. Finance income and expenses

Finance income and expenses are analyzed as follows:

(Amounts in €'000)	GROUP		COMPANY	
	2021	2020	2021	2020
Finance income				
Interest on cash	55	91	48	87
Other interests	-	12	-	12
Total	55	103	48	99

(Amounts in €'000)	GROUP		COMPANY	
	2021	2020	2021	2020
Finance expenses				
Loan Interest and borrowing costs	3.333	3.136	3.318	3.104
Lease Interests -IFRS16	(1.059)	1.649	(1.070)	1.634
Actuarial study financial costs	1	55	1	54
Total	2.275	4.840	2.249	4.792

(Amounts in €'000)	GROUP		COMPANY	
	2021	2020	2021	2020
finance expenses				
Foreign exchange rate differences - gains	24	14	23	14
Foreign exchange rate differences - losses	(283)	(42)	(277)	(17)
Total	(259)	(28)	(254)	(3)

25. Earnings per share

(Amounts in €'000)	GROUP		COMPANY	
	01.01 - 31.12.2021	01.01 - 31.12.2020 * Restatement	01.01 - 31.12.2021	01.01 - 31.12.2020 * Restatement
Earnings per share				
Net profit / loss for the period	13.755	(15.538)	13.721	(14.895)
Allocated to:				
Parent company shareholders	13.755	(15.538)	13.721	(14.895)
Minority interests	-	-	-	-
Weighted average number of shares	7.951	7.951	7.951	7.951
Total	1,73	(1,95)	1,73	(1,87)

26. Transactions and balances with related parties

The transactions below are transactions with related parties, as defined in IAS 24.

The transactions below are transactions between the parent company and its subsidiaries.

Transactions between parent company and subsidiaries		
(Amounts in €'000)	01.01 - 31.12.2021	01.01 - 31.12.2020
Sales of goods		
- HELLENIC DISTRIBUTIONS S.A.	723	690
- HDFS SKOPJE DOO	-	-
Sales of services		
Leases - Other		
- HELLENIC DISTRIBUTIONS S.A.	1	9
Purchase of goods		
- HELLENIC DISTRIBUTIONS S.A.	111	48

Transactions between parent company and other related parties		
(Amounts in € '000)	01.01 - 31.12.2021	01.01 - 31.12.2020
Sales of goods		
- Dufry International AG	-	139
- WDFG UK LTD	-	72
Sales of services – other income		
- Dufry International AG	26	44
- Dufry Hellas ΕΠΕ	1	1
Purchase of goods		
- Dufry International AG	35.685	12.646
- The Nuance Group AG CH	19	-
Services rendered – other expenses		
- Dufry International AG	2.605	3.914
- Dufry Financial Services BV	123	-
Group transactions with other related parties		
(Amounts in €'000)	01.01 - 31.12.2021	01.01 - 31.12.2020
Sale of goods		
- Dufry International AG	-	139
- WDFG UK LTD	-	72
Sale of services – other income		
- Dufry International AG	26	-
- Dufry Hellas ΕΠΕ	1	1
Purchase of goods		
- Dufry International AG	36.581	12.784
- The Nuance Group AG CH	19	0

Services rendered – other expenses		
- Dufry International AG	2.605	3.914
- Dufry Financial Services BV	176	0
Closing balances		
	31.12.2021	31.12.2020
Parent company		
From subsidiaries		
Receivables		
- HDFŠ SKOPJE DOO	190	189
- HELLENIC DISTRIBUTIONS S.A.	783	-
Liabilities		
- HELLENIC DISTRIBUTIONS S.A.	29	9
From other related parties		
Receivables		
- Dufry International AG	-	139
- WDFG UK LTD	-	72
- Dufry Hellas LTD	5	4
Liabilities		
- Dufry International AG	52.512	52.888
- The Nuance Group AG CH	19	-
- Dufry Financial Services BV	123	-
Group		
From other related parties		
Receivables		
- Dufry International AG	17	139
- WDFG UK LTD	-	72
- Dufry Hellas EPE	5	4
Liabilities		
- Dufry International AG	53.634	53.026
- The Nuance Group AG CH	19	-
- Dufry Financial Services BV	176	-

Management fees for the years 2020 and 2021 amounted to: for the Group: € 3.856 ths. and € 6.340 ths and for the company 3.674 ths and € 6.148 ths, respectively.

27. Contingent liabilities and liens

Both the Group and the Company have assigned letters of guarantee of 19,7 mil. and 8,7 mil. respectively, to third parties to ensure for any contingent liabilities against them which are not reflected in the consolidated balance sheet. These are primarily letters of guarantee to customs offices to secure the excise duty and to lessors of premises where the Group operates its shops.

There are no mortgages nor prenotations nor any other lien or other encumbrances registered in respect of the assets to cover loans.

28. Number of staff employed

	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Permanent Staff	1.057	1.142	952	1.028
Seasonal Staff	30	12	29	11
Total	1.087	1.154	981	1.039

29. Market risk

i) Market Risk:

O This risk derives from the loan HDFS obtained from the parent company DUFY, as well as from the bank loans, and specifically from the fact that this agreement is expressed in floating interest rate, linked to the EURIBOR index. Therefore, the Group is exposed to the risk of interest rate changes. However, the Company does not run a significant risk of interest rate fluctuations since financial risks and, in particular, interest rates are managed centrally by the DUFY Group's Cash Management Division.

ii) Exchange rate risk:

The risk stems from the fact that consumer behavior of customers is affected by the revaluation and devaluation of the home country currency against Euro. Regarding the purchase of goods, the largest volume is paid in euros and consequently the Company does not run a significant risk of exchange rate fluctuations. Commercial divisions take into account the risk of changes in exchange rates when determining the retail prices of their goods.

iii) Price – Inflation risk:

In Management's opinion, the Group does not run any risk of price fluctuations, as it does not hold a major securities portfolio and the prices of tradable products do not fluctuate significantly.

The rise in inflationary pressures internationally, coupled with the disruption of the international financial system and the energy crisis may modify consumer behavior thereby affecting both the Company's and the Group's sales and profitability, however, such effect is not expected to be significant as the effect on absolute, unit values of the goods will not be significant.

30. Risk management objectives and policies

The main financial liabilities of the Group and the Company as at 31 December 2021 and 31 December 2020 consist of liabilities to suppliers, short-term loans and other parts. The Company also has customers and other receivables as well as cash that comes directly from its activities.

30.1 Credit risk

This is the risk that a counterparty will breach its contractual obligations. The Group does not run any major credit risk since 92,15 % of its turnover concern retail sales while Advertising income (2,6 % of turnover) come from customers who are also suppliers. In terms of dealing with credit risk from wholesales, Group ensures that, in the majority of cases, most wholesale operations relate to selected customers.

The Company generally does not require additional or other guarantees against customers' receivables. Income for the year ended on 31.12.2021 include revenues from customers, none of which exceeds 9% of the total income.

30.2 Inventory risk

This risk arises from retaining obsolete inventory and being unable to sell off those inventories or having to sell them at prices below their value. The Group has valued its old inventory at net realizable value, assessed in line

with the DUFY Group's international policy and actual market data. Management considers that this valuation method (which in fact realizes provisions about inventory valuation) fully ensures against inventory risk.

30.3 COVID-19 spread risk

On March 11, 2020, the World Health Organization declared a COVID-19 pandemic. Government agencies have taken various steps to combat the spread of COVID-19, including placing orders at home and restricting the activities of many companies for specific periods of time. The Group is in the business of travel retail which was significantly affected by complications in its smooth operation due to COVID-19, and more specifically by the travel restrictions from and into Greece as they have been imposed both by the Greek and foreign governments. The aforementioned restrictions have led to a significant reduction in passenger travel, resulting in a sharp reduction in passenger traffic and correspondingly to both the Company's and the Group's sales. As a result, the Group's revenues decreased in 2020 compared to the same period in 2019 by approximately 70%. while in 2021, due to the measures against the pandemic (i.e. vaccinations) there was a recovery in the order of 83% compared to 2020 and a decrease of 46% compared to 2019. In response to the COVID-19 pandemic, both the Company and the Group responded quickly and in 2021 they recovered due to the increased passenger traffic and the extension of the tourist season. It is noted that within the year 2021, significant investments were completed in the airports of Thessaloniki, Santorini, Mykonos and Kos, which led to the improvement of profitability. The recovery was also aided by the gradual lifting of the strict measures that had been imposed and the development of vaccination programs, which have already contributed to the reduced incidence of new mutations in the virus.

The Company closely monitors developments regarding the spread of the coronavirus, in order to adapt to the specific conditions that arise while fully complying with the official instructions of the competent authorities for the operation of its physical stores and headquarters.

It is noted that the management's assessment of the smooth operation of the company and the Group and the preparation of financial statements in accordance with the principle of continuing activity, is reinforced by the existence of the exclusive right of the Company to sell duty-free items within the Greek territory. a right that further strengthens its market position

30.4 Liquidity risk

Despite the unprecedented financial crisis and the limited liquidity worldwide, the Group maintains high liquidity thanks to the retail nature of most of its sales and ensures for further enhancement of its liquidity by retaining costs and successfully managing inventories.

Prudent management of liquidity risk requires:

- a) adequate cash collateral and
- b) the availability of financing via adequate credit facilities.

Due to the dynamic nature of its activities, the Group maintains flexibility in financing, carrying high unused credit limits derived from short-term bank loan contracts. The Treasury prepares expected cash flow statements, which are reviewed by Management, in order to have a better planning of liquidity management

The table below summarizes the maturity profile of financial liabilities as at 31 December 2021 and 2020, respectively, based on the contractual non-discounted payments.

Borrowings and other liabilities of the Group and the Company, classified by payments' maturity date, are presented in the table below:

Group					
Liquidity analysis					
(Amounts in € '000)					
As at 31.12.21	Average interest rate	Less than 1 year	From 1 to 5 years	Over 5 years	total
Floating rate loans	2.2%	16.598	48.465	-	65.063
Fixed rate loans	3.5%	25.000	-	-	25.000
Trade Payables, etc., interest-free liabilities		53.750	-	-	53.750
		95.348	48.465	-	143.813

Company					
Liquidity analysis					
(Amounts in € '000)					
As at 31.12.21	Average interest rate	Less than 1 year	From 1 to 5 years	Over 5 years	total
Floating rate loans	2.2%	16.428	48.465	-	64.893
Fixed rate loans	3.5%	25.000	-	0	25.000
Trade Payables, etc., interest-free liabilities		51.062	-	0	51.062
		92.490	48.465	0	140.955

30.5 Capital management

The Group's capital management objective is to ensure the continuously smooth operation of its business activities and the achievement of the development plans combined with its creditworthiness. The Group monitors the Net Debt / EBITDA and Net Debt / Total Equity ratios for the purpose of capital management. Group net debt is defined as all interest-bearing loan obligations less total cash assets. The Group monitors the ratios in such a way that it ensures creditworthiness consistent with its growth strategy.

The ratios for the years ended on 31 December 2021 and 2020, respectively, were as follows:

(Amounts in € '000)				
	GROUP		COMPANY	
Leverage ratio	01.01-31.12.2021	01.01-31.12.2020	01.01-31.12.2021	01.01-31.12.2020
Total borrowings	90.063	113.926	89.893	113.754
Less: Cash & cash equivalents	80.084	58.665	69.368	49.067
Net debt	9.979	55.261	20.525	64.687
Earnings before interest, tax, depreciation and amortization (EBITDA)	48.550	32.251	47.910	32.008
Equity	497.302	483.547	492.156	478.435
Net Debt / EBITDA	0,21	1,71	0,43	2,02
Net Debt / Equity	0,02	0,11	0,04	0,14

30.6 Financial instruments

The amounts presented on the statement of financial position as cash and cash equivalents, receivables and short-term liabilities approximate their respective fair values due to the short-term maturity of these financial instruments. Loans and overdrafts have a fixed interest rate and their book values approximate their respective fair values.

There is a comparison per category of book values and fair values for all financial instruments presented in the financial statements in the table below:

(Amounts in €'000)	GROUP		COMPANY	
	31.12.2021	31/12/2020 * Restatement	31.12.2021	31/12/2020 * Restatement
Trade and other trade receivables	4.410	2.197	3.273	926
Other receivables	21.936	22.688	21.588	21.833
Short-term loan liabilities	41.428	39.460	41.598	39.460
Trade payables and other liabilities	32.092	12.581	30.046	11.217

Fair value hierarchy

Both the Group and the Company use the following scale to determine and disclose the fair value of financial instruments as per valuation technique:

- Level 1 - Quoted prices (non-adjusted) in active markets for identical assets or liabilities
- Level 2 - Techniques for which the data with a major impact on recorded fair value are directly or indirectly observable
- Level 3 – Techniques for which the data with a major impact on recorded fair value not based on observable market data

The amounts presented on the statement of financial position for cash and cash equivalents, receivables and short-term liabilities approximate their respective fair values due to the short-term maturity of these financial instruments.

Fair value hierarchy as at 31 December 2021								
	Group				Company			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents and bank deposits	80.084	-	-	80.084	69.368	-	-	69.368
Total	80.084	-	-	80.084	69.368	-	-	69.368
Financial liabilities								
<i>Financial liabilities at amortized cost:</i>								
Borrowings	90.063	-	-	90.063	89.893	-	-	89.893
Total	90.063	-	-	90.063	89.893	-	-	89.893

31. Events occurring after the end of the reporting period

There are no significant events after the date of the Statement of Financial Position, which concern either the Group or the Company and need to be amended or disclosed in the financial statements.

Recent geopolitical developments in Ukraine, military action by Russia, and the possible response of European countries and the United States in the form of financial sanctions could affect the global tourism market as well as passenger traffic on the Company's sites of activity.

The Company monitors the developments in Ukraine and while their potential impact on its activity can not be assessed at this stage, the Management considers that they will not affect the continuation of the Company's activities in the near future.

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