FOURLIS
GROUP OF COMPANIES

ANNUAL REPORT

2022

70 YEARS

FOURLIS
GROUP OF COMPANIES

FOURLIS
GROUP OF COMPANIES

FOURLIS
GROUP OF COMPANIES

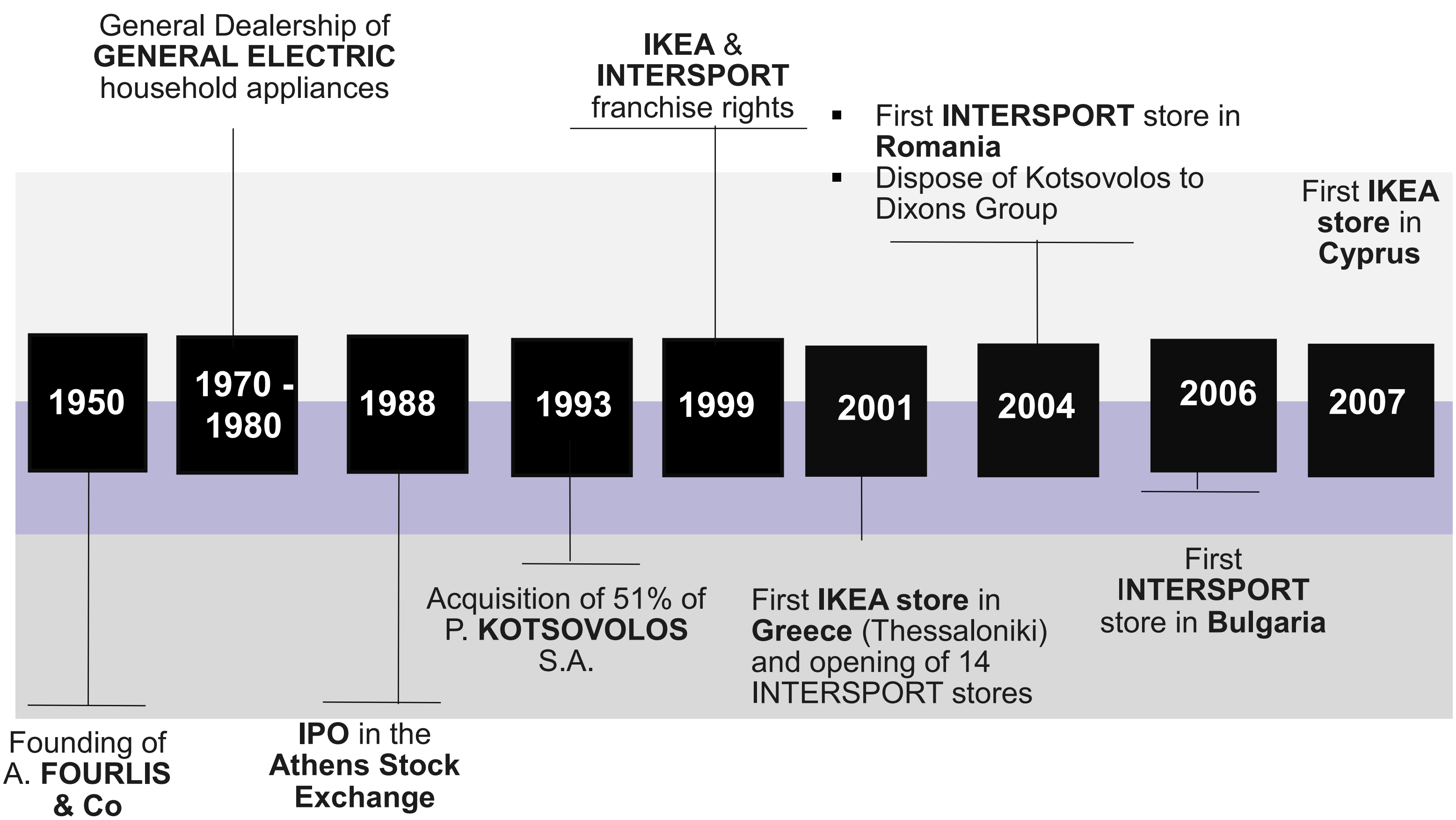
Contents

Part A.

I. Fourlis Group

1. Our Values

2. Our History



2010

Dispose of Samsung Representation for Greece & Romania

2011

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

2014

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

2016

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

2019

Approval/ License Implementation of **REIC formation**

2020

New IKEA Concept Stores Openings in Varna & Piraeus

2021

REIC Establishment

2022

- Franchise Rights of **Holland & Barrett**
- Intersport New **Logistic Center**

3.Fourlis Group Identity

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

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

- ❖ **Retail Home Furnishings** (IKEA)
- ❖ **Retail Sporting Goods** (INTERSPORT)
- ❖ **Real Estate Investments** (through TRADE ESTATES REIC)
- ❖ **Retail Health & Wellness** (Holland & Barrett)

- ✓ In 2018, FOURLIS Group decided to enter into **the real estate investment division** through the establishment of a new subsidiary company named "TRADE ESTATES REAL ESTATES INVESTMENT COMPANY". The formation of the Company was concluded in July 2021. Group's new subsidiary company granted an operating license from the Hellenic Capital Market Commission on 28.02.2019. The new company invests in a real estate portfolio consisted of quality retail properties and E-Commerce infrastructure. FOURLIS Group through its operation in this sector aims to maximize its flexibility in accessing real estate equity, to improve its overall returns on assets, to centralize ownership and management, streaming administration and tax planning.

- ✓ For the past 70 years, FOURLIS Group, the successor of FOURLIS BROS S.A, is dedicated in investing to its employees and to the quality of the workplace and the innovative infrastructure along with the functional relationships with suppliers. By these means, it manages to achieve high levels of productivity and to maximize customers' satisfaction.
- ✓ It is important to note that FOURLIS Group remains firmly active in the development process, with substantial contribution to the Greek economy. It is noteworthy that FOURLIS Group has invested approximately €200 million in capital expenditures in the last five years.
- ✓ Education and training of workforce, regular and fair assessment at all levels as well as commitment to the Group's values – "Integrity", "Respect" and "Efficiency "- continue to be the significant comparative advantages through which the Group seeks to achieve its objectives.

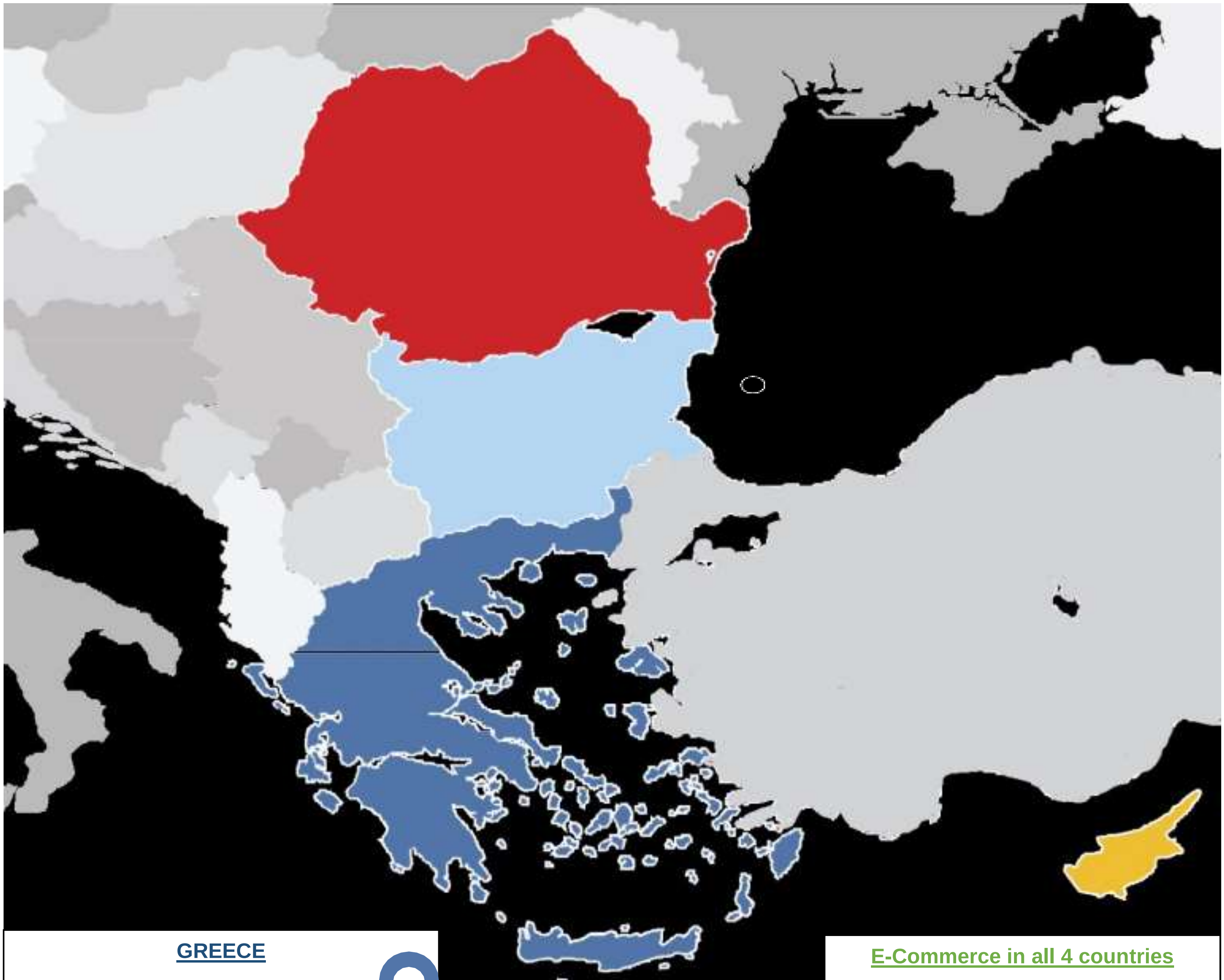

FOURLIS
GROUP OF COMPANIES
IKEA
INTERSPORT
TradeEstates
H&B

4. Our strategy

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

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

5. Our Presence in the map



GREECE

3 IKEA Big Boxes Stores

4 IKEA Medium Size Stores

6 IKEA Pick-Up Points

58 Intersport Stores

ROMANIA

32 Intersport Stores

E-Commerce in all 4 countries

- ✓ IKEA
- ✓ Intersport

BULGARIA

1 IKEA Big Box Store

2 IKEA Medium Size Stores

2 IKEA Pick-Up Points

10 Intersport Stores

CYPRUS

1 IKEA Big Box Store

1 IKEA Pick-Up Point

6 Intersport Stores

6.Corporate Governance

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

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

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

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

- Board members

9

- Voting standard

Majority

- Percentage of women on board

44.4%

- Percentage of Independent members on board

55.6%

- Percentage of non-executive board members

55.6%

- Number of Committees

2

- Audit committee
- Nomination & Remuneration

7. FOURLIS Group Sustainable Development and Social Responsibility

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

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

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

- FOURLIS Group contributes to the achievement of the UN Sustainable Development Goals (SDGs) through its actions and initiatives.

Social Responsibility FOURLIS GROUP

✓ PEOPLE

Each year, the Sustainable Development and Social Responsibility Department implements a series of actions focusing on FOURLIS Group **People.** In this context in 2022:

- The EF ZIN (Wellbeing) program continued. The program is being implemented since 2010, aiming to inform employees on health and wellbeing issues and to motivate them to adopt a healthy lifestyle. In 2022 the program included actions such as the "Mediterranean Diet" program which is implemented in cooperation with dieticians/nutritionists and includes weekly balanced diet menus and free sessions with the dieticians/nutritionists for the employees in Greece, Cyprus and Bulgaria. An online pilates program for employees in Greece was also implemented in cooperation with experienced trainers, while in Attica and Cyprus sports tournaments were held.

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

- In the context of the Counselling and Psychological Support Line, the implementation of online psychology seminars continued in cooperation with the consultants/phycologists who support the Line. The seminars were available for FOURLIS Group employees in Greece and Cyprus. Furthermore, a program of personal online sessions with psychologists was launched for employees in Greece and Cyprus.

- FOURLIS Group has a Human Rights Policy, while in 2021 it signed the Diversity Charter in Greece, further strengthening its commitment to combating discrimination and promoting equal rights in the workplace. In 2022, IKEA and INTERSPORT of FOURLIS Group in Bulgaria also signed the Diversity Charter.

- In 2022, the Group focused even more on Diversity & Inclusion issues, implementing a series of actions such as a D&I survey among employees in Greece, Cyprus, Bulgaria and Romania and a related campaign to encourage them to participate in it, as well as women's empowerment actions. In 2023, the Group will further focus on Diversity & Inclusion issues in the axes: INCLUSIVE LEADERSHIP, GENDER EQUALITY and PEOPLE WITH DISABILITIES, with specific actions. In parallel with these actions, in 2023 the implementation of a training on Diversity and Inclusion issues will be implemented and will be mandatory for all employees.

- The “I study with a Scholarship program” continued. This program is being implemented since 2013 and aims to support students-children of employees who study at Public Universities in Greece, Cyprus, Bulgaria and Romania, and whose families face financial hardship in meeting their children’s studies’ expenses.

- The operation of lending libraries continued for the employees, at FOURLIS Group companies’ facilities in Greece.

✓ SOCIETY

FOURLIS Group Sustainable Development and Social Responsibility Department annually designs and implements actions and programs aiming at the support of the Society, with criteria the coverage of real and important needs of each local society, but also those that are more aligned with the Group's Social Responsibility strategy (supporting vulnerable social groups and especially children), the number of beneficiaries, as well as the nature of its activities.
In cases where special circumstances occur (e.g. pandemic, natural disasters) the programs are either adapted or include actions aimed at addressing these emergencies, for the relief of citizens and the society.

Some of the most important actions implemented in 2022 include:

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

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

- The donation of meals from the IKEA stores' restaurants to Foundations and Organizations, in cooperation with "BOROUME", a non-profit organization whose mission is to reduce food waste and to fight malnutrition in Greece.
- The INTERSPORT #WOMANISM program, which aims at women's empowerment.
- INTERSPORT's collaboration with NGO "Mission Anthropos" through which the company offered clothing and footwear for vulnerable social groups.
- Responding to emergency needs through initiatives such as the provision of products by IKEA to set up accommodation spaces for families from Ukraine to the Zanneio Foundation of Ekali and to the Reception Structure of the Ministry of Migration and Asylum in Northern Greece, the support of a group of forest firefighting and forest protection volunteers in Glyfada for the supply of necessary equipment and the continuation of the support to WWF Greece program to deal with the effects of forest fires, with an emphasis on Evia.
- The protection of the cultural heritage of our country through the support of the DIAZOMA Association, the non-profit association OPHELTES - The friend of Nemea, the SOCIETY FOR THE RIVAVAL OF THE NEMEAN GAMES as well as the ELLINIKI ETAIRIA-Society for the Environment and Cultural Heritage, by FOURLIS HOLDINGS S.A.
- The cooperation of HOUSEMARKET BULGARIA EAD (IKEA stores in Bulgaria) with UNICEF, to support the "Steps Together" program which concerns the creation of spaces in the school environment where children feel confident to share ideas for the improvement of the school climate, in order to create conditions for the reduction of stress and the detachment from the school routine.

- The donation of products by HOUSEMARKET BULGARIA EAD for the refurbishment of "Blue Dots" points established by UNICEF and the UN Refugee Agency in several cities of the country, to support families who left their country due to the war in Ukraine.

- The donation of products and furniture by HOUSEMARKET BULGARIA EAD for the formation of the new educational center of Karim Dom in Varna, an organization with a leading role in providing professional services for children with special needs and their families.

- The design and complete refurbishment by HOUSEMARKET BULGARIA EAD of a space in the high school of the remote village of Dermantsy, transforming the old school library space into a welcoming and comfortable space where more than 200 children will be able to take cinema and photography classes as well to relax, watch movies, read books, participate in activities, etc.

- Volunteering actions for the Group companies’ employees such as a voluntary blood donation and the collection and offer of food supplies and other necessities to local Organizations in Greece, Cyprus, Bulgaria and Romania. FOURLIS Group employees also participated in the action "Become a Seller for 1 hour" organized by the street magazine "Shedia" as well as in an action of preparing and offering meals to the "Lighthouse of the World" Organization, for children in need.

✓ ENVIRONMENT

FOURLIS Group recognizes the importance of protecting the environment, as well as the challenges arising from climate change. In this context, the Group systematically monitors the effects of its activities and carries out a series of voluntary actions and interventions aimed at reducing its environmental footprint by saving and recycling natural resources and reducing greenhouse gas emissions emitted by its operations, while it also aims at raising employees’ and public awareness in matters of environmental protection and adoption of a responsible life style. Indicatively:

- FOURLIS Group companies systematically monitor the consumption of electricity, oil and natural gas in their facilities and take the necessary interventions, where and when necessary, with the aim of reducing their environmental footprint. The Group is also in the process of reviewing the obligations deriving from the National Climate Law, with the aim of implementing the requirements for the publication of greenhouse gas emissions, which will be based on the GHG Protocol (Greenhouse Gas Protocol) and ISO14064 .

- Since 2013 TRADE LOGISTICS S.A. has installed on its roof a photovoltaic plant with average annual productivity of 1.400MWh, while since 2021 a photovoltaic system for the production of electricity with offset operates in the IKEA Cyprus store.

- In 2022, INTERSPORT started the implementation of the LIGHTS OFF program in its stores in Greece, in the context of which the illuminated signs of the stores open at 5:30 pm and turn off at 9:30 pm, while the screens also turn off during the night.

- The Group monitors water consumption per subsidiary company and examines the implementation of additional measures, where necessary, with the aim of reducing water consumption in its facilities.

- The Group focuses on the proper management of waste and the promotion of the circular economy through the implementation of recycling programs at its facilities, as well as interventions to reduce the use of materials (eg paper, ink).

- In 2021, HOUSEMARKET S.A. invested in an electronic system for measuring and recording food waste in the kitchens of its restaurants (Waste Watchers) while it trained all its human resources employed in the restaurants where this system is applied (Kifissos, Airport, Thessaloniki, Cyprus, Sofia Bulgaria) on the effects of food waste on the environment and the importance of proper recording and inventory management. In 2022, the company managed to reduce food waste by 26 tons corresponding to 111 tons of CO_2 and 65,055 meals. In 2022 HOUSEMARKET S.A. also became a member of the "Food Saving Alliance" in Greece.

- The Group companies' stores offer a variety of products that support a sustainable lifestyle.

- The plastic bag is removed from INTERSPORT stores and thus only recyclable paper bags are now available, while the packaging box for the products from its online stores is made from recycled materials and is recyclable.

- In 2022, INTERSPORT Greece opened the 1st eco-friendly INTERSPORT store in the world, in the Riverwest shopping center, which is the forerunner for a new store model which has sustainable development as its central pillar.

- Charging stations for electric cars operate in the IKEA Airport, IKEA Thessaloniki and IKEA Sofia store in Bulgaria.

- FOURLIS Group companies, implemented actions to raise awareness among employees and the public regarding environmental issues and the adoption of a responsible lifestyle.

- In the Management Report of the Board of Directors of FOURLIS HOLDINS S.A., which is available at www.fourlis.gr, the EU Taxonomy Report for the year 2022 is included.

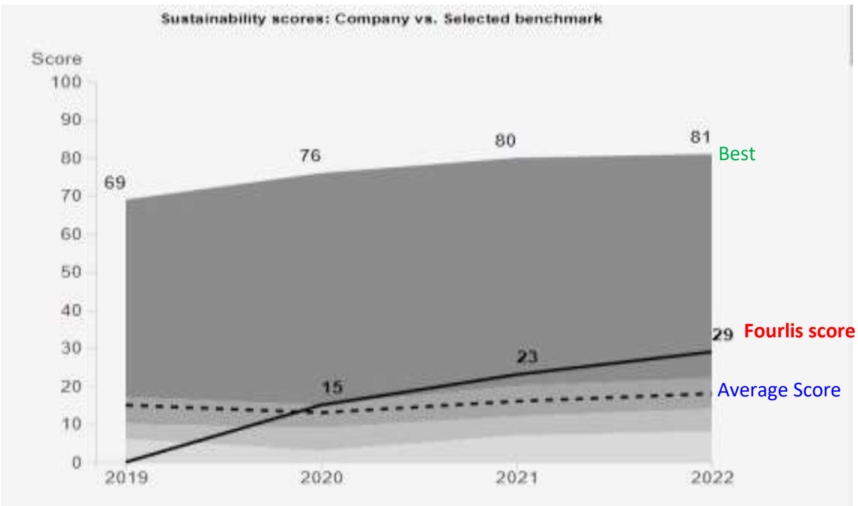
- *FOURLIS 2022 Annual Sustainable Development and Social Responsibility Report will be published in June 2023 and will be available at www.fourlis.gr*

✓ ESG RATING

➢ ISS Corporate Solutions

➢ S&P Global

Corporate Sustainability Assessment Results	Fourlis Score 2022	Y-o-Y	Average Score	Best Score
S&P Global ESG Score	29	+6	18	81
Governance & Economic Dimension	32	+12	22	81
Environmental Dimension	24	+4	16	87
Social Dimension	30	-3	15	83



II. Financial Overview

✓ BASIC FINANCIAL FIGURES

- Fourlis Group, during FY22, realized **sales of € 501,4 million**, 14,0% higher vs FY21 (€ 439,8 mio).
- **E-Commerce sales** for the Group in FY22 reached **€ 69,7 million** vs € 77,8 million in FY21.
- FY22 **EBITDA(OPR),** was **€ 39,6 million**. vs € 38,1 million in FY21.
- FY22 **Consolidated Profit Before Taxes** was **€ 20,0 mio** vs € 12,1 million in FY21.
- The Group realized **Net Profit** of **€ 19,8 million** increased by 71,4% vs prior year (€ 11,5 mio)
- Fourlis Group **Net Debt** as of 31/12/2022 was **€ 201,3 million**. **€ 102,5 million** (€104,6 million as of 31/12/2021) is related to the Retail activities of the Group and **€ 98,8 million** (€31,2 million as of 31/12/2021) is related to the Real Estate activity (Trade Estates REIC)

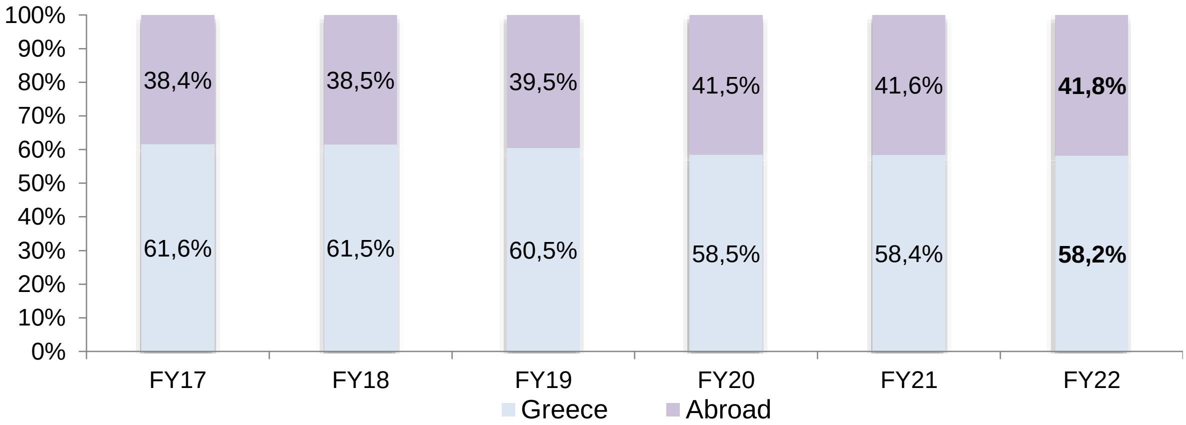
Revenue Breakdown by Geography (in € mm)

Greece

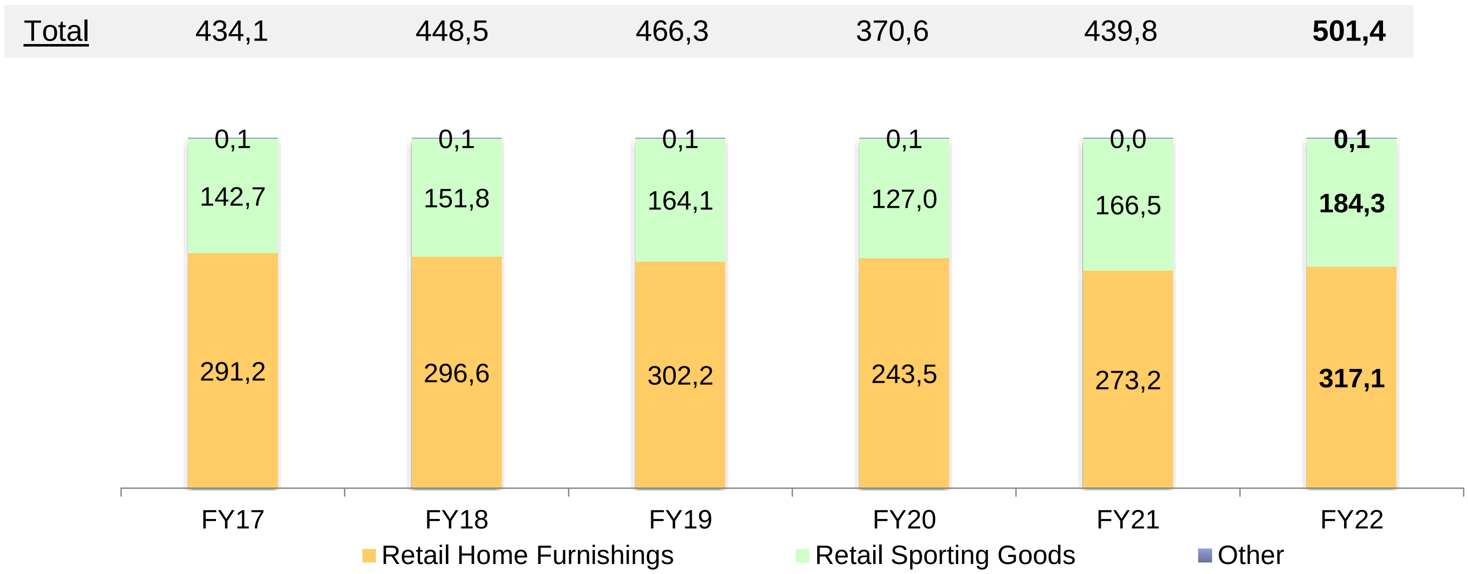
€ 291,7 mio
58,2% of Group
(2021: € 256,9 mio)

Abroad

€ 209,7 mio
41,8% of Group
(2021: € 182,9 mio)



Revenue Breakdown by Activity (in € mm)



Net Debt Evolution per Segment (in € mm)

	31.12.2022	31.12.2021	Δ vs PY end
IKEA	76,6	84,6	-8,0
INTERSPORT	26,6	20,1	6,5
FOURLIS	-0,7	-0,2	-0,5
Retail Group Net Debt	102,5	104,6	-2,0
TradeEstates	98,8	31,2	67,6
Total Group Net Debt	201,3	135,8	65,6

✓ RETAIL HOME FURNISHING SECTOR (IKEA)

- Fourlis Group is the exclusive franchisee of IKEA trademark in Greece, Cyprus and Bulgaria.
- IKEA is the world leader in home furnishings and accessories. It was founded in Sweden in 1943 and today IKEA operates over 500 stores. During fiscal year 2022, IKEA turnover globally accounted in € 44,6 billion.
- Through the operating IKEA stores, the subsidiary companies of FOURLIS Group (namely HOUSEMARKET S.A., H.M. HOUSEMARKET CYPRUS Ltd and HOUSE MARKET BULGARIA AD), is active in retail home furnishings and in providing catering services in all three countries..
- The sector expands through a network of:

Network of Retail Home Furnishings Division

5 IKEA Big Boxes Stores (3 in Greece, 1 in Cyprus, 1 in Bulgaria)

6 IKEA Medium Size Stores (4 in Greece, 2 in Bulgaria)

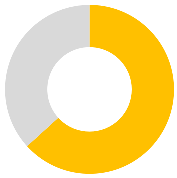
9 Pick-up Points (6 in Greece, 2 in Bulgaria, 1 in Cyprus)

3 E-shop in all 3 countries

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

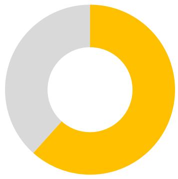
2022 Basic Financial Figures (in € mm)

Turnover



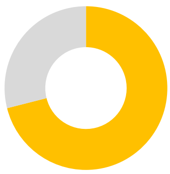
€ 317,1 mio
63,3% of Group
(2021: € 273,2 mio)

Gross Profit



€ 139,4 mio
(2021: € 115,8mio)

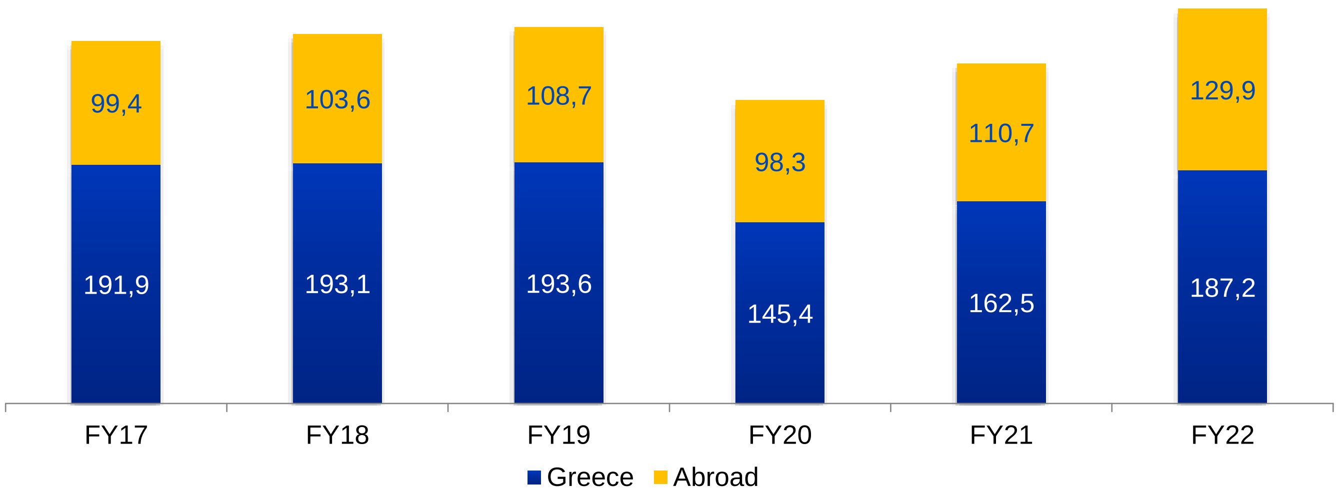
EBITDA (OPR)



€ 30,5 mio
(2021: € 25,8 mio)

Revenue Breakdown by Geography (in € mm)

Total	291,3	296,7	302,3	243,6	273,2	**317,1**



✓ RETAIL SPORTING GOODS SECTOR (Intersport)

- FOURLIS Group is the exclusive franchisee of INTERSPORT trademark in Greece, Cyprus, Bulgaria and Romania.
- INTERSPORT, is the number one retail sporting goods chain worldwide, with approximately €13,7 billion in 2022 and with more than 5.300 stores in 42 countries. In September 2000, Intersport initiated its dynamic presence as part of FOURLIS Group.
- Currently, the division operates through a network of:

Network of Retail Sporting Goods Division

106 Intersport Stores (**58** in Greece, **32** in Romania, **10** in Turkey, **6** in Cyprus)

4 E-shop in all **4** countries

2022 Basic Financial Figures

Turnover

€ 184,3 mio
36,7% of Group
(2021: € 166,6 mio)

Gross Profit

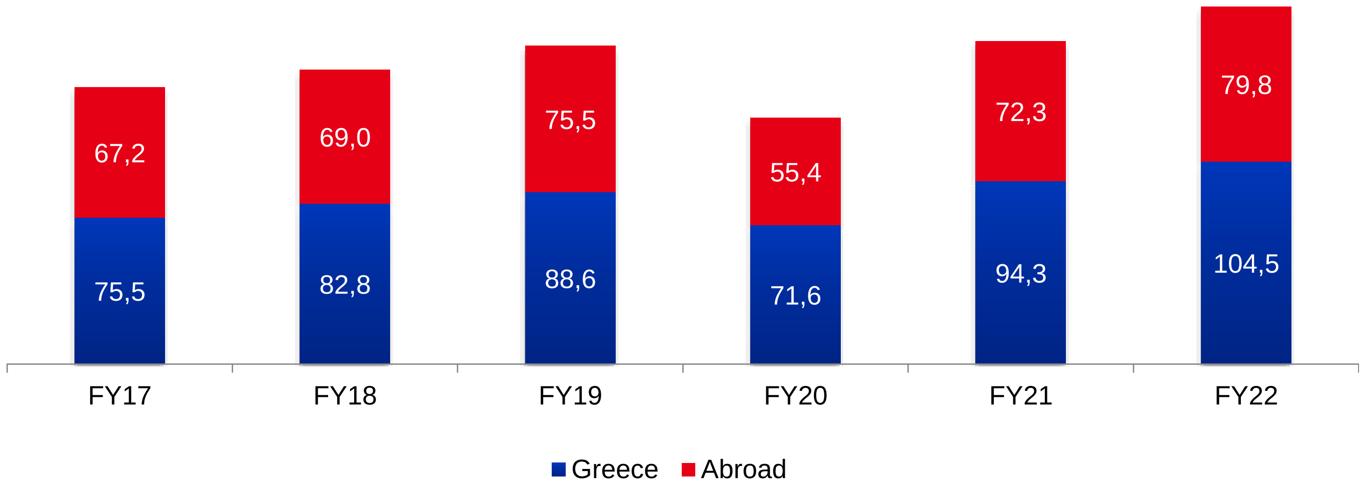
€ 86,8 mio
(2021: € 77,2 mio)

EBITDA (OPR)

€ 12,4 mio
(2021: € 14,2 mio)

Revenue Breakdown by Geography (in € mm)

Total	142,7	151,8	164,1	127,0	166,6	**184,3**



✓ REAL ESTATE INVESTMENTS SECTOR – (TRADE ESTATES REIC)

- The Group entered into Real Estate Investment sector, through the establishment of TRADE ESTATES REAL ESTATE INVESTMENT COMPANY SOCIETE ANONYME (TRADE ESTATES REIC) on July 12, 2021.

- The register share capital of the company is **€ 173,5 mio.**

- The real estate portfolio of TRADE ESTATES REIC includes all the existing private owned properties of the Group, which are used for the operation of RHF (IKEA), the logistic centers in Schimatari and Oinofyta, as well as other retail investment property in Greece. Later, 3 new retail parks in Athens and Thessaloniki had been added to the portfolio, as well as some plots that will be developed as retail parks in Patra, Heraklion, Spata and Hellinikon.

- Trade Estates REIC invests purely in quality retail properties and E-Commerce infrastructure.

- Fourlis Group aims to maximize flexibility in accessing real estate equity, improving overall returns on assets, centralizing ownership and management, streamlining tax planning.



2022 Basic Financial Figures

	At Formation	FY21	FY22
	12/07/2021	31/12/2021	31/12/2022
Gross Asset Value (GAV*)	184,7	216,0	300,1
Net Debt	8,1	31,2	98,8
% on GAV	*4,4%*	*14,5%*	*32,9%*
Net Asset Value (NAV)	173,5	184,9	211,0

*Value of Real Estate Assets

✓ RETAIL HEALTH & WELLNESS SECTOR (Holland & Barrett)

- FOURLIS Group is the exclusive franchisee of Holland & Barrett trademark in Greece, Bulgaria & Romania.

- Through the operating Holland & Barrett stores, the subsidiary company of FOURLIS Group, Wellness Market S.A. is active in retail health and wellness in Greece.

- Holland & Barrett is the UK's leader in health & wellness and one of the largest wellness retailers in Europe. It was founded in UK in 1870 and had 150 year anniversary in 2020 and has a retail presence of more than 1600 stores across 18 countries worldwide.

- FOURLIS Group's objective is to have a leading role within the sector and has the intention to operate approximately 100 physical stores in the next five years.

Part B.

FOURLIS HOLDINGS S.A.

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

GENERAL COMMERCIAL REGISTRY NO: 258101000

LEI Registration Number: 213800V54ASIMZREDX49

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

ANNUAL FINANCIAL REPORT

For the period

1/1/2022 to 31/12/2022

(TRANSLATED FROM THE GREEK ORIGINAL)

Table of Contents

Statements of the Members of the Board of Directors

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

The undersigned below

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

We confirm that to the best of our knowledge:

a. The Financial Statements (Consolidated and Separate) of FOURLIS HOLDINGS SA for the period 1/1/ - 31/12/2022 which have been prepared in accordance with International Financial Reporting Standards as endorsed by the EU, provide a true and fair view of the Assets, Liabilities and Shareholder's Equity along with the income statement of FOURLIS HOLDINGS S.A. as well as of the companies that are included in the consolidation taken as a whole.

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

Maroussi, March 20 2023

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

ANNUAL REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY FOURLIS HOLDINGS SA ON THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR 2022 (1/1 – 31/12/2022)

TO THE ORDINARY ANNUAL GENERAL ASSEMBLY OF SHAREHOLDERS OF THE YEAR 2023

Dear Shareholders,

This Financial Report of the Board of Directors concerns the period of twelve consecutive months of the period year ending on 31/12/2022 (1/1 - 31/12/2022) and was conducted in compliance with the relevant provisions of L. 4548/2018 as applicable until 31/12/2022, article 4 of L. 3556/2007 and resolution 7/448/22.10.2007 of the Hellenic Capital Market Commission. Consolidated and Separate Financial Statements have been conducted in accordance with the IFRS as endorsed by the EU.

Please find below for your approval, the Financial Statements for the period 1/1 – 31/12/2022 of the Company FOURLIS HOLDINGS S.A. and the Group which consists of its direct and indirect subsidiaries. In the meeting of the Board of Directors in which the preparation and conduct of the Financial Statements of the Company and the Group was discussed, the Board of Directors was in quorum and participated in it all its independent non executive members.

1. THE GROUP – Business Segments

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

The Retail Trading of Home Furniture and Household Goods (IKEA Stores) also includes investments in real estate through the Group's subsidiary under the name TRADE ESTATES REIC, which was established in July 2021, the date on which it acquired the Group's properties through a contribution of the specific sector.

The direct and indirect subsidiaries of the Group, that are included in the consolidated financial statements for the year 2022 grouped per segment and country of operation, are the following:

a) Full consolidation method

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

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

- HOUSEMARKET SA FOR THE TRADING OF HOME FURNITURE, HOUSEHOLD AND CATERING GOODS, with the distinctive title HOUSEMARKET SA and registered seat in Greece, in which the parent company has a direct shareholding of 100%.
- H.M. HOUSEMARKET (CYPRUS) LTD, with the distinctive title HOUSEMARKET (CYPRUS) LTD and

registered seat in Cyprus, in which the parent company has an indirect shareholding of 100%.

- TRADE LOGISTICS COMMERCIAL AND INDUSTRIAL S.A., with the distinctive title "TRADE LOGISTICS SA" and registered seat in Greece, in which the parent company has an indirect shareholding of 100% (except for one share). The retail trading of home furniture and household goods segment includes warehousing services provided by the company TRADE LOGISTICS SA.
- RENTIS REAL ESTATE INVESTMENTS SA, with the distinctive title RENTIS SA and registered seat in Greece , in which the parent company has an indirect shareholding of 91.89% (except for one share).
- HOUSE MARKET BULGARIA EAD, with the distinctive title HOUSE MARKET BULGARIA EAD, and registered seat in Bulgaria, in which the parent company has an indirect shareholding of 100%.
- WYLDES LIMITED with the distinctive title WYLDES LTD and registered seat in Cyprus, in which the parent company has an indirect shareholding of 100%. Through associated companies WYLDES LTD, VYNER LTD and SW SOFIA MALL ENTERPRISES LTD, the Group has a shareholding in the company SOFIA SOUTH RING MALL EAD, which operates one of the biggest malls in Sofia Bulgaria as well as its relevant business activities.
- TRADE ESTATES BULGARIA EAD with the distinctive title TRADE ESTATES BULGARIA EAD and registered seat in Bulgaria, in which the parent company has an indirect shareholding of 91.89%.
- TRADE ESTATES CYPRUS LTD with the distinctive title TRADE ESTATES CYPRUS LTD and registered seat in Cyprus, in which the parent company has an indirect shareholding of 91.89%.
- H.M. ESTATES CYPRUS LTD with the distinctive title H.M. ESTATES CYPRUS LTD and registered seat in Cyprus, in which the parent company has an indirect shareholding of 91.89%.
- TRADE ESTATES REAL ESTATE INVESTMENT COMPANY SA with the distinctive title TRADE ESTATES REIC and registered seat in Greece, in which the parent company has a direct shareholding of 15.32%.
- TRADE ESTATES REAL ESTATE INVESTMENT COMPANY SA with the distinctive title TRADE ESTATES REIC and registered seat in Greece, in which the parent company has an indirect shareholding of 76.57%.
- BERSENCO REAL ESTATE DEVELOPMENT AND PROPERTY MANAGEMENT SA with registered seat in Greece, in which the parent company has an indirect shareholding of 91.89%.
- KTIMATODOMI SOLE SHAREHOLDER SA with registered seat in Greece, in which the parent company has an indirect shareholding of 91.89%.
- VOLYRENCO REAL ESTATE DEVELOPMENT AND EXPLOITATION SOCIETE ANONYME with registered seat in Greece, in which the parent company has an indirect shareholding of 91.89%.

Retail Trading of Sporting Goods (INTERSPORT and TAF Stores)

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

- INTERSPORT ATHLETICS COMMERCIAL SA, with the distinctive title INTERSPORT ATHLETICS SA and registered seat in Greece, in which the parent company has a direct shareholding of 100%.
- INTERSPORT ATHLETICS (CYPRUS) LTD, with the distinctive title INTERSPORT ATHLETICS

(CYPRUS) LTD and registered seat in Cyprus, in which the parent company has an indirect shareholding of 100%.

- GENCO BULGARIA EOOD with distinctive title GENCO BULGARIA EOOD and registered seat in Bulgaria, in which the parent company has an indirect shareholding of 100%.
- INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş., with distinctive title INTERSPORT ATLETİK and registered seat in Turkey, in which the parent company has an indirect shareholding of 100%.
- TRADE LOGISTICS COMMERCIAL INDUSTRIAL S.A., with distinctive title TRADE LOGISTICS SA and registered seat in Greece, in which the parent company has an indirect shareholding of 100% (except for one share). The retail trading of sporting goods segment includes warehousing services provided by the company TRADE LOGISTICS SA.
- GENCO TRADE SRL, with distinctive title GENCO TRADE SRL and registered seat in Romania. The parent company has a direct shareholding of 1.57% and an indirect shareholding of 98.43%
- SNEAKERS MARKET SOLE SHAREHOLDER SA with distinctive title SNEAKERS SA and registered seat in Greece, in which the parent company has a direct shareholding of 100%. On 30/12/2022 the Group agreed the sale of the retail trading "The Athlete's Foot (TAF)" in Greece and the transaction was completed at the end of February 2023.

Retail Trading of Health and Wellness goods

- WELLNESS MARKET SOLE SHAREHOLDER SA with registered seat in Greece, in which the parent company has a direct shareholding of 100%.

b) Net Equity method

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

- VYNER LTD, with distinctive title VYNER LTD and registered seat in Cyprus, in which WYLDES LIMITED has a direct shareholding of 50%.
- SW SOFIA MALL ENTERPRISES LTD, with registered seat in Cyprus, in which WYLDES LIMITED has a direct shareholding of 50%.
- MANTENKO SA, with registered seat in Greece, in which TRADE ESTATES REIC has a direct shareholding of 50%, engaged in real estate management.
- POLIKENCO SA, with registered seat in Greece, in which TRADE ESTATES REIC has a direct shareholding of 50%, engaged in real estate management.
- SEVAS TEN SA, with registered seat in Greece, in which TRADE ESTATES REIC has a direct shareholding of 50%, engaged in real estate management.
- RETS CONSTRUCTION SA, with registered seat in Greece. The parent company has an indirect shareholding of 50%.

2. FINANCIAL DATA- IMPORTANT FACTS & FIGURES

(All the amounts are reported in terms of thousands Euros, unless otherwise stated)

Sales of the retail trading of Home Furniture and Household Goods (IKEA Stores) increased by 16.2% compared to the corresponding period of 2021, whereas sales of the retail trading of Sporting Goods (INTERSPORT and TAF Stores) increased by 10.6%.

More specifically:

The retail trading of Home Furniture and Household Goods (IKEA Stores) segment, realized sales of euro 317.6 million for the year 2022 (2021: euro 273.4 million). The total EBITDA of the segment, as defined in section 9, amounted at Euro 36.0 million compared to the amount of euro 31.4 million in 2021. The total EBITDA (OPR) of the segment, as defined in section 9, amounted to Euro 30.5 million compared to the amount of Euro 25.8 million in 2021. The total EBIT of the segment, as defined in section 9, amounted to Euro 31.6 million compared to the amount of Euro 20.5 million in 2021, whereas the segment presented profits before taxes of euro 23.8 million compared to profits of euro 12.1 million in 2021.

The retail trading of Sporting Goods (INTERSPORT and TAF Stores), realized sales of euro 184.3 million for the year 2022 (2021: euro 166.6 million). The total EBITDA of the segment, as defined in section 9, for the year 2022 amounted to euro 26.0 million compared to euro 26.6 million in 2021. The total EBITDA (OPR) of the segment, as defined in section 9, amounted to Euro 12.4 million compared to Euro 14.2 million in 2021. The total EBIT of the segment, as defined in section 9, amounted to euro 5.6 million compared to euro 8.5 million in 2021, whereas the segment, presented losses before taxes of euro 0.4 million compared to profits before taxes of euro 2.1 million in 2021.

Group's consolidated profits before taxes amounted to euro 20.0 million compared to consolidated profits before taxes of euro 12.1 million in 2021. Net profits amounted to euro 19.2 compared to profits of euro 11.5 million in 2021.

In an effort to present a complete and real view of the Group's performance, we report the consolidated results per segment for the period 1/1 – 31/12/2022 comparable to the corresponding results for the fiscal year 1/1 – 31/12/2021 at the following tables. Amounts are reported in terms of thousands of Euros.

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

	2022	2021	2022/2021
Revenue	317,558	273,375	1.16
EBITDA	35,970	31,405	1.15
EBITDA (OPR)*	30,495	25,832	1.18
EBIT (*)	31,560	20,475	1.54
Profit before Tax (*)	23,849	12,099	1.97

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

Certain amounts of the previous year have been adjusted to reflect their nature (from expenses included in the cost of sales to distribution expenses and administrative expenses with a corresponding adjustment for depreciation/impairment). More specifically, prior year's amounts included in the cost of sales of the subsidiary TRADE LOGISTICS S.A have been adjusted to become similar and comparable to the corresponding amounts of the current period and to be reflected, depending on their nature, in the distribution expenses and administrative expenses. A corresponding adjustment was made for depreciation/impairment.

In addition, last year's amounts have been adjusted to better reflect changes in the way expenses are allocated between the Group's operating segments. More specifically, the expenses of the subsidiary TRADE LOGISTICS SA of the previous period have been adjusted to become similar and comparable to the corresponding amounts of the current period regarding the way of apportioning the expenses of the operating segments where the supply chain services are provided.

Retail Trading of Sporting Goods (INTERSPORT and TAF stores)

	2022	2021	2022/2021
Renenue	184,257	166,577	1.11
EBITDA (*)	25,997	26,551	0.98
EBITDA (OPR)*	12,428	14,238	0.87
EBIT (*)	5,615	8,460	0.66
Profit/ (Loss) before Tax (*)	(369)	2,062	-

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

Certain amounts of the previous year have been adjusted to reflect their nature (from expenses included in the cost of sales to distribution expenses and administrative expenses with a corresponding adjustment for depreciation/impairment). More specifically, last year's amounts included in the cost of sales of the subsidiary TRADE LOGISTICS S.A have been adjusted to become similar and comparable to the corresponding amounts of the current period and to be reflected, depending on their nature, in the distribution expenses and administrative expenses. A corresponding adjustment was made for depreciation/impairment.

In addition, last year's amounts have been adjusted to better reflect changes in the way expenses are allocated between the Group's operating segments. More specifically, the expenses of the subsidiary TRADE LOGISTICS SA of the previous period have been adjusted to become similar and comparable to the corresponding amounts of the current period regarding the way of apportioning the expenses of the operating segments where the supply chain services are provided.

Group Consolidated:

	2022	2021	2022/2021
Revenue	501,379	439,766	1.14
EBITDA (*)	59,081	56,191	1.05
EBITDA (OPR)*	39,639	38,142	1.04
EBIT (*)	33,747	26,873	1.26
Profit before Tax (*)	20,007	12,079	1.66
Net Profit After Tax and Minority Interests	19,165	11,530	1.66

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

Certain amounts of the previous year have been adjusted to reflect their nature (from expenses included in the cost of sales to distribution expenses and administrative expenses with a corresponding adjustment for depreciation/impairment). More specifically, last year's amounts included in the cost of sales of the subsidiary TRADE LOGISTICS S.A have been adjusted to become similar and comparable to the corresponding amounts of the current period and to be reflected, depending on their nature, in the distribution expenses and administrative expenses. A corresponding adjustment was made for depreciation/impairment.

In addition, last year's amounts have been adjusted to better reflect changes in the way expenses are allocated between the Group's operating segments. More specifically, the expenses of the subsidiary TRADE LOGISTICS SA of the previous period have been adjusted to become similar and comparable to the corresponding amounts of the current period regarding the way of apportioning the expenses of the operating segments where the supply chain services are provided.

We note that on a consolidated basis the Group's Total Equity allocated to the shareholders of the parent company on December 31, 2022 amounts to euro 185 million compared to an amount of euro 176 million on 31/12/21.

3. Basic Financial Indicators of the Consolidated Financial Statements

Please find below basic Indicators in respect of the Group Financial Structure and Performance and Efficiency according to the consolidated financial statements included in the Annual Financial Report of the Group, for the fiscal year 2022 in comparison with the previous fiscal year 2021.

Financial Structure Indicators:

	31/12/2022	31/12/2021
Total Current assets/Total Assets	65.36%	64.29%
Total current assets without Assets classified as held for sale / Total Assets	23.10%	30.42%
Total Liabilities/TOTAL SHAREHOLDERS EQUITY & LIABILITIES	73.26%	73.77%
Total Shareholders Equity/TOTAL SHAREHOLDERS EQUITY & LIABILITIES	24.59%	26.23%
Total Current assets/ Total Current Liabilities	150.60%	146.97%
Total current assets without Assets classified as held for sale / Total current Liabilities without Liability arising from assets held for sale	96.26%	79.35%

Performance and Efficiency basic Indicators:

	2022	2021
Operating Profit / Revenue	6.73%	6.11%
Profit before Tax / Total Shareholders Equity	10.82%	7.89%

4. Operating Performance – Important developments:

During the period 1/1 – 31/12/2022 the following share capital changes in the parent company and its subsidiaries were realized:

A. FOURLIS HOLDINGS S.A.:

In the context of implementation of the Stock Option Plan which was approved and established by the resolution of the Extraordinary General Assembly of the shareholders on 27/9/2013 (Stock Option Plan – hereinafter referred to as "the Program"), within the year 2021, 39.943 options were exercised (hereinafter referred to as "the Options"). Following the resolution of the Board of Directors on 20/12/2021 (relevant minutes of the BoD with number 430/20.12.2021), the exercise of the aforementioned options by the corresponding beneficiaries of the Program was certified upon payment of the exercise price of the new shares.

It is noted that the underlying price of the shares to which the remaining stock options correspond, was initially determined at the amount of Euro three and forty cents (euro 3,40) per share, which was the stock closing price of the share on the date of the resolution of the General Assembly for the Program (SOP) (27/9/2013). Already, the resolutions dated 20/11/2017, 19/11/2018 and 18/11/2019 of the BoD (relevant minutes of the BoD with number 389/20.11.2017, 399/19.11.2018 and 407/18.11.2019 accordingly) resulted to the readjustment of the historical share price of the Company and therefore the implemented exercise price of stock options of the Program (SOP) is deemed to amount to εuro three and 0.2226 cents (euro 3.2226) per share.

Following the certification of the payment of the exercise price of the Stock Options by their beneficiaries, namely of the total amount of one hundred and twenty-eight thousand seven hundred twenty euros and thirty three cents 128,720.33, Thirty-nine thousand nine hundred and forty-three 39.943 new ordinary registered shares were issued and delivered to the corresponding beneficiaries of the Program, of nominal value euro 1,00 per share, whereas the share capital of the Company increased by the amount of Thirty-nine thousand nine hundred and forty-three euro 39,943.00 which corresponds to the nominal value of the new shares. Moreover, following the exercise of the aforementioned Options by payment of exercise price of these options, namely euro 3.2226 per share according to the aforementioned, the share premium, of the total amount of eighty-eight thousand seven hundred seventy-seven euros and thirty-three cents euro 88,777.33, was transferred to the account "Share Premium reserve".

The aforementioned change was registered to the General Commercial Registry (GCR) on 11/1/2022 (Code Registration Number 2773271), when the increase of the share capital was also realized. Respectively, the announcement no. 1043/11.01.2022 of the Directorate for Companies of the Ministry of Development and Investments was issued.

Following these changes, the share capital of the Company now amounts to euro 52,131,944.00 divided into 52,131,944 shares of a nominal value of euro 1,00 per share, totally paid.

B. HOUSEMARKET SA FOR THE TRADING OF HOME FURNITURE, HOUSEHOLD AND CATERING GOODS

Following resolution of the Extraordinary General Assembly of the shareholders held on 31/12/2022 (relevant minutes of the G.A. with number 60/31.12.2022), the share capital of the company decreased by the amount of Euro thirty million five hundred eighty seven thousand two hundred (euro 30,587,200.00) by canceling thirty million five hundred eighty seven thousand two hundred registered shares of a nominal value of euro 1,00 per share and the aforementioned reduction was partially carried out in kind, in the amount of thirty million five hundred eighty seven thousand one hundred ninety nine euros and ninety four cents (euro 30,587,199.94), with distribution, to the sole shareholder "FOURLIS HOLDINGS SA", twelve million seven hundred six thousand five hundred forty-seven (12,706,547) shares issued by the company "TRADE ESTATES REAL ESTATE INVESTMENT COMPANY" of equal total assessed value, and partly by the amount of six euro cents (euro 0.06) with cash back to the sole shareholder, due to rounding.

Following the above, the Company's share capital amounts to sixteen million eight hundred sixty three thousand four hundred forty seven euros (euro 16,863,447), divided into sixteen million eight hundred sixty three thousand four hundred forty seven (16,863,447) registered shares, nominal value of one euro (euro 1.00) per share.

C. SNEAKERS MARKET SOLE SHAREHOLDER SOCIETE ANONYME.:

a) On 8/4/2022 it was registered in the General Commercial Register (GCR), through the Athens Public Notary, Mrs. Niki Oikonomou as O.S.S and of the GCR Office of the Athens Chamber of Commerce and Industry, under the notarial deed no.121/07.04.2022 of the aforementioned Notary for the establishment of the SA with the name "SNEAKERS MARKET SOLE SHAREHOLDER SOCIETE ANONYME" and distinctive title "SNEAKERS MARKET SA.", with Registry Code Number and GCR no. 163704701000.

The initial share capital of the Company, amounting to twenty five thousand Euro (euro 25,000) was covered by cash payment and the only participant was the founder company "FOURLIS HOLDINGS SA" which took over twenty five thousand (25,000) registered shares with a nominal value of one (1) euro per share.

b) On 28/6/2022 in execution of the decision of the General Assembly of the shareholders of the company (hereinafter "Beneficiary"), as well as the corresponding decision of 28/6/2022 of the General Assembly of the shareholders of "INTERSPORT ATHLETICS SA" (hereinafter "Splitted"), was signed under the notarial deed no.6219/28.06.2022 of the public notary Eleni Constantinos Karkanopoulos, which incorporates the Contract of Partial Split by the absorption of the segment "trade of sports goods, designed both for daily use and exercise, which appears today under the brand name TAF-THE ATHLETE'S FOOT" of company "INTERSPORT ATHLETICS SA" from the company "SNEAKERS MARKET SA" in accordance with paragraph 2 of article 56, the articles 58-73 and articles 83-87 of Law 4601/2019, the provisions of Law 4548/2018, Article 54 of Law 4172/2013 and Article 61 of Law 4438/2016 as applicable. The aforementioned partial split was completed with its registration in the General Commercial Register (GCR) on 5/7/2022 with Registration Code Number 2903747 in relation to the Beneficiary (relatively issued of the announcement of the General Commercial Registry Office of the Athens Chamber of Commerce and Industry with Registration Code number 2655481/05.07.2022), as well as with Registration Code 2903866 in relation to the splitted (relatively issued with no.2655463/05.07.2022 of the announcement of the General Commercial Registry Office of the Athens Chamber of Commerce and Industry).

As a consequence of the split, the Beneficiary's share capital will increase by the amount of five million five hundred seventy thousand seven hundred euros (euro 5,570,700), which corresponds to the evaluated adjusted equity of the aforementioned splitted segment. The increase in the share capital was carried out by issuing five million five hundred seventy thousand seven hundred (5,570,700) shares, with a nominal value of one euro (euro 1.00) per share, which were taken over in total by the sole shareholder of the splitted, the company " FOURLIS HOLDINGS SA".

After the aforementioned changes, share capital of the company now amounts to five million five hundred ninety-five thousand seven hundred euro (euro 5,595,700.00), divided into five million five hundred ninety-five thousand seven hundred (5,595,700) shares, with a nominal value of one euro (euro 1.00) per share, fully paid.

D. INTERSPORT ATHLETICS S.A.

On 28/6/2022 in execution of the decision of the General Assembly of the shareholders of the company (hereinafter "Splitted"), as well as the corresponding decision of 28/6/2022 of the General Assembly of the shareholders of "SNEAKERS SA" (hereinafter "Beneficiary"), was signed under the notarial deed no.6219/28.06.2022 of the public notary Eleni Constantinos Karkanopoulos, which incorporates the Contract of Partial Split by the absorption of the segment "trade of sporting goods, designed both for daily use and exercise, which operates today under the brand name TAF-THE ATHLETE'S FOOT" of company "INTERSPORT ATHLETICS SA" from the company "SNEAKERS MARKET SA" in accordance with paragraph 2 of article 56, the articles 58-73 and articles 83-87 of Law 4601/2019, the provisions of Law 4548/2018, Article 54 of Law 4172/2013 and Article 61 of Law 4438/2016 as applicable. The aforementioned partial split was completed with its registration in the General Commercial Register (GCR) on 5/7/2022 with Registration Code Number 2903747 in relation to the Beneficiary (relatively issued of the announcement of the General Commercial Registry Office of the Athens Chamber of Commerce and Industry with Registration Code number 2655481/05.07.2022), as well as with Registration Code Number 2903866 in relation to the splitted (relatively issued with no.2655463/05.07.2022 of the announcement of the General Commercial Registry Office of the Athens Chamber of Commerce and Industry).

As a consequence of the split the share capital of the Splitted Company will be reduced a) by the amount of Euro 4,540,144.00, which corresponds to the amount of the accounting equity of the splitted segment " trade of sporting goods, designed both for daily use and exercise, which operates today under the brand name TAF-THE ATHLETE'S FOOT " in the Company's reports, in relevance with the corresponding application of article 31 of Law 4548/2018, and b) in the amount of 7.50 euros for rounding purposes, with an equal cash refund to its sole shareholder Company, i.e. in the total amount of four million five hundred forty thousand one hundred and fifty one euros and 50 cents (4,540,151.50), with the cancellation of one hundred and fifty four thousand six hundred and ninety (154,690) ordinary registered shares with voting right, with a nominal value of euro 29.35 per share.

Following the above, the Company's share capital now amounts to twenty-one million eighty-five thousand two hundred and sixteen euros and ten cents (21,085,216.10), divided into seven hundred and eighteen thousand four hundred and six (718,406) ordinary registered shares with voting right, with a nominal value of twenty nine euros and thirty-five cents (29.35) per share, fully paid.

E. WELLNESS MARKET SOLE SHAREHOLDER SA

On 18/5/2022 it was registered in the General Commercial Register (GCR), through the Athens Notary

Public, Mrs. Niki Oikonomou as O.S.S and of the GCR Office of the Athens Chamber of Commerce and Industry, under the notarial deed no.126/10.05.2022 of the aforementioned Notary for the establishment of the SA with the name "WELLNESS MARKET SOLE SHAREHOLDER SA" and distinctive title "WELLNESS MARKET SA.", with Registration Code Number and GCR no.164239301000.
The initial share capital of the company, amounting to one million euro (1,000,000), was covered by cash payment in full and the only participant was the founder company "FOURLIS HOLDINGS SA, which took over one million (1,000,000) registered shares, nominal value of one (1) euro per share.

F. GENCO BULGARIA EOOD

Following the resolution of the General Assembly of the shareholders of the company on 18/7/2022, the company's share capital was increased by the amount of BGN 1 million seventy thousand and one hundred (BGN 1,070,100.00) with the issuance of one hundred and seven thousand and ten (107,010) new ordinary registered shares with voting rights, with a value of ten BGN (10.00) per share. The share capital increase was totally covered by the shareholder INTERSPORT ATHLETICS SA (in execution of the decision of the Board of Directors on 23/5/2022). After the aforementioned share capital increase, the share capital amounts to nineteen million forty seven thousand two hundred and seventy BGN (BGN 19,047,270), divided into 1,904,727 shares, with a nominal value of ten BGN (BGN 10.00) each.

G. TRADE ESTATES REAL ESTATES INVESTMENT COMPANY

On 30/6/2022 during the Ordinary General Meeting of the Company's Shareholders, was decided the reduction of the Company's Share capital by the amount of euro 34,705,475.60 with a reduction of the nominal value of the Company's shares from 2.00 euros to 1.60 euros, in accordance with article 31 par.2 of Law 4548/2018, with the aim of creating an equal amount of special reserve and the corresponding amendment of article 5 of the Company's Articles of Association.

On 29/7/2022, an Extraordinary General Assembly of the Company was held, which approved:

Increase of the Company's share capital by payment of cash through the issuance of new common registered shares with the abolition of the pre-emptive right of the old shareholders and coverage of the above increase through a public offer. Authorization of the Board of Directors for the increase of the Company's share capital, the determination of the conditions of the increase and the disposal of the new shares.

In particular, during the aforementioned meeting, it was decided:

1) the increase of the Company's share capital, pursuant to article 6 of the Company's Articles of Association and article 24 par. 1 item b of Law 4548/2018.
2) the abolition of the pre-emptive right of the existing shareholders, in accordance with article 27 par. 1 of Law 4548/2018, in the context of the specific increase of the share capital, which the Board of Directors is authorized to carry out, in accordance with article 24 par. 1 item b of Law 4548/2018, as provided immediately below.

3) the authorization, in accordance with article 24 par. 1 item b of Law 4548/2018 to the Board of Directors of the Company :
   - ✓ to decide with the legal quorum and majority, the increase of the Company's share capital, by payment in cash, by an amount that cannot exceed the equivalent amount of the paid-up on the date of this authorization of the Company's share capital, i.e. up to the amount of euro one hundred thirty eight million eight hundred twenty one thousand nine hundred two (euro 138,821,902), with the issuance of up to eighty six million seven hundred sixty three thousand six hundred eighty nine (86,763,689) new ordinary voting registered shares, with a nominal value of one euro and sixty cents (euro 1.60) each, covering the increase with an initial public offer in Greece,
   - ✓ to determine the most specific terms and schedule of the share capital increase in accordance with the applicable provisions of Law 4548/2018, including indicatively the following:
     - The structure of the share capital increase
     - The nominal value of the new shares

H. SEVAS TEN DEVELOPMENT AND EXPLOITATION OF REAL ESTATE SA

Following the resolution of the General Assembly of the shareholders of SEVAS-TEN SA on 26/01/2022 the company's share capital was increased by the amount of twenty thousand euros (20,000) with cash payment and the issuance of two hundred (200) new registered shares with a nominal value of one hundred euros (100.00) and a sale price of one thousand euros (1,000.00) per share, creating a share reserve from the issuance of shares at a premium reserve in the amount of one hundred and eighty thousand euros (180,000.00).

After the aforementioned share capital increase, which was registered to the General Commercial Registry (GCR) on 07.02.2022 (Code registration Number. 2791073), upon issuance of the relevant 2575376/07.02.2022 announcement of the GCR Office of the Athens Chamber of Commerce and Industry, the share capital of the aforementioned company amounts to eight hundred and forty five thousand euros (845,000.00) divided into eight thousand four hundred and fifty (8,450) registered shares, with a nominal value of one hundred euros (100.00) per share.

Following the resolution of the General Assembly of the shareholders of SEVAS-TEN SA on 15/7/2022 the company's share capital was increased by the amount of euro fifty thousand (50,000.00) with cash payment and the issuance of five hundred (500) new registered shares with a nominal value of one hundred euros (100.00) and a sale price of one thousand euros (1,000.00) per share, creating a share reserve from the issuance of shares at premium in the amount of four hundred and fifty thousand euros (450,000.00).

After the aforementioned share capital increase, which was registered to the General Commercial Registry (GCR) on 06.08.2022 (Code registration Number. 2996619), upon issuance of the relevant 2672580/06.08.2022 announcement of the GCR Office of the Athens Chamber of Commerce and Industry, the share capital of the aforementioned company amounts to eight hundred and ninety five thousand euros (895,000.00) divided into eight thousand nine hundred and fifty (8,950) registered shares, with a nominal value of one hundred euros (100.00) per share.

I. BERSENCO REAL ESTATE DEVELOPMENT AND PROPERTY MANAGEMENT SA

The General Assembly of the shareholders of BERSENCO SA. on 25/1/2022 decided to increase the share capital of this company, by the amount of four hundred and fifty thousand euros (450,000.00) by cash payment, with the issuance of 50,000 new ordinary registered shares, with a nominal value of 9.00 euros and offering price of 100.00 euros per share. The total amount of the above share capital increase will be covered by the sole shareholder TRADE ESTATES REIC according to its participation percentage (100%).

A total amount of EUR 4,550,000.00 is going to increase the amount of the share premium reserve.

After the aforementioned share capital increase, which was registered to the General Commercial Registry (GCR) on 27/6/2022 (Code Registration Number 2896077), upon issuance of the relevant 2651437/27/6/2022 announcement by the Directorate for Companies of the Ministry of Development and Investments. The share capital of the above company amounts to four million ninety six thousand five hundred thirty euro (4,096,530.00) and is divided into four hundred fifty five thousand one hundred seventy (455,170) nominal value of euro 9 per share.

Following the resolution of the Extraordinary General Assembly of the shareholders held on 30/3/2022, it was decided the increase of the Company's share capital by one million five hundred thousand three euros (1,500,003.00) cash payment by the issuance of one hundred sixty six thousand six hundred sixty seven (166,667) new registered shares with a nominal value of nine euro (9.00) per share.

After the aforementioned share capital increase, which was registered to the General Commercial Registry (GCR) on 14/07/2022(Code Registration Number 2913761), upon issuance of the relevant 2664224/14.07.2022 announcement by the Directorate for Companies of the Ministry of Development and Investments. The share capital of the aforementioned company amounts to five million five hundred ninety six thousand five hundred thirty three euro (5,596,533.00) and is divided into six hundred twenty one thousand eight hundred and seven (621,837) nominal value of euro 9 per share.

Following the resolution of the Extraordinary General Assembly of the shareholders held on 27/5/2022, it was decided the increase of the Company's share capital by five hundred thousand four euros (500,004.00) cash payment by the issuance of fifty-five thousand five hundred and fifty-six (55,556) new registered shares with a nominal value of nine euro (9.00) per share

Following the aforementioned the share capital of the company amounts to six million ninety-six thousand five hundred and thirty-seven euros (6,096,537.00) and is divided into six hundred and seventy-seven thousand three hundred and ninety-three (677,393) registered shares, with a nominal value of nine euros (9.00) per share.

G. RETS CONSTRUCTION SA and the distinctive title RECON SOLE SHAREHOLDER SA

The initial share capital of the Company was set at twenty-five thousand euros, (25,000.00) divided into twenty-five thousand (25,000) ordinary registered shares, with a nominal value of one (1) euro per share.

Following the resolution of the Extraordinary General Assembly of the sole shareholder of the company on 20/12/2021, the company's share capital was increased by the amount of one hundred and seven thousand euros (107,000.00) with issuance of one hundred and seven thousand (107,000) new ordinary registered shares, of nominal value of one euro (1.00) per share.

Following the resolution of the Extraordinary General Assembly of the sole shareholder of the company on 18/2/2022, the company's share capital was increased by the amount of one hundred and thirty-two thousand euros (132,000.00) with the issuance of one hundred and thirty-two thousand (132,000) new ordinary registered shares with voting rights, with a value of one euro (1.00) per share and an offering price of fifteen euros and one hundred and fifty-two cents (15.152) per share. The difference of fourteen euros and one hundred and fifty-two cents (14,152) per share, between the premium price and the nominal value per share, totaling one million eight hundred and sixty-eight thousand and sixty-four (1,868,064.00) has been paid in accordance with the law in credit of the "SPECIAL RESERVE FROM SHARE PREMIUM RESERVE" account.

Therefore, the Company's share capital amounts to the total amount of two hundred and sixty-four thousand euros (264,000.00) divided into two hundred and sixty-four thousand (264,000) common registered shares, with a nominal value of one euro (1.00) per share.

The shareholder Mrs. Christina - Elisavet Tsigarides stated that she does not wish to participate in the aforementioned increase of the Company's share capital and expressly and unconditionally waives her pre-emptive right to it. Therefore, it is not required to publish a relevant invitation or to set a deadline for the exercise of the preemptive right, in accordance with article 26 of Law 4548/2018 (article 26). Following this declaration, the total amount of the coverage of two million sixty-four euros (2,000,064.00) has been paid on 8/3/2022 by the anonymous company with the name "TRADE ESTATES REAL ESTATE INVESTMENT COMPANY" which took over the total of 132,000 new shares, which were issued and became a shareholder with a percentage of 50%.

K. MANTENCO REAL ESTATE DEVELOPMENT AND PROPERTY MANAGEMENT SA

Following the resolution of the General Assembly of the shareholders of MANTENCO SA on 15/7/2022 the company's share capital was increased by the amount of euro thirty eight thousand and two hundred (38,200.00) with cash payment and the issuance of three hundred and eighty two (382) new registered shares with a nominal value of one hundred euros (100.00) and a sale price of euro one thousand and fifty two (1,052.00) per share, creating a share reserve from the issuance of shares at a premium reserve in the amount of euro three hundred sixty three thousand six hundred sixty four (363,664.00).

After the aforementioned share capital increase, which was registered to the General Commercial Registry (GCR) on 27.07.2022 (Code registration Number. 2984257), upon issuance of the relevant 2670652/27.07.2022 announcement of the GCR Office of the Athens Chamber of Commerce and Industry, the share capital of the aforementioned company amounts to six hundred and eighty eight thousand two hundred euros (688,200.00) divided into six thousand eight hundred and eighty two (6,882) registered shares, with a nominal value of one hundred euros (100.00) per share.

L. POLIKENCO REAL ESTATE DEVELOPMENT AND PROPERTY MANAGEMENT SA

Following the resolution of the General Assembly of the shareholders of POLIKENCO SA on 15/7/2022 the company's share capital was increased by the amount of euro four hundred forty four thousand six hundred (444,600.00) with cash payment and the issuance of four thousand four hundred and forty (4,446) new registered shares with a nominal value of one hundred euros (100.00) and a sale price of euro two hundred and two (202.00) per share, creating a share reserve from the issuance of shares at a premium reserve in the amount of euro four hundred and fifty-five thousand seven hundred and fifteen (455,715.00).

After the aforementioned share capital increase, which was registered to the General Commercial Registry (GCR) on 25.07.2022 (Code registration Number. 2982300), upon issuance of the relevant 2670661/25.07.2022 announcement of the GCR Office of the Athens Chamber of Commerce and Industry, the share capital of the aforementioned company amounts to euro two million four hundred ninety four thousand six hundred (2,494,600.00) divided into twenty four thousand nine hundred forty six (24,946) registered shares, with a nominal value of one hundred euros (100.00) per share.

The parent company FOURLIS HOLDINGS SA has no branches.

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

Retail Trading of Home Furniture and Household Goods (IKEA stores): The segment currently operates seven (7) Stores, five (5) of which in Greece, one (1) in Cyprus and one (1) in Bulgaria. Moreover, six (6) Pick up and Order Points with IKEA products are also operating in Greece in Rhodes Island, Patras, Chania, Heraklion, Komotini and Kalamata, one (1) Small Store in Piraeus and one (1) Ikea Shop in the shopping center (THE MALL) in Marousi. In Bulgaria there are two (2) pick-up and drop-off points (Pick Up and Order Points) of IKEA products in Burgas and Plovdiv and one (1) IKEA Small Store in Varna and one (1) IKEA shop in Sofia at the (Mall of Sofia). In Cyprus (Limassol) there is one (1) Planning studio store. There are also three e-commerce Stores in Greece, Cyprus, and Bulgaria.

Retail trading of sporting goods (INTERSPORT and TAF stores): The segment on 31/12/2022 operated one hundred and seventeen (117) INTERSPORT Stores; fifty six (56) in Greece, thirty-two (32) in Romania, twelve (12) in Turkey, ten (10) in Bulgaria and seven (7) in Cyprus. The INTERSPORT Stores that were added to the network in the period 1/1 -31/12/2022 are: one (2) new store in Greece, Korinthos (12/4/2022) and Drama (19/12/2022). In Turkey one (1) store ceased to operate: Ank. Antares (1/1/2022). At the same time, there are e-commerce Stores in Greece, Romania, Cyprus, Bulgaria, and Turkey. The TAF Stores operating on 31/12/2022 are seventeen (17), of which fourteen (14) in Greece and three (3) in Turkey and an e-commerce TAF store in Greece.

On 30/12/2022, the agreement to sell the retail trading "The Athlete's Foot (TAF)" in Greece was announced. The agreement provides for the sale of total shares of the subsidiary company Sneakers Market SA, which has the right to use the trademark "The Athlete's Foot" and operates a network of 14 stores in Greece. The acquiring company is TAF Global Holding AG, a subsidiary of Arklyz Group AG, which has acquired the rights of the trademark "The Athlete's Foot" worldwide.

Also on 26/1/2023 the Fourlis Group announced the agreement to sell the "Intersport" activity in Turkey. The agreement provides for the sale of total shares of the subsidiary company Intersport Atletik Mağazacılık ve Dış Ticaret Anonim Şirketi, licensor of the brand "Intersport" and "The Athlete's Foot" in Turkey, which operates a network of 12 stores. The buyer is the Eren Perakende ve Tekstil Anonim Şirketi Group.

5. Stock Price Evolution

In this section we provide a Chart displaying the stock price evolution of the parent Company FOURLIS HOLDINGS S.A. at the Athens Stock Exchange for the period 1/1/2022 to 31/12/2022 (black line) compared to the Stock Exchange General Index (red line).

6. Stock Option Plan

The Extraordinary General Assembly of the Company on 22/7/2021, in the framework of the Stock Option Plan, approved the disposal of a maximum 1.600.000 stock options of one share i.e. 3.07% of the number of shares on the ATHEX and authorized the Board of Directors to regulate the procedural issues and details. The underlying share price is the closing stock price of the share on the resolution date of the General Assembly regarding the approval of the Program (SOP). The program will be implemented in a series. The duration of the Program is until the year 2028, in the sense that the options that will be granted to the beneficiaries of the Program with a grant date on 22/11/2021, may be exercised from 24/11/2024 to 15/12/2028.

Moreover, the Ordinary General Assembly of the subsidiary Company's Trade Estates REIC shareholders held on 30/6/2022 decided to establish a Program for the free distribution of common registered voting shares to executive members of the Board of Directors and to Managerial and other selected Executives of the Company.

In more detail:

The Ordinary General Assembly of the subsidiary Company’s shareholders approved a one-time reward program for listing the Company's shares for trading on the organized (regulated) market of the Athens Stock Exchange.

This Program includes executive members of the Board of Directors and Managerial and other selected Executives of TRADE ESTATES REIC (hereinafter the "Beneficiaries"), in the form of the free distribution of common registered voting shares to the Beneficiaries, through the capitalization of the Company's reserves in accordance with the provisions of article 114 Law 4548/2018 as currently in force, as a one-time reward for listing its shares for trading on the organized (regulated) market of the Athens Stock Exchange. The Board of Directors, after the completion of the listing of the Company's shares for trading on the organized (regulated) market of the Athens Stock Exchange and after receiving a relevant license from the Capital Market Commission, if required under the current legislation, will make available new shares free of charge to the Beneficiaries, the number of which will be equal to 1% of the subsidiary Company's shares TRADE ESTATES REIC as they will have been formed after the listing of the Company in the Athens Stock Exchange and before the decision of their free grant to the Beneficiaries. The period 1/1 - 31/12/2022, the amount of euro 392 thousand was registered as an expense in the consolidated results and its calculation was based on assumptions of euro 2.35 per share and 1,105,732 number of shares. The calculation of diluted earnings per share is not affected by the One-time Reward Program because it is based on targets whose achievement cannot be calculated at present.

The same Ordinary General Meeting of the subsidiary Company's shareholders approved a four-year Long-Term Reward Program for executive members of the Board of Directors, Managers and other selected Executives of the Company (hereinafter "Beneficiaries"), in the form of granting free common registered voting shares to the Beneficiaries for the achievement of specific goals and once the listing of the Company's shares for trading on the organized (arranged) market of the Athens Stock Exchange is completed. Because the number of shares in question will be determined by the Board of Directors and since the goals of the Program have been achieved, it is currently not possible to determine the fair value of the rights to free distribution of shares and therefore there was no impact on the financial statements of 31/12/2022.

7. Information about the Group's prospected plan of development

The beginning of 2022 was marked by a new, unprecedented condition which reinforces economic and social instability. The combination of recent Ukraine-centric geopolitical developments, along with the ensuing energy crisis, not only maintains but also amplifies both the problems identified in the global supply chain (supply) as a consequence of the pandemic, while by shaping inflation in today's , very high levels, now the demand is also indirectly affected.

At the same time, the European Central Bank recently proceeded to the first interest rate increase of 0.5% (above forecasts for 0.25%), after a decade at least. This increase in interest rates is an intervention by central banks with the aim of indirectly controlling the explosive increase in inflation, through the reduction of demand. Also, the significant contribution of the Recovery and Resilience Mechanism (RRF), which is estimated to contribute over euro 30 billion in total in the coming years through grants and loans on favorable terms (euro 13 billion for the private sector and euro 18 billion for public investment) will strengthen the Greek banks and the Greek economy in general.

Those critical issues such as inflationary pressures stemming mainly from the energy crisis, supply chain disruptions and recent Ukraine-centric geopolitical developments, remain at the forefront of the debate and determine the course of the global economy during 2022. Despite this, the Group's Management, based on the long-term experience of managing demanding situations and based on the strong competitive position of the Group's retail companies, have made every effort to limit the consequences created by the difficult conditions prevailing in the market and consumers.

Regarding the developments in Ukraine, the Group declares that it has no subsidiaries, parent or affiliated companies based in Russia or Ukraine, nor significant transactions with affiliated parties from Russia or Ukraine. The Group also states that it has no significant customers or suppliers or subcontractors or partners from Russia or Ukraine, nor does it maintain warehouses with goods in Russia or Ukraine. The Group states that it does not maintain accounts nor has loans with Russian Banks. The Management monitors the developments and is ready to take all the necessary measures to deal with any consequences in its operational activities.

The Group continues to implement its investment program in all the segments in which it operates, mainly in real estate investments and management of shopping centers where it is estimated that there are opportunities for expansion in the current conditions.

On 20/7/2022, the Company FOURLIS HOLDINGS SA signed an agreement for the sale of shares of 8.11% of TRADE ESTATES REIC to AUTOHELLAS ATEC. At the same time, AUTOHELLAS ATEC acquired the right to participate in an increase in the share capital of TRADE ESTATES REIC, with a contribution in kind. Until 31/12/2022 AUTOHELLAS SA had not exercised its right. After the completion of the aforementioned actions, if AUTOHELLAS ATEC exercises its rights, will own approximately 12% of the share capital of TRADE ESTATES REIC, while the rest will belong to Fourlis Group through its subsidiaries.

On 29/12/2022, a private agreement was signed for the acquisition of 100% of the share capital of the company VOLYRENCO REAL ESTATE DEVELOPMENT AND EXPLOITATION SA, a company which is active in the purchase or acquisition of real estate, construction, renovation and exploitation of commercial buildings and properties located in Greece.

Also, in May 2022, the Group's entry into the rapidly growing Health and Wellness products segment was completed, through the strategic cooperation with Holland and Barrett, one of the largest retail networks in Europe in the health and wellness sector, with WELLNESS MARKET SA . Incorporating a third retail activity, the Group's goal is to play a leading role in the segment and intends to develop in the long run a network of 120 physical stores, with physical stores being developed simultaneously with the Holland and Barrett online store in the year 2022. On 14/1/2023 the first two new stores in Kifisia and Glyfada are scheduled to start operating, while on 25/1/2023 it will start operating in Marousi (The Mall).

On 5/7/2022, it was registered in the General Commercial Registry (GCR) the partial split of the company with the name “INTERSPORT ATHLETICS” by absorption of the branch "TRADE OF SPORTING GOODS, THE ATHLETE'S FOOT" (TAF), from company "SNEAKERS MARKET SOLE SHAREHOLDER SA".

On 30/12/2022, the agreement to sell the retail trading "The Athlete's Foot (TAF)" in Greece was announced. The agreement provides for the sale of total shares of the subsidiary company Sneakers Market SA, which has the right to use the trademark "The Athlete's Foot" and operates a network of 14 stores in Greece. The acquiring company is TAF Global Holding AG, a subsidiary of Arklyz Group AG, which has acquired the rights of the trademark "The Athlete's Foot" worldwide.

Also on 26/1/2023 the Fourlis Group announced the agreement to sell the "Intersport" activity in Turkey. The agreement provides for the sale of total shares of the subsidiary company Intersport Atletik Mağazacılık ve Dış Ticaret Anonim Şirketi, licensor of the brand "Intersport" and "The Athlete's Foot" in Turkey, which operates a network of 12 stores. The buyer is the Eren Perakende ve Tekstil Anonim Şirketi Group.

In the segment Retail trading of sporting goods are operating one hundred and seventeen (117) INTERSPORT Stores and seventeen (17) TAF stores along with e-commerce stores in Greece, Romania, Cyprus, Bulgaria, and Turkey and one e-commerce store for TAF in Greece.

The Group operates seven (7) IKEA Stores, nine (9) Pick up and Order Points, three (3) IKEA shops, two (2) IKEA small store and three (3) e-commerce stores in Greece, Bulgagria and Cyprus. Based on the development plan in the three countries where the Group operates IKEA stores, (5) five medium-sized IKEA stores of 5,000 - 12,000 sq.m., and ten (10) small stores of 1,000 - 2,000 sq.m. will be opened in the next five years.

The Group’s subsidiary HOUSE MARKET BULGARIA EAD, announced that one new store will start operate in the last semester of 2023. The IKEA store of 1,800 sq.m. will be the sixth in Bulgaria and will be located in the city of Veliko Tarnovo in the Veliko Tarnovo Mall.

The orientation of the Management in the exploitation of the synergies within the Group will continue for the first half of 2023. "Integrity", "Mutual Respect" and "Efficiency" continue to be the values through which the Group seeks to achieve its goals.

8. Fourlis Group – Major Threats & Uncertainties

Risk management is handled by the Finance Department, which operates according to specific rules set by the Board of Directors.

The Group has adopted the "Enterprise Risk Management" (ERM) methodology which facilitates and enables the organization to identify, evaluate and manage risks through a structured approach. The methodology is based on the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) ERM, which provides guidance on how to integrate ERM practices and outlines their application principles. In this context, risks were identified and evaluated which were recorded in the Risk Register of the Company.

More specifically, the risk categories are: Profitability and Liquidity, Reputation and Ethics, Society and People, Regulatory Compliance, Strategy, Customers, Health and Safety, Growth and Competition, Technology and Operations . The most important risks that have been identified for the Group are:

- *Risk related to the category Society and People:* The possibility of facing difficulties in attracting, developing (including training) and retaining the required skills and talents (including new skills in digital technologies) and the relative impact on the Group's performance.
- *Risk related to the Strategy category:* The probability of failure to clearly define the strategy and to align it with the business objectives and the relevant effects on the Group's development.
- *Risk related to the category of Profitability and Liquidity:* The possibility of inefficient liquidity management, as well as the unclear liquidation strategy and the related effects on the Group's profits and liquidity.
- *Risk related to the Strategy category:* The possibility of misalignment of the business strategy with the ESG (Environmentai, Social and Corporate Governance obligations such as Climate and Sustainability and corporate governance expectations and the related effects on the financial results and the reputation of the Group.
- *Risk related to the Strategy category:* The possibility of failure to adopt state-of-the-art technology / align the IT strategy with the business strategy and new business models as well as the relative impact on the Group's reputation and revenue.
- *Risk related to the category Development and Competition:* The possibility of the emergence of new competitors (e-shop or physical stores) and the relative impact on the loss of market share.
- *Risk related to the category Development and Competition:* The possibility of entering international digital markets (marketplaces) and the relative impact on the loss of market share.
- *Risk related to the Technology category:* The possibility of high cost of information systems platforms and the impact on the Group's profits.
- *Risk related to the Technology category:* The possibility of attack in cyberspace and the relative impact on the profits, performance and reputation of the Group.

- *Risk related to the category Operations:* The possibility of mismanagement of inventories and the relevant effects on the Group's performance and income.
  The Board of Directors provides written instructions and guidelines for general risk management as well as specific instructions for the management of specific risks, such as the foreign exchange risk and the interest rate risk.

Foreign Exchange Risks:

The Group is exposed to foreign exchange risks arising from transactions in foreign currencies (RON, USD, TRY, SEK) with suppliers which invoice the Group in currencies other than the local one. The Group, aiming at minimizing the foreign exchange risks, according to the relevant needs, evaluates the need for pre purchase of foreign currencies.

Interest rate risk/liquidity risk:

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

Cash flow risk is minimized via the availability of adequate bank credit lines but also significant treasury. Further, the Group has entered into Interest Rate Swap (IRS) contracts in order to face the said risks.

Property price and lease risk

The Group is exposed to property price and lease risks as regards of the possibility of a decrease in the commercial value of the real estate and/or leases, which may come from on going situations in the real estate market in which it operates, the general conditions of the Greek and international macroeconomic environment, from the characteristics of the Company's portfolio real estate and from events concerning the Company's existing tenants.

To reduce property price risk, the Group carefully selects properties that are located in excellent position and promoted in commercial areas so as to reduce its exposure to this risk. It seeks to enter into long-term operating lease contracts, with tenants of high credibility, in which are foreseen annual adjustments of the lease related to the Consumer Price Index, while in case of negative inflation there is no negative impact on of the lease.

Risks due to the energy crisis and inflationary pressures

The Group carefully monitors the news and developments regarding the energy crisis and the inflationary pressures, in order to adjust in the special conditions arising. It complies with the official instructions of the competent authorities for the operation of its physical stores and headquarters in the countries in which it operates. It harmonizes with the current legislation and continues its commercial transactions in physical stores according to the instructions.
The energy cost for the operation of the Group's stores and warehouses is affected by the large increases observed internationally, but it is a relatively small part of the Group's operating costs.

The Group continues the strictly selected investments in both retail segments in which it operates.

Regarding the developments in Ukraine, the Group declares that it has no subsidiaries, parent or affiliated companies based in Russia or Ukraine, nor significant transactions with affiliated parties from Russia or Ukraine. The Group also states that it has no significant customers or suppliers or subcontractors or partners from Russia or Ukraine, nor does it maintain warehouses with goods in Russia or Ukraine. The Group states that it does not maintain accounts or have loans with Russian Banks.

Non-financial risks:

In addition to the financial risks, the Group also focuses on non-financial risks related to specific issues, which have been identified as essential in the context of sustainable development. These issues concern the full compliance with the legislation and the implementation of corporate governance policies, human resources, the environmental impact of the companies' activity, the supply chain, and the evolution of the companies in the market in which they operate. Risk management presupposes the definition of objective goals based on which the most important events that can affect the Group are identified, the relevant risks are assessed and a decision is made.

b) Significant Pending Court Cases/Legal Issues

There are no litigations or legal issues that might have a material impact on the Company and the Group’s Annual Condensed Financial Statements for the period 1/1 - 31/12/2022.

9. Selected Alternative Performance Measures (APMs)

Under the implementation of ESMA Guidelines (05/10/2015|ESMA/2015/1415), FOURLIS Group adopted as Alternative Performance Measure (APM) the earnings before taxes, interest and depreciation and amortization (EBITDA). Alternative Performance Measures (APMs) are used in the context of decision-making for financial, operational and strategic planning as well as for the assessment and publication of performance. Alternative Performance Measures (APMs) are taken into account combined with financial results which have been conducted according to IFRS and under no circumstances they replace them.

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

The amount most directly related to this EDMA (EBITDA) is operating profit (EBIT) and depreciation / amortization. Operating profit is presented in the income statement line and depreciation / impairment is presented in total in the Cash Flow Statement line. More specifically, the agreement of the selected EDMA with the financial statements of the Group of the respective period is the following:

(amounts in thousands euros)

	Group Consolidated Results	
	1/1-31/12/2022	1/1-31/12/2021
PBT	**20,007**	**12,079**
Total Finance cost/income and Contribution of associate companies	13,741	14,794
Depreciation/Amortization/Impairment	25,334	29,318
Earnings before interest, tax, depreciation, amortization and impairment (EBITDA)	**59,081**	**56,191**
Depreciation of right of use (IFRS16)	(19,442)	(18,049)
EBITDA (OPR)	**39,639**	**38,142**

	Retail trading of home furniture and household goods segment (IKEA Stores)	
	1/1-31/12/2022	1/1-31/12/2021
PBT	**23,849**	**12,099**
Total Finance cost/income and Contribution of associate companies	7,712	8,375
Depreciation/Amortization/Impairment	4,410	10,930
Earnings before interest, tax, depreciation, amortization and impairment (EBITDA)	**35,971**	**31,405**
Depreciation of right of use (IFRS16)	(5,475)	(5,573)
EBITDA (OPR)	**30,495**	**25,832**

Certain amounts of the previous year have been adjusted to reflect their nature (from expenses included in the cost of sales to distribution expenses and administrative expenses with a corresponding adjustment for depreciation/impairment). More specifically, last year's amounts included in the cost of sales of the subsidiary TRADE LOGISTICS S.A have been adjusted to become similar and comparable to the corresponding amounts of the current period and to be reflected, depending on their nature, in the distribution expenses and administrative expenses. A corresponding adjustment was made for depreciation/impairment.

In addition, last year's amounts have been adjusted to better reflect changes in the way expenses are allocated between the Group's operating segments. More specifically, the expenses of the subsidiary TRADE LOGISTICS SA of the previous period have been adjusted to become similar and comparable to the corresponding amounts of the current period regarding the way of apportioning the expenses of the operating segments where the supply chain services are provided.

	Retail trading of sporting goods segment (INTERSPORT and TAF Stores)	
	1/1-31/12/2022	**1/1-31/12/2021**
PBT	**(369)**	**2,062**
Total Finance cost/income and Contribution of associate companies	5,984	6,398
Depreciation/Amortization/Impairment	20,382	18,091
Earnings before interest, tax, depreciation, amortization and impairment (EBITDA)	**25,997**	**26,551**
Depreciation of right of use (IFRS16)	(13,569)	(12,312)
EBITDA (OPR)	**12,428**	**14,238**

Certain amounts of the previous year have been adjusted to reflect their nature (from expenses included in the cost of sales to distribution expenses and administrative expenses with a corresponding adjustment for depreciation/impairment). More specifically, last year's amounts included in the cost of sales of the subsidiary TRADE LOGISTICS S.A have been adjusted to become similar and comparable to the corresponding amounts of the current period and to be reflected, depending on their nature, in the distribution expenses and administrative expenses. A corresponding adjustment was made for depreciation/impairment.

In addition, last year's amounts have been adjusted to better reflect changes in the way expenses are allocated between the Group's operating segments. More specifically, the expenses of the subsidiary TRADE LOGISTICS SA of the previous period have been adjusted to become similar and comparable to the corresponding amounts of the current period regarding the way of apportioning the expenses of the operating segments where the supply chain services are provided.

10. Sustainable Development and Social Responsibility

This Non-Financial Statement is part of the Annual Report of the Board of Directors and includes information related to all the activities of FOURLIS Group on the following thematic aspects, as defined in article 151 of Law 4548/2018, codified by 5019/2023 Government Gazette A' 104/13-06-2018 , as well as the EU Taxonomy Regulation 2020/852:

- Business model.
- Main non-financial risks.
- Strategic Sustainable Development Goals.
- Social and labor issues.
- Respect for human rights.
- Anti-corruption and issues related to bribery.
- Environmental issues/Climate change.
- Supply chain issues.
- Taxonomy report.

In this Statements, information has been included regarding the common European supervisory priorities for the annual financial reports and statements for the year 2022, as announced by ESMA (European Enforcers focus on Russia's invasion of Ukraine, economic outlook and climate-related disclosures and European Common Enforcement Priorities 2022) and in particular Priority 1: Climate-related matters, Priority 2: Disclosures relating to Article 8 of the Taxonomy Regulation and Priority 3: Reporting scope and data quality.

The purpose of this Statement is to inform the Group's stakeholders fully and comprehensively about the strategy, objectives and performance of FOURLIS in its value chain (upstream, midstream, downstream). In the context of its sustainable development strategy, the Group recognizes key performance indicators, while it will set relevant measurable targets in 2023, in order to:

- monitor the implementation process of the sustainable development strategy, but also
- identify in a timely manner potential challenges that may hinder its implementation, and thus proceed with any necessary corrective actions.

These indicators and related targets, which will be made public in the Sustainable Development and Social Responsibility Report 2022, will be based on both the results of the materiality analysis and international good practices.

FOURLIS Group's Sustainable Development and Social Responsibility Division is responsible for the preparation of this information, and undertakes to gather all the necessary information, in cooperation with the competent departments within the Group. The BoD of the Group validates the financial report, part of which is this non-financial statement.

The content of this Statement has been drafted by taking into consideration the GRI Standards 2021. In addition, it incorporates metrics of the Athens Stock Exchange ESG Reporting Guide, published in 2022.

FOURLIS HOLDINGS S.A. (parent company) participates since 2021 in the new ATHEX ESG Index of the Athens Stock Exchange.

Stakeholder Engagement and Materiality Analysis

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

FOURLIS Group and its subsidiaries' stakeholders, are those individuals or groups that have interests that are affected or could be affected by the organization's activities. The main stakeholder groups of the Group are the following: employees, shareholders/institutional investors/financial analysts, customers, suppliers/ partners, civil society, local communities, government and supervisory authorities/state, business community, Media and NGOs. Having identified and prioritized its stakeholders, the Group invests in a continuous and mutual way contact and communication with them, in order to maintain a constant flow of information to and from the Group, regarding their requests, concerns and expectations. The role and views of the Group's stakeholders are key elements that fuel the Group's effort to improve its products and services, as well as its sustainable operation and development, and thus, the management of these issues, the objectives' setting etc., are decided at Board of Director's level.

In the context of the continuous improvement of the approach to Sustainable Development and Social Responsibility topics, FOURLIS Group conducts a materiality analysis, in accordance with the GRI Standards 2021 (the process and the results will be available in the FOURLIS Group Sustainable Development and Social Responsibility Report 2022 which will be published in June 2023), to prioritize the topics that present the most material actual and potential (positive and negative) impacts to the environment, people and economy.

Sustainable Development Policy and Strategy

[ATHEX ESG Metric C-G4]

In 2021, FOURLIS Group proceeded with the completion and publication on its site www.fourlis.gr, of the Sustainable Development Policy which concerns all its companies and was approved by the Board of Directors. The Sustainable Development Strategy of FOURLIS Group is based on Sustainable Development material topics, as they arise through the materiality analysis, which is carried out according to the GRI Standards 2021.

Sustainable Development Oversight

[ATHEX ESG Metrics C-G2, C-G4]

Sustainable development topics are discussed at least once a year in the Group's Executive Committee, which is attended by executives of the Group's companies, as well as by executive members of the BoD, with knowledge on Sustainable Development and ESG matters, who in turn communicate the sustainable development topics to the rest BoD Members, in order, according to the results of the materiality analysis, to set priorities and corresponding goals, during the BoD meetings.

In addition, FOURLIS Group Sustainable Development and Social Responsibility Division informs the Audit Committee about the work carried out in the Sustainable Development field and relevant issues are included in the Activities Report of the Committee.

a) Business model

FOURLIS Group, with its headquarters located at 18-20 Sorou Street (Building A), 15125 Maroussi, is one of the largest trading groups of consumer goods, who has developed activities in Greece, Cyprus, Bulgaria, Romania and Turkey.
More information regarding the business environment, strategy, objectives and main progress and factors that could impact on the Company's development, are available in the following chapters of the Board of Directors' Annual Report:

- Section 1. THE GROUP – Business Segments
- Section 4. Operating performance-Important developments.
- Section 7. Information about the Company's prospected plan of development.
- Section 8. Major threats and uncertainties faced by the Company,

as well as in the following paragraphs.

b) Main non-financial risks

Risk Management

The risk management is carried out by the Finance Division with specific rules set by the Board of Directors.

FOURLIS Group has adopted the "Enterprise Risk Management" (ERM) methodology, which facilitates and enables the identification, evaluation and management of risks through a structured approach. The methodology is based on the framework COSO (Committee of Sponsoring Organizations of the Treadway Commission) ERM, which provides guidance on how to integrate ERM practices and outlines the principles of their implementation. In this context, risks recorded in the Risk Register of Company were identified and evaluated.

More specifically, the risk categories are: Profitability & Liquidity, Reputation & Ethics, Society & People, Compliance, Strategy, Customers, Health & Safety, Development & Competition, Technology and Operations.

The most important non-financial risks identified for the Group are:

- *Risk related to the Society and People category*: The possibility of experiencing difficulties in attracting, developing (including training) and maintaining the required skills and talents (including new skills in digital technologies) and the related impact on the Group's performance.
- *Risk related to the Strategy category*: The possibility of non-alignment of the business strategy with ESG (Environmental, Social and Corporate Governance) obligations such as Climate & Sustainability and corporate governance expectations and the related impact on the Group's financial results and reputation.

The Board of Directors provides written instructions and guidance for general risk management as well as specific instructions for the management of specific risks.

c) ESG Strategic Objectives

[ATHEX ESG Metric A-G3]

The Group significantly contributes to the achievement of ESG performance objectives related to its business model. The 2023-2024 objectives are under development and will be finalized following the completion of the new materiality analysis, based on the GRI Standards 2021. The relevant objectives will be made publicly available in the Sustainable Development and Social Responsibility Report 2022.

	TOPIC	OBJECTIVES 2022	RESULTS 2022
For our People	**Creating and retaining employment**	Maintaining the number of employees according to the Group's business plans.	Maintaining the number of employees according to the Group's business plans.
	Protecting employee health, safety and well-being	Zero incidents of fatalities and/or high consequence work-related injuries.	Zero incidents of fatalities and/or high consequence work-related injuries.
	Protecting human rights in the workplace	Zero incidents of human rights violations in the Group.	Zero incidents of human rights violations in the Group.
For the Society	**Creation of financial value / financial performance of the company** **Active / responsible social contribution and organization of voluntary actions for employees**	Maintaining existing programs.	Maintaining of existing and implementation of new programs with expansion of the benefited social groups (actions to support those affected by the war in Ukraine).
For the Market	**Ensuring business ethics and regulatory compliance**	- No existence of significant findings during the mandatory external evaluation of the internal control system for the period 17/7/21-31/12/22 that will be carried out within Q1 2023.	- - Based on the evaluation report from an external partner, there was no finding during the reference period. - In 2022 there were 10 cases of limited-scale fraud with non-material financial scale was recorded at the

		- Zero incidents of fraud/corruption.	subsidiaries. These incidents were identified by the Group internal controls processes and were assessed as non-significant, while all the necessary measures were implemented.
	Ensuring the health, safety and accessibility of customers and visitors	Zero incidents of non-compliance with regulations and voluntary codes relating to customers' and visitors' health and safety issues.	Maintaining zero incidents.
	Ensuring business continuity and emergency preparedness	Development of a risk management system according to the COSO ERM methodology.	Risk assessment continued, based on the COSO ERM methodology.

d) Social & labor issues

d1. Social Issues

Ensuring the health, safety and accessibility of customers and visitors

Corporate policies and due diligence

Facilities/Stores

Placing particular emphasis on prevention, FOURLIS Group complies with current legislation and applies a Health and Safety Policy (is contained in the Internal Labor Regulations of its companies) for all Group's subsidiaries, in all countries of operation. The Policy includes a wide range of relevant procedures, measures and initiatives, regarding the safe stay of visitors, customers, partners and employees in the Group's facilities. Any variations of the relevant procedures, by country or region, depend on the size of the facilities as well as on the existing national legislation of the Group companies' country of activity. In this context, some of the practices applied at FOURLIS Group are the following:

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

In order to ensure the adherence of the Health and Safety Policy, regular audits are carried out by safety technicians in all the facilities of FOURLIS Group. All health and safety incidents occurring within the Group's facilities and stores are reported. At the same time, in the context of this policy a Safety Report is compiled for each store as well as a consolidated one for all of them. The report includes information not only on the number and type of incidents, but also on the way they were addressed. Through these reports the Group is able to receive useful information regarding the effectiveness of its policies so as to proceed to the improvement of the applied practices, where needed.

Products

Impacts on the health and safety of customers during product use may mainly be caused by either defective design and inadequate operating instructions or product misuse or improper assembly of products.

The Group manages health and safety topic through the compliance of the products traded by its subsidiaries, in all countries of its activity, ensuring cooperation with suppliers and franchisors that meet European and national quality and safety laws and regulations for the products it sells (the above includes food available through restaurants in IKEA stores).

IKEA

IKEA provides a multiannual product guarantee, which in some cases reaches 25 years, while a product withdrawal policy is followed and applied. At the same time, IKEA monitors product returns and if an increased number of returns of an item is observed (due to a defect), specific procedures, that have been defined worldwide by IKEA, are followed for the information of all interested parties.

In addition, a Food Safety System, according to the international standard ISO 22000, is implemented in all IKEA stores' restaurants in Greece and Cyprus. For the stores in Bulgaria the re-certification process has begun and is expected to be completed in 2023. More information regarding any current recalls is available on the company's website Product Recall | IKEA Greece**.**

INTERSPORT

Both INTERSPORT's and The Athlete's Foot's policy focuses on the inclusion of terms in their contracts with suppliers, which stipulate the compliance with all applicable regulations and laws, regarding the products that they source from them.

In cases of defective products, INTERSPORT & The Athlete's Foot immediately proceed to their withdrawal and replacement and initiates all the necessary procedures in order to inform all the pertinent institutions, such as the Ministry of Development and Investments, consumers' associations and consumers in general, via a specific press release.

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

[GRI 416-2, ATHEX ESG Metric SS-S1]

Facilities/Stores

- For 2022, there were no fatalities and/or high-consequence accidents of customers, visitors and partners at the Group's companies' stores and facilities.
- In 2022, 3 audits in relation to health and safety matters in IKEA and INTERSPORT stores were carried out in total, by the Internal Audit Department and specifically in the categories Health and Safety of Stores and Food Health and Safety.

Products

- There were no cases of non-compliance with the legislation and/or voluntary Health and Safety codes for FOURLIS Group's products.

Product compliance and labeling

Corporate policies and due diligence

IKEA

IKEA products have special labeling and signs aiming to provide information and advice to consumers such as information related to product manufacturing and origin, their environmentally friendly characteristics, their dimensions, their life cycle, whether a product must be used only by adults, etc.

Moreover, in compliance with the relevant legislation of the European Union and more specifically with the Regulation for energy labeling (EU) 2017/1369, the new energy labels are available on specific appliances sold, as well as to all lamps. More information is available on the website New energy label | IKEA Greece.

INTERSPORT & The Athlete's Foot

The Commercial Department of INTERSPORT and The Athlete's Foot, which is responsible for product compliance, oversees adherence to market regulations, as well as the European Union CE labeling. The products hold special labeling and indications in order to provide information and advice to consumers regarding their use, as well as information concerning the manufacturing etc.

Responsible communication

IKEA

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

IKEA stores varies according to their location, in order to meet local community's standards and local culture.

The company mainly uses electronic media, with a steady increase in the use of new forms of communication, such as digital media and social networks. The Communication Division and the Marketing Department are responsible for the company's marketing policy.

INTERSPORT & The Athlete's Foot

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

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

- There were no incidents of non-compliance concerning product and service information and labeling **[GRI 417-2]**.
- There were no incidents of non-compliance with regulations and voluntary codes regarding marketing communication, including advertising, promotion and sponsorships **[GRI 417-3]**.

Personal data protection

[GRI 418-1, ATHEX ESG Metric C-G6]

Corporate policies and due diligence

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

FOURLIS Group values the trust of all those who enter a transaction with it and has designed and implements (to all its subsidiaries), a personal data policy for all natural persons (visitors, partners, customers, suppliers, current, former and candidate employees). Personal information collected for business needs, after obtaining legal consent, are safely protected with due diligence, to safeguard the rights of natural persons, in accordance with the existing legislation and Data Protection Authority guidelines (GDPR), in all countries where the Group companies operate.

All Group's employees in all counties where it operates, have received training in GDPR issues, either via classroom seminars or via e-learning. GDPR training is also a part of the induction program for all new employees.

Compliance with the relevant legislation and data security is examined at Group's companies Board of Directors level.

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

[GRI 418-1, ATHEX ESG Metric C-G6]

- Unrestricted implementation of policies and procedures in relation to personal data protection.
- 6 internal audits were carried out by the Internal Audit Department, which did not reveal any high-risk findings on personal data issues (some of the audits are not exclusive to GDPR issues).
- The Competent Authority has not ascertained any violation of the provisions of the General Data Protection Regulation (GDPR) and Law 4624/2019.

Active/responsible social contribution and organization of voluntary actions for employees

Corporate policies and due diligence

FOURLIS Group daily operates daily for the realization of its commitment and vision, which is *the creation of the conditions for a better life for all*.

In this context, FOURLIS Group seeks to be in constant connection with the citizens and the wider society in the countries where it operates, through established communication and engagement channels aiming to be informed about their needs and to understand them.

In addition, it proceeds with the evaluation and prioritization of the needs and designs programs and actions with criteria to meet the real and important needs of each local community, but also

those that are more in line with the Group's social responsibility strategy (supporting vulnerable social groups and mostly children), the number of beneficiaries, as the well as the nature of its activities.

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

The Sustainable Development and Social Responsibility Division is in constant and close communication and cooperation with executives from all Group's companies to plan, coordinate and implement, jointly, these actions.

The countries where social responsibility programs and actions took place in 2022 were Greece, Cyprus, Bulgaria and Romania.

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

Some of the most important programs and actions implemented in 2022 to support society, are presented below. More information will be included in the Group's annual Sustainable Development and Social Responsibility Report for 2022.

- HOUSEMARKET (IKEA stores) and FOURLIS Group continued, for a 10th year, the "Stations of Joy" program through which they support municipal nursery schools and kindergartens throughout Greece. In 2022, the full refurbishment of 5 Municipal nursery Schools and kindergartens was implemented in Thesprotiko of Preveza, in Kavallari of the Municipality of Lagadas, in Servia of Kozani, as well as in Velestino and the Rizomilo of Magnesia, in collaboration with the competent Municipal Authorities. Since the beginning of the program in Greece, a total of 83 nurseries and kindergartens have been equipped for more than 3,600 children. The "Stations of Joy" program was implemented in 2022 in Cyprus, where 2 community nursery schools were fully equipped in Tseri and Moniatis. Since the beginning of the program in Cyprus, a total of 13 community kindergartens have been equipped for more than 320 children.

- HOUSEMARKET supports the work of "Make-a-Wish Greece" organization, contributing to granting the wishes of children diagnosed with critical illnesses. In 2022 31 children's rooms, that wished to have the room of their dreams, were equipped, while, since the beginning of the cooperation between IKEA and Make-A-Wish, a total of 132 children's rooms have been equipped.
- HOUSEMARKET supported the work of Symplefsi NPO, by offering products for the equipment of the nursery schools of Erikousa and Iraklia, which the Organization visited as part of its autumn mission to islands.
- The restaurants of the IKEA Stores and the restaurant of the Group's headquarters provided free meals at Institutions and Organizations in Greece, to feed people in need, in cooperation with the Non-Profit Organization "BOROUME". A similar action was implemented in 2022 by the IKEA Cyprus store, offering meals to the Pancyprian Single Parents and Friends Association (www.singleparentscy.org).
- HOUSEMARKET hosted WWF representatives at IKEA stores in Airport, Kifissos, Piraeus, Maroussi (The Mall Athens) and Larissa with the aim of informing and raising public awareness about the work of the Organization. A similar action was implemented with the United Nations High Commissioner for Refugees (UNHCR), where its representatives were hosted at the IKEA stores at Airport, Kifissos, Thessaloniki and Maroussi (The Mall Athens), with the aim of raising public awareness of its actions on the issue of the devastating war in Ukraine and the provision of assistance to the millions displaced by the war and in particular to unaccompanied minor refugee children.
- INTERSPORT ATHLETICS S.A. (INTERSPORT & The Athlete's Foot stores) continued the #WOMANISM action, which aims at the empowerment of women. On the occasion of International Women's Day INTERSPORT organized, on its Instagram page, live discussions with Daphne Karavokiri, Xenia Dania and Elisavet Pesiridou and moderator Jenny Melita, who shared their personal stories, the difficulties they encountered, but also the ways that helped them overcome obstacles and get closer to their goal & dreams.
- INTERSPORT ATHLETICS S.A. proceeded in cooperation with the Organization "Mission ANTHROPOS" and offered 949 pieces of footwear, 614 pieces of clothing and 255 pieces of accessories, for the organizations cooperating with the Organization, "METADRASI", Social EKAB, ASB (Arbeiter Samariter Bund) and the Cultural Educational Association of Women of Drossero Xanthi "Elpida". The items were distributed, from the central points of distribution of the operators in Athens and Thessaloniki, to places all over Greece such as Ioannina, Xanthi, Chios and Samos.
- FOURLIS HOLDINGS S.A continued supporting the Association "DIAZOMA", the Non-Profit Organization "Opheltes - The Friend of Nemea", the "The Society for the Revival of the Nemean

Games" and the "Hellenic Society for the Protection of the Environment and the Cultural Heritage".

- HOUSEMARKET Bulgaria EAD (IKEA Bulgaria stores) implemented actions to support children from vulnerable social groups. In this context, in 2022 the subsidiary:
  - Offered children's furniture and toys for the "Blue Dots" points established by UNICEF and UNHCR in Sofia, Ruse, Dobrich, Nurankulak, Burgas and Varna. These are places of protection and support of refugees providing families and children with useful information and services. In 2022, through these points, families who fled their country due to the war in Ukraine were supported.
  - continued its cooperation with UNICEF in support of the "Steps Together" program. The objective of the program is to change the school environment and create spaces where children feel confident to share ideas for improving it, so as to create conditions to reduce stress and withdrawal from the school routine. In this context and in collaboration with UNICEF, IKEA, on the occasion of the Pink Shirt Day on February 23, 2022, created an awareness campaign for employees, customers and the wider public on the issue of bullying at school and provided information and advice to prevent the issue.
  - donated furniture items for the formation of the new training center of Karim Dom in Varna, an organization with a leading role in providing professional services for children with special needs and their families. This center, which opened in September 2022, will also be used for UNICEF training programs. IKEA Varna store employees worked voluntarily for the assembly of the furniture.
  - proceeded to the design and full equipment of a space in the high school of the remote village of Dermantsy, transforming the space of the old library of the school into a hospitable and comfortable space where more than 200 children will be able to take film and photography lessons but also relax, watch movies, read books, participate in activities, etc.

Emergency response

- Provision of equipment for the formation of host spaces for families from Ukraine to the Zanneio Ekali Foundation and the Reception Structure of the Ministry of Migration and Asylum in Northern Greece.
- Continuation, by HOUSEMARKET S.A., (IKEA stores in Greece), of the support program for the fire victims of Eastern Attica (2018) with discount policies of purchases and deliveries of residential equipment to the beneficiaries.
- Reinforcement of a team of forest firefighting and forest protection volunteers in Evia, for the supply of special equipment.
- Continuation of WWF Hellas supporting program for dealing with the effects of forest fires, with emphasis on Evia. WWF Hellas has undertaken the obligation to include in its actions the organization ANIMA for the rescue and care of wild animals in Evia and other fire-affected areas. IKEA will offer WWF Hellas 10% of each sale of rechargeable batteries and chargers for 3 years (starting from September 2021). The amount paid for this purpose, to date, amounts to euro 40,000.

Corporate volunteerism

- Collection and donation of food and necessities, by the Group's employees in Greece, Cyprus, Bulgaria and Romania, to organizations that support vulnerable groups of our fellow human beings.
- Organization of voluntary blood donation for the employees of FOURLIS Group, in the facilities of the Group companies in Greece and Cyprus, through which a total of 256 bottles of blood were collected.
- Organization of a voluntary action in the context of which employees of the IKEA Thessaloniki store cooked voluntarily and under the guidance of experienced chefs and students of the School of Cooking and Confectionery La Chef Levi, more than 250 portions of food which they donated, through the NGO "Boroume", to the "Lighthouse of the World" for the feeding of the hosted children.
- Voluntary participation of FOURLIS Group employees in the action "Become a Seller for 1 Hour" organized by the street magazine SHEDIA, in central points of Attica and Thessaloniki. Through this process they had the opportunity to meet the regular seller of the day, to learn more about the daily struggle he gives for a decent life, to try their hand at sales, but mainly to send their own message against poverty and social exclusion.

More information will be included in the Group's annual Sustainable Development and Social Responsibility Report for 2022.

d2. Labor issues

Creating and retaining employment

Corporate policies and due diligence

FOURLIS Group is its people, all those who daily support its operations. At FOURLIS Group, the creation and safeguarding of job positions, ensuring a healthy and safe working environment, meritocracy and personal development, respecting for human rights, as well as the provision of equal opportunities for education, evaluation, development and reward for all, are the focus of its philosophy and practices.

The approach of FOURLIS Group to the topics of employment and relationships with its employees directly affect their performance, retention and development, while these issues are also significant for the Group's long-term sustainable development. The following are the main pillars of the policy, regarding the staff recruitment and their professional development:

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

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

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

[GRI 2-7]

On 31/12/2022, FOURLIS Group numbered 4,116 employees.

Year	2021					2022				
Region	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total
Greece	1,348	1,168	0	0	2,516	1,420	1,159	0	0	2,579
Cyprus	166	188	0	0	354	181	188	0	0	369
Romania	245	205	0	0	450	251	210	0	0	461
Bulgaria	323	207	0	0	530	321	225	0	0	546
Turkey	62	98	0	0	160	62	99	0	0	161
Total	**2,144**	**1,866**	**0**	**0**	**4,010**	**2,235**	**1,881**	**0**	**0**	**4,116**

GREECE	2022				
	Women	Men	Other	Not disclosed	Total
Number of permanent employees	1,350	1,084	0	0	**2,434**
Number of temporary employees	70	75	0	0	**145**
Number of non-guaranteed hours employees	0	0	0	0	**0**
Total	**1,420**	**1,159**	**0**	**0**	**2,579**
Number of full-time employees	644	751	0	0	**1,395**
Number of part-time employees	776	408	0	0	**1,184**
Total	**1,420**	**1,159**	**0**	**0**	**2,579**

CYPRUS	2022				
	Women	Men	Other	Not disclosed	Total
Number of permanent employees	181	187	0	0	**368**
Number of temporary employees	0	1	0	0	**1**
Number of non-guaranteed hours employees	0	0	0	0	**0**
Total	**181**	**188**	**0**	**0**	**369**
Number of full-time	90	114	0	0	**204**

employees					
Number of part-time employees	91	74	0	0	**165**
Total	**181**	**188**	**0**	**0**	**369**

ROMANIA	2022				
	Women	Men	Other	Not disclosed	Total
Number of permanent employees	221	174	0	0	**395**
Number of temporary employees	30	36	0	0	**66**
Number of non-guaranteed hours employees	0	0	0	0	**0**
Total	**251**	**210**	**0**	**0**	**461**
Number of full-time employees	201	181	0	0	**382**
Number of part-time employees	50	29	0	0	**79**
Total	**251**	**210**	**0**	**0**	**461**

BULGARIA	2022				
	Women	Men	Other	Not disclosed	Total
Number of permanent employees	316	225	0	0	**541**
Number of temporary employees	5	0	0	0	**5**
Number of non-guaranteed hours employees	0	0	0	0	**0**
Total	**321**	**225**	**0**	**0**	**546**
Number of full-time employees	262	163	0	0	**425**
Number of part-time employees	59	62	0	0	**121**
Total	**321**	**225**	**0**	**0**	**546**

TURKEY	2022				
	Women	Men	Other	Not disclosed	Total
Number of permanent employees	38	67	0	0	**105**
Number of temporary employees	24	32	0	0	**56**
Number of non-guaranteed hours employees	0	0	0	0	**0**
Total	**62**	**99**	**0**	**0**	**161**
Number of full-time employees	41	64	0	0	**105**
Number of part-time employees	21	35	0	0	**56**
Total	**62**	**99**	**0**	**0**	**161**

[ATHEX ESG METRIC C-S4]

Human Resources Turnover Rate	**2022**	**2021**	**2020**
Involuntary turnover rate	2.07%	2.10%	2.70%
Voluntary turnover rate *	32.40%	34.80%	22.80%

**Due to the nature of the business activities (IKEA/INTERSPORT/The Athlete's Foot stores) the voluntary turnover rate varies among the years.*

[GRI 2-30, ATHEX ESG Metric C-S7]

FOURLIS Group implements the applicable legislation on employment contracts for 100% of its employees in all countries of operation.

Employee training and education

Corporate policies and due diligence

Education

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

The first training program for every Group employee is an induction program, through which it is ensured that all the newly hired employees are informed about:

- The Group's history, Principles and structure.
- The General Data Protection Regulation (GDPR).
- The Group's Performance Appraisal system.
- The Digital Transformation.

This program is implemented both in classroom and via e-learning. In addition, all newly hired employees are informed about the Procedure for the Prevention, Detection and Management of Conflict of Interest and for the Code of Conduct by the internal communication tool (F2F) and receive the Internal Labor Regulations of each company.

The preparation for the e-learning trainings on issues such as Diversity & Inclusion, Compliance & Conflict Management System and Risk Management, started during 2022. These trainings will be mandatory for all and will take place in 2023.

All FOURLIS Group employees are members of the Training Academy of the Group "FOURLIS Learning Academy", which has been operating since 2011, and participate in programs according to their role requirements and their needs for personal development.

FOURLIS Learning Academy consists of 4 programs in total:

1. GREEN PROGRAM
2. SILVER PROGRAM
3. GOLD PROGRAM
4. PLATINUM PROGRAM

The training courses, which are annually updated, are developed in four pillars:

- Leadership
- Business Operations
- Health and Safety
- Sales-Products

Within the framework of the academy a new program, FOURLIS Retail Diploma, was launched in 2016. The program was designed and created to provide high-level knowledge from University professors and senior executives of both the market and FOURLIS Group in a range of fields, mainly focusing on Retail Management. The program is attended by employees of all the Group companies from all countries of operation. Each year a new class begins, with the participation of –on average- 16 employees from all the countries where the Group operates. Their selection is based on a series of objective and meritocratic criteria. The total duration of the program is 2.5 years.

Performance Appraisal and Development

[GRI 404-3]

The Group implements an annual Performance Appraisal and Development Review System for all its employees, to ensure that the evaluation process is and will remain transparent. In this way it ensures a fair working environment and creates an operational succession plan for executives at positions of high responsibility.

In 2020, the Performance Appraisal and Development process was renewed, to meet current business needs. Specifically, the employees' evaluation competencies were renewed to be harmonized with the era and strategic priorities of the Group and in addition, employee self-assessment and the completion of a questionnaire of professional ambitions became mandatory. This gives the employee a more active role in evaluating their performance and communication between the appraisers and the appraised is further improved. The overall result of this procedure ensures even more the meritocratic capture of the employees' dynamics, in relation to their growth and development plan. The performance Appraisal and Development Review process, which includes the assessment of the agreed measurable objectives and the assessment of employees' skills and behavior, is conducted once a year for all employees in all Group's companies. At the same time, all actions related to the employees' Development plan are recorded on the Appraisal Review report.

Furthermore, since 2013 the Group implements a 360° Evaluation Procedure for its Executives (Managers and Supervisors), in cooperation with an independent consulting company, that took place for the Company in 2022. The 360° Evaluation is a tool that offers the opportunity to those collaborating at any job level (supervisors, subordinates, colleagues), to openly express their opinion, providing constructive comments on the behavior and the management style of the employees under evaluation. Through this process, the 360° Evaluation is a self-improvement tool that contributes to understanding the needs, identifying the strengths and the areas for improvement and thus, empowering collaboration.

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

Education

By the end of 2022, the Retail Diploma program has been attended by a total of 60 employees coming from all countries where FOURLIS Group operates, and 59 employees have graduated. In 2022 no new class started, due to the COVID-19 pandemic, as attending in person is necessary for the program.

Performance Appraisal and Development Review

[GRI 404-3]

The total number of employees (100%) received regular performance and development review, during 2022, except for the subsidiary TRADE ESTATES that started its operations in 2021 and for which the total number of employees (100%) will receive a regular performance and development review in 2023 for the year 2022.

Average hours of training

[GRI 404-1]

In class Learning	Average hours of training by gender				Average hours of training by employee category		
	Men	Women	Other	Not disclosed	Employee	Supervisor	Manager
2022*	7.9	10.9	0	0	8.3	15.6	5.2
2021**	2.8	2.9	0	0	2.8	3.2	2.9

E-learning	Average hours of training by gender				Average hours of training by employee category		
	Men	Women	Other	Not disclosed	Employee	Supervisor	Manager
2022*	2.6	2.8	0	0	2.7	2.5	2.5
2021**	1.5	1.6	0	0	1.6	2.3	1.3

**In 2022, there is an increase in the average training due to the improvement of the conditions created due to COVID-19 and the return of employees to the training programs.*

***In 2021, Turkey did not proceed with training sessions.*

More information and data regarding the results of the policies in topics of training and education of FOURLIS Group's employees, will be available at the FOURLIS Group's annual Sustainable Development and Social Responsibility Report 2022.

Employee health, safety and wellbeing at work

Corporate policies and due diligence

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

An important priority is to safeguard compliance with the Health and Safety Policy. Responsible for the implementation of the Policy is the FOURLIS Group's Human Resources Division and specifically, the Health and Safety Department.

FOURLIS Group has developed and implements an Occupational Health and Safety management system, which complies with all legal requirements, as well as the requirements of the "ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases". The system applies to all the activities, stores and facilities of the Group, as well as all employees (100%), suppliers and partners (e.g., cleaning staff) working in or visiting its facilities. The FOURLIS Group Health and Safety Director is responsible for the system implementation.

The System is not certified according to ISO 45001, thus it is not externally assured by an external independent party. However, an internal audit is carried out by the Group's Internal Audit Department.

Moreover, FOURLIS Group carries out all the actions required by law on risk management. In particular, intensive audits are carried out by safety technicians in all Group's companies' facilities. Safety technicians perform their duties according to the degree of risk posed by each facility.

As required by law, the Group provides the services of an Occupational Physician. Visits by the Occupational Physician are conducted according to legislative requirements. Employees can visit the Occupational Physician within their working hours. Medical confidentiality is strictly observed.

The Occupational Physician makes recommendations to the Group's Human Resources Division for several issues, such as providing guidance on the COVID-19 pandemic. The Occupational Physician also prepares an occupational health and safety report submitted to the Hellenic Labour Inspectorate.

In the large IKEA stores, as well as in the facilities of TRADE LOGISTICS and the Group's headquarters, there are doctor's offices and automatic external defibrillators.

The Group invests in the continuous and regular training of all its employees, so that they can respond to emergencies that affect both their own safety and that of visitors and partners at its facilities.

In particular, employee training includes the following:

- Performing scheduled annual exercise on store evacuation with the participation of customers.
- Performing scheduled biannual exercise on store evacuation, without the participation of customers.
- Performing regular fire safety exercises.
- Training of First Aid Groups.
- Training of Fire Safety and Firefighting Teams.

It also implements regular occupational safety trainings for department-specific employees where this is necessary due to the nature of their work, such as those who are employed in restaurants, warehouses, the decorating team, maintenance, carpentry.

FOURLIS Group aims to prevent and mitigate any impacts on the health and safety of its partners/suppliers arising from potential risks. Alongside, it ensures training of the partners and suppliers, who work in Group's facilities, on the Group's policies and practices in health and safety matters, while it also provides the required equipment.

Also, for the 12th consecutive year FOURLIS Group's Sustainable Development and Social Responsibility Division implemented the EF ZIN (Well-being) program, with the main objective to inform employees on health and well-being issues and to encourage them to adopt a healthier lifestyle. In the context of this program, actions regarding healthy diet, health and prevention, mental health, exercise, etc., are taking place every year.

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

- In 2022, there were no fatalities and/or high-consequence work-related accidents in all the Group's companies.
- As a result of the overall management approach regarding Health and Safety topics, in the latest biennial Employee Insight Survey conducted in 2021, the area that gathered the greatest satisfaction of the human resources, was safety.
- In 2022, in the context of the EF ZIN (Well Being) program:
  - A Mediterranean Diet program took place, as well as a free consultation program (a total of 54 sessions were carried out for 16 people) which was implemented in collaboration with dieticians and nutritionists for Group employees in Greece, Cyprus and Bulgaria.
  - The operation of the Counseling/Psychological support line remained active (a total of 262 calls were made by 111 people), which is implemented in collaboration with psychologists and is provided 24/7/365 to employees and their relatives (spouses, children) in Greece and Cyprus.
  - The implementation of psychology e-seminars for employees in Greece and Cyprus continued. The seminars were attended by 95 people.
  - The service of individual online psychology e-seminars for employees in Greece and Cyprus was inaugurated. The service was implemented from October to December and 24 appointments were made.
  - For the employees of the Group in Greece, the implementation of online fitness classes continued.
  - Sports tournaments were held in Attica and Cyprus.

In addition, on the occasion of Cancer Prevention Day and World Heart Day, FOURLIS Group in collaboration with IASO and IASO General Clinic carried out, at the Group's facilities in Attica, mammalogical and cardiac examinations for employees. A total, of 75 women and 63 men participated in these exams, which are planned to continue for employees outside Attica.

Below are the benefits offered to full-time and part-time employees, based on significant operating locations throughout FOURLIS Group.

[GRI 401-2]

	LIFE INSURANCE			HEALTHCARE			DISABILITY AND INABILITY COVERAGE			RETIREMENT PROVISION BENEFITS			STOCK OPTIONS PLAN		
FOURLIS GROUP	**2022**	**2021**	**2020**	**2022**	**2021**	**2020**	**2022**	**2021**	**2020**	**2022**	**2021**	**2020**	**2022**	**2021**	**2020**

Greece	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cyprus	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Romania	✓	✓	✓	✓	✓	✓	✓	✓	✓	*	*	*	✓	✓	✓
Bulgaria	✓	✓	✓	✓	✓	✓	✓	✓	✓	*	*	*	✓	✓	✓
Turkey	✓	✓	✓	✓	✓	✓	✓	✓	✓	*	*	*	✓	✓	✓

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

More information and data on the results of Group employees' health, safety and wellbeing policies, will be included in the Group's annual Sustainable Development and Social Responsibility Report 2022.

e) Respect for Human Rights

Corporate policies and due diligence

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

FOURLIS Group, approaches the Human Rights respect and protection issues in a systematic way through it its policies and initiatives. This effort consists of the following main axes:

- The participation in the United Nations Global Compact (UNGC), through which the Group commits to uphold the respective Principles such as those relating to the respect of freedom of association, the abolishment of child and forced labor and discrimination in the workplace and its supply chain.
- The FOURLIS Group Internal Labor Regulations.
- The FOURLIS Group Human Rights Policy.
- The FOURLIS Group Policy on fighting Discrimination, Violence and Harassment at the Workplace.
- The FOURLIS Group Code of Conduct.
- The FOURLIS Group Supplier Code of Conduct.
- The FOURLIS Group Conflict of Interest Policy/Procedure.
- The FOURLIS Group Open Resourcing Policy/Procedure.
- The FOURLIS Group Health and Safety Policy.

Also, the Group's Code of Conduct Line/Whistleblowing System is available 24 hours a day through which anyone may call in order to report, anonymously or not, any concerns related to Code of Conduct violations or non-compliance with the applicable legislation, including human rights issues.

FOURLIS Group has a Policy of Equal Opportunities and Diversity and a Suitability Policy of the Board of Directors members, for which more information is available in the Corporate Governance Statement (www.fourlis.gr).

Since 2021, FOURLIS Group has signed the Diversity Charter in Greece, further strengthening its commitment to combat discrimination and promote equal rights in the workplace. In 2022, the Diversity Charter was signed by the Group's companies, IKEA and INTERSPORT, in Bulgaria.

In addition, FOURLIS Group, in 2022, focused even more on issues of Diversity and Inclusion, implementing the following actions:

- Conducting a survey among employees in Greece, Cyprus and Romania, on diversity and inclusion issues and a relevant campaign to encourage employees to participate in it.
- Actions for the women's empowerment, such as:
  - Empowerment campaign for the Group's women, starring 40 Group's women employees who shared their views on the role of women in modern times, on female role models and on what makes them proud.
  - Discussions (vodcasts) held by the Group's Sustainable Development and Social Responsibility Director, Mrs. Lyda Fourlis, with 3 dynamic women, Christina Karampela, Vice President of Actionaid Hellas, Frosso Tzintziropoulou, Health Psychologist and Psychotherapist of the "Alma Zois" Association and Vanessa Archontidou, Founder-AWomanCanBe.org, Alpinist & Motivational Speaker EU Climate Pact Ambassador and which were posted on corporate media. Through this dialogue, important issues related to female empowerment emerged, so that every woman understands how she can achieve anything she dreams of.
  - Pop Up Café, an action in the context of which the Group's Sustainable Development and Social Responsibility Director, Mrs. Lyda Fourlis, held meetings at the premises of the Group's companies with female employees of the Group in order to discuss issues that concern them and inspire each other on the ways they can offer more strength and perspective to the women of the Group.

In 2023, FOURLIS Group will focus even more on issues of Diversity and Inclusion with specific actions in the areas: INCLUSIVE LEADERSHIP, GENDER EQUALITY and PEOPLE WITH DISABILITIES. In parallel with these actions, in 2023, the implementation of training on Diversity and Inclusion issues will begin, which will be mandatory for all employees.

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

[GRI 406-1, ATHEX ESG Metrics C-S2, C-S3, C-G1]

During 2022, through the Code of Conduct Line/Whistleblowing System, there was 1 complaint from a former employee to a subsidiary, who complained about behavior at work, not compliant with the Code of Conduct. The complaint was investigated in accordance with the Group's procedures (by Company's management and the Group's Human Resources Division) and based on the information provided by the employee. From the investigation process, no findings emerged, so the complaint was not substantiated. During this period there were no additional reports of incidents of human rights violations and/or discrimination based on race, religion, gender, age, disability, nationality, political beliefs, etc., including incidents of harassment, in all activities of the Group.

	2022	2021	2020
Percentage of women in the entire FOURLIS Group	54%	53%	53%
Percentage of women in positions of manager/supervisor at FOURLIS Group	43%	39%	37%
Percentage of women in the Board of Directors of FOURLIS Group	25%	25%	25%

f) Anti-corruption and issues related to bribery

Corporate policies and due diligence

[ATHEX ESG Metrics C- G5, A-G4]

Aiming to fight corruption, bribery and fraud, FOURLIS Group has established and implements the following codes, regulations, policies and procedures, which also cover all the subsidiaries and for which more detailed information is available for all stakeholders at www.fourlis.gr:

- Corporate Governance Code.
- Code of Conduct that includes the Code of Conduct Line/Whistleblowing System.
- Charter of Operations.
- Charter of BoD's Operations.
- Remuneration Policy.
- Policy for the fight against money laundering and terrorist financing.
- Internal control system evaluation process.
- Compliance procedure regarding transactions with related parties.

At the same time, the Group has set up the following committees and units to support both the Board of Directors and the Internal Audit System, more detailed information for which is also available at www.fourlis.gr:

- Audit Committee.
- Nomination and Remuneration Committee.
- Internal Audit Department.
- Regulatory Compliance Unit.
- Risk Management Unit.
- Information Systems Security Unit.

The above mentioned have been approved by the FOURLIS Group Board of Directors, considering the precautionary principle and the relevant information is available on www.fourlis.gr, so that it is accessible to all.

Furthermore, the Group applies a management procedure for any incident of corruption, bribery or fraud and in each case the Top Management, the Internal Audit Department and the Regulatory Compliance Unit are informed.

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

While implementing the Top Management informational procedure for addressing fraud and corruption incidents, during the period of 1/1-31/12/2022, 10 cases of limited-scale fraud with non-material financial scale was recorded at the subsidiaries. These incidents were identified by the Group internal controls processes and were assessed as non-significant, while all the necessary measures were implemented.

g) Environmental issues/climate change

Corporate policies and due diligence

FOURLIS Group recognizes the importance of environmental protection, as well as the challenges posed by climate change. In this context, the Group monitors the impact of its activities while carrying out a series of initiatives and interventions, aimed at reducing its environmental footprint, by saving and recycling natural resources, reducing greenhouse gas emissions from its operation, as well as raising awareness of its employees and the public on environmental issues and on adopting a responsible attitude to life.

The Group's companies are responsible for the monitoring and implementation of the legislation related to their activities, as well as for the voluntary measures taken and the respective implementation of procedures and practices aiming to reduce their environmental impacts. The role of the Group's parent company, through the Sustainable Development and Social Responsibility Division, is to monitor the relevant procedures and practices, as well as to collect and compare their results with previous years' data. Through this process, the Group is able to present to its stakeholders the results of the practices it applies and to set up new objectives for the following years, shaping the relevant strategy.

The Group is also in the process of reviewing the obligations arising from the National Climate Law, with the aim of implementing the requirements for the publication of greenhouse gas emissions, which will be based on the GHG (Greenhouse Gas) Protocol and ISO14064.

Energy consumption and greenhouse gas emissions

FOURLIS Group's companies systematically monitor electricity, heating oil and natural gas consumption at their facilities and proceed with the necessary interventions, where and when necessary, aiming at the reduction of their environmental footprint. Given that the Group's facilities are highly diversified and aiming to the effectiveness of the interventions made for the reduction of energy consumption, the differences between the companies' facilities are taken into consideration and special measures and practices for improving their energy efficiency are applied.

Photovoltaic Systems

TRADE LOGISTICS: Operation, since 2013, of a photovoltaic power generation system on the roof of the warehouse, with an average annual production capacity of 1,400 MWh.

HOUSEMARKET: Operation, since 2021, of a photovoltaic power generation system with offsetting at the IKEA Cyprus store.

Replacement of lamps/Air conditions

In 2022, the subsidiary INTERSPORT S.A. continued its program of replacing lamps that have high consumption with LED lamps in INTERSPORT and The Athlete's Foot stores in Greece, Romania and Bulgaria. This program will continue in 2023. At the same time, in the stores that are being renovated, energy-saving air conditioners are installed.

Respectively, HOUSEMARKET has completed the replacement of conventional light bulbs with LED bulbs in commercial and non-commercial spaces of its stores in Greece and Cyprus. In Bulgaria, the replacement has been completed in the stores' commercial spaces and is in progress at non-commercial areas.

Greenhouse gas emissions

Since 2012, the subsidiary TRADE LOGISTICS S.A. calculates its CO_2 emissions for all of its operations, aiming to find the most compatible solutions for emissions reduction.

More information on measures and practices for the reduction of energy consumption and greenhouse gas emissions will be included in the annual Sustainable Development and Social Responsibility Report for the reporting year 2022.

Proper materials' management and promotion of circular economy

FOURLIS Group implements recycling programs in collaboration with competent bodies for sorting and appropriately managing each waste category. In addition, recycling programs are carried out in the premises of FOURLIS Group's companies with the participation of employees and the use of special recycling bins that have been installed in the workplace for this purpose.

Indicative examples of additional practices applied by the Group for the proper management of materials and the promotion of the circular economy are presented below:

- The IKEA Airport store properly manages organic waste, which is sent for composting. In 2022, composting activities, which were interrupted due to COVID-19, resumed.
- As of 2021, the process of removing disposable plastics from the restaurants of IKEA stores (e.g., glasses, lids, straws, plates, forks, etc.) and replacing them with corresponding paper or wooden ones has been completed.
- Since September 2016, HOUSEMARKET S.A. (IKEA stores in Greece) has implemented an electronic archiving system for copies of invoices and credit notes, with significant benefits in saving paper.
- Since November 2017, INTERSPORT Greece has proceeded with electronic archiving of copies of sales documents.
- Since June 2022, all sales documents of the INTERSPORT Greece, Cyprus and Romania e-shop are sent to customers/recipients in electronic form instead of printed form.
- In 2018, INTERSPORT Greece proceeded with the replacement of the paper boxes with reusable plastic ones for the transportation of its goods from its central warehouse (TRADE LOGISTICS) to its stores in Attica and Thessaloniki. In 2021, this practice was applied for the stores of Patras, while in 2022, it was extended to Trikala and Larisa.
- The Group aims at limiting ink consumption and reducing printing. To achieve this goal, it implements new technology practices, such as the use of laser printers, which significantly contribute to the protection of the environment, as they require less ink to operate. Furthermore, in all Group's companies' stores, in all countries of operation, all the printers that issue customer receipts are thermal.

  In Greece, Cyprus and Romania all the ink cartridges used, are sent for recycling. In Bulgaria and Turkey, used ink cartridges are refilled and reused, or when this is not possible, they are sent for recycling.

Responsible water consumption

At FOURLIS Group's facilities, a significant quantity of water is consumed due to the sanitation needs and to the large number of visitors and employees. The Group monitors consumption per subsidiary and examines the implementation of additional measures, where necessary, in order to reduce water consumption at its facilities.

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

Energy consumption and greenhouse gas emissions

All the results of the measurements in relation to energy consumption and greenhouse gas emissions at FOURLIS Group in 2022 will be available in the annual Sustainable Development and Social Responsibility Report 2022.

In particular, the calculated direct greenhouse gas emissions (Scope 1) and indirect greenhouse gas emissions (Scope 2) for the year 2022 of the FOURLIS Group will be published in accordance with the requirements and provisions of the National Climate Law 4936/2022. The calculation of both direct and indirect greenhouse gas emissions for FOURLIS Group will be allocated to the companies belonging to the FOURLIS Group and included in the Group's organizational boundaries. In addition, the energy consumption of the companies belonging to FOURLIS Group for the year 2022 will be published in the Report.

Photovoltaic Systems

TRADE LOGISTICS: The total energy production in 2022 amounted to 1,432 MWh, while, during the same period 1,308 metric tons of CO_2e were not emitted.

HOUSEMARKET: The total energy production in 2022 amounted to 776 MWh, while 698 metric tons of CO_2e reached the amount of greenhouse gases that were not emitted during the same period.

Proper materials' management and promotion of circular economy

	RECYLING OF MATERIALS (FOURLIS Group in total)		
	2022	2021	2020
Paper (kg)	**2,424,546**	**1,901,731**	**1,811,703**
Batteries (kg)	**6,101**	**15,637**	**5,279**
Cooking fat (lt)	**20,386**	**6,085**	**14,445**
Light bulbs (kg)	**1,715**	**1,026**	**2,205**
Aluminum (kg)	**0**	**970**	**5**
Glass (kg)	**130**	**0**	**78**
Plastic (kg)	**81,775**	**79,834**	**86,419**
Metals (kg)	**119,690**	**46,080**	**23,285**
Wood (kg)	**100,041**	**146,364**	**111,070**

- **HOUSEMARKET:** Through the implementation of electronic archiving system for copies of invoices and credit notes, it is estimated that in 2022 the printing of a total of 785,962 A4 pages was avoided, while since the beginning of the implementation of this practice, the printing of 3,912,465 A4 pages has been avoided in the stores, in the e-shop, as well as in the IKEA Pick Up & Order Points.
- **INTERSPORT:**
  - Through the implementation of an electronic archiving system for copies of sales documents, it is estimated that in 2022 the printing of 2,959,000 copies of documents was avoided, while since the implementation of the practice, the printing of a total of 13,127,199 copies of documents has been avoided.
  - Thanks to the implementation of the electronic dispatch of sales documents of the e-shop of INTERSPORT Greece, Cyprus and Romania to customers/recipients, it is estimated that in 2022 the printing of about 40,000 documents was avoided.
  - Through the use of reusable plastic boxes to transport INTERSPORT's goods from its central warehouse (TRADE LOGISTICS) to its stores, it is estimated that the cartons that were not used in 2022 reach a total of about 120,000 pieces, while since the beginning of the implementation of the practice it is estimated that the use of about 680,000 pieces of cardboard boxes has been avoided.

Water consumption*

	2022	2021	2020

Greece	38,003,703	34,238,560	38,004,348
Cyprus	5,986,000	5,008,000	5,203,000
Bulgaria	29,139,780	23,268,000	28,957,850
Romania	1,610,000	1,823,000	1,567,296
Turkey	16,200	N/A	N/A
Total	**74,755,683**	**64,337,560**	**73,732,494**

**2022 data include all Group's companies except from INTERSPORT stores in Bulgaria and the IKEA Order and Pick Up Point in Heraklion, Crete. 2020 & 2021 data were adjusted to include all invoices that were not available during the publication of the Sustainable Development and Social Responsibility Report of 2021. Respectively, the same procedure will be followed in Sustainable Development and Social Responsibility Report of 2022.*

Offering products/services that contribute to a more sustainable lifestyle

HOUSEMARKET (IKEA stores)

IKEA stores offer sustainable products which are presented in detail on its website (Sustainable products | IKEA Greece).

In relation to the restaurants of IKEA stores and the IKEA Swedish food market, the following are mentioned:

- Salmon served in the IKEA stores' restaurants and sold by the IKEA Swedish food market originates from Aquaculture Stewardship Council (ASC) certified farms.
- Seafood served in the IKEA stores' restaurants and sold by the IKEA Swedish food market, originate from fisheries that are independently certified according to the Marine Stewardship Council (MSC) standards.
- IKEA chocolates and coffee are Rainforest Alliance and UTZ certified, respectively. This means that cocoa and coffee come from sustainable crops that create better living opportunities for producers and their families.
- In 2020, IKEA enriched its meatball line with the new vegetables' meatballs, HUVUDROLL, which are made from pea protein, oats, potatoes, onion and apple and have the same taste and texture as the classic IKEA meatballs. The herbal ingredients of this new product come from sustainable choices, with a very small environmental footprint (4%).

INTERSPORT & The Athlete's Foot

INTERSPORT & The Athlete's Foot stores have products promoting a sustainable lifestyle and are presented in detail on the websites www.intersport.gr & www.theathletesfoot.gr respectively.

Additional actions and initiatives:

HOUSEMARKET (IKEA stores)

Reduction of food waste

- In August 2021, invested in an electronic food waste monitoring and recording system in restaurant's kitchens (Waste Watchers), while trained the total human resources employed in stores where the system "Waste Watchers" is applied (Kifissos, Airport, Thessaloniki, Cyprus, Sofia-Bulgaria), on the effects of food waste on the environment and the importance of proper recording and management of stocks. In 2022, the Group managed to reduce food waste by 26 tons corresponding to 111 tons of CO_2 and 65,055 meals worth euro 131,046. By the end of 2023, the implementation of the electronic system is planned for the IKEA stores in Maroussi (The Mall Athens), Piraeus, Ioannina, Larissa and Varna in Bulgaria.
- Continued the implementation of the waste reduction practices in all IKEA restaurants in Greece, Cyprus and Bulgaria, achieving its goal of reducing food waste by 52%.
- Continued to raise public awareness about reducing food waste at home.
- In 2022, became a member of the "Alliance for the Reduction of Food Waste". The "Alliance for the Reduction of Food Waste" in Greece is an initiative of the organization BOROUME and AB Vassilopoulos, which constantly expands and gains multiplier dynamics. In this collective effort, public authorities, professional and scientific bodies, food and catering businesses from all stages of the supply chain, civil society organizations, bodies of the academic and research community join forces. In the framework of the 10th Meeting of the "Alliance for the Reduction of Food Waste" held in December 2022 at the Ministry of Environment and Energy, IKEA presented the strategy, objectives as well as the prevention actions and practices it implements to reduce food waste in its stores.

Consumers

- Continued, through advertising, encouraging its consumers in Greece, Cyprus and Bulgaria to adopt small changes and sustainable habits with impact on the environment, such as replacing plastics with reusable polyester recycled bags, reducing the use of plastic, the use of recyclable reusable bottles, the use of glass containers to store leftover food, recycling, the use of rechargeable batteries, the replacement of LED lamps and the use of water batteries with a special mechanism to reduce energy consumption. Through this communication, the company published its own actions in the context of environmental protection, such as:
  - The removal of all disposable plastics from restaurants and products.
  - The availability of exclusively LED lamps, which consume 85% less energy.

- The availability of IKEA water batteries that lead to the reduction of water consumption by up to 50% through their special mechanism.
- The gradual withdrawal of common batteries and the adoption of the use of rechargeable batteries.
  - The use of sustainable and recyclable raw materials in the production of IKEA products.
  - The reduction of food waste.

- Created (in 2021) the online guide to a sustainable life at home - Simple changes for a more sustainable life | IKEA Greece
- Created on www.ikea.gr website a section presenting IKEA's strategy, commitments and practices in the pillars: Health and Sustainable Living, Circular and Climate Positive, Fair and Equal.
- Launched, in 2022, a joint action in collaboration with Public Power Corporation (PPC) in the context of which the visitors of the IKEA Airport, IKEA Kifisos and IKEA Thessaloniki stores, had the opportunity to be informed, by experienced PPC executives, about integrated energy saving solutions and get ideas for a more sustainable life at home from IKEA. A competition was also held where 5 winners won gift cards worth euro 3,000 for purchases of sustainable products and 5 winners received 6 months of free electricity with Green Pass and technical study for house energy upgrade. Educational activities were also carried out, where children had the opportunity to learn how to make responsible choices about the planet and to win gifts.
- Participated in a TEDx organized by the University of Piraeus and implemented a workshop with students, in the framework of which IKEA presented its strategy for sustainability and held a discussion on possible future actions in the field of sustainable development.
- Operates, since 2020, 2 charging stations for electric cars in the IKEA Sofia store in Bulgaria, while IKEA is member of the Eldrive network which provides more than 700 charging points for electric cars. It also has electric trucks that can be rented at very preferential prices by customers who do not own a car at all or have a small car, in order to transport their purchases to their destination.

  Since 2021, 2 car charging stations have been installed in the IKEA Airport store and 1 charging station at the IKEA store in Thessaloniki, while in 2022, 2 additional charging stations were installed at the IKEA Thessaloniki store.

Institutions

Since December 2021, HOUSEMARKET S.A. supports, through the Hellenic Advertisers Association, the Planet Pledge initiative in Greece. The aim of the initiative is to make marketing and communication a driving force to address the major environmental issues that threaten the planet.

Inter IKEA Group

The Inter IKEA Group applies the following practices, which also concern the company HOUSEMARKET (IKEA stores) of the FOURLIS Group in Greece, Cyprus and Bulgaria:

- IKEA, worldwide, is committed to the use of renewable and recycled materials in all its products, by 2030.
- IKEA, with the flat packaging achieves a reduction of carbon emissions from transportation from the factory to the store and from the store at home, as well as a reduction of transportation cost.
- IKEA, in 2022, announced that it is proceeding with the gradual removal of plastic from the packaging of its consumer products. The replacement of the packaging of the new product inventory will be completed by 2025, while for the existing inventory, by 2028. With this gradual elimination, IKEA aims to reduce plastic waste and plastic pollution, leading the industry agenda to the development of packaging products based on renewable and recycled materials.

INTERSPORT & The Athlete's Foot

- In 2022 INTERSPORT Greece launched the 1st ecofriendly INTERSPORT store in the world, in Riverwest Shopping Centre, which is the forerunner for a new INTERSPORT store model that has sustainability development as its central pillar.

  All the metal equipment (100%) of the store comes from materials/furniture of old INTERSPORT stores, while ecological paint & ecofriendly materials are used in furniture and fitting rooms. In the context of energy coverage, an investment was made in LED lighting technology for maximum savings in combination with light motion sensors in the warehouses and the use of the latest air conditioning technology. With the aim of continuously enhancing eco-development, customers have the opportunity to get in touch with the sustainable collections of brands offered by INTERSPORT but also to actively participate by recycling old clothes & footwear in specially designed bins.
- In 2022, INTERSPORT started the implementation of the LIGHTS OFF program in its stores in Greece, under which the bright signs of the stores are turned on at 17:30 pm and turned off at 21:30pm, while the screens are also turned off during the night.
- Since 2017, INTERSPORT Greece and since 2022, INTERSPORT Cyprus, Bulgaria and Romania, use a packaging box for the products purchased from their online store, which is made from recycled materials and is recyclable.
- Since 2021, the plastic bag is eliminated, and only recyclable paper bags are now available in the stores.
- The eStore and social media are used to publish actions related to clothes made from recycled and

sustainable materials, exclusive giphys and videos are created, collaborations with influencers are implemented to inform the public, the Google Display Network and discovery ads are used in Google campaigns as well as relevant newsletters are sent including their publication on websites with interested audiences.

- Since 2021, sustainable windows (made from Reboard recycling materials) were implemented in stores and corners have been created with sustainable products, for the targeted awareness of its customers and consumers.

h) Supply chain issues

Corporate policies and due diligence

[ATHEX ESG Metrics C-S8]

The Group's business continuity is critical to the continuous delivery of high-quality products and services. The Group aims to maximize the client satisfaction and develop mechanisms, aimed at identifying and responding to situations that may adversely affect the business continuity of its critical operations. The Group follows the following Policies and Codes regarding its partners/suppliers:

- Supplier Code of Conduct, with the aim to act as a set of guidelines that will define the basic standards of ethical behavior, values and principles of Sustainable Development, which the Group expects to be adopted by its suppliers/partners, in their transactions with it.
- Partner due diligence policy.

It is worth mentioning that the main supply chain services provider for the Group is the subsidiary TRADE LOGISTICS. TRADE LOGISTICS as purpose has the provision of supply chain services, like the receipt, storage and transport of goods, the creation of promotional and other packaging, the supply of business units and the management of all relevant information.

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

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

All the results of the practices implemented by FOURLIS Group in 2022 will be available in the Sustainable Development and Social Responsibility Report 2022.

i) Taxonomy Report

EU Taxonomy of the European Council

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

The Regulation establishes the technical criteria for determining whether an economic activity qualifies as environmentally sustainable. Consequently, the Regulation sets a common classification system that investors can use, when investing in economic activities that have a significant positive impact on the climate, the environment and the society.

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

- Be Taxonomy-eligible, which means to be recognized (based on the NACE code) that it could potentially have a substantial contribution to one or more of the six environmental objectives set by the Regulation.
- Contributes substantially to one, or more, of the six environmental objectives set by the Regulation.
- Do no significantly harm any of the other five environmental objectives.
- Comply with the minimum social safeguards.

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

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

Currently, there are available technical screening criteria only for the two of the six environmental objectives, the climate change mitigation and climate change adaptation through the Delegated Acts 2021/2139 and 2022/1214.

Disclosure requirements of EU Taxonomy Regulation

According to Article 8, paragraph 1, of EU Taxonomy Regulation (2020/852/EU), any undertaking that is subject to an obligation to publish non-financial information (according to article 19a and 29a of Directive 2013/34/EU), shall include in its non-financial statement or consolidated non- financial statement information on how and to what extent the undertaking's activities are associated with economic activities that qualify as environmentally sustainable.

Specifically, for disclosures that are published during 2023, concerning the financial year 2022, the non-financial undertakings should disclose the following key performance indicators:

- the proportion of their turnover derived from products or services associated with economic activities that qualify as environmentally sustainable.

- the proportion of their capital expenditure related to assets or processes associated with economic activities that qualify as environmentally sustainable.
- the proportion of their operating expenditure related to assets or processes associated with economic activities that qualify as environmentally sustainable.

For reports published during 2022, concerning the financial year 2021, the non-financial undertakings had to disclose the above-mentioned key performance indicators concerning only Taxonomy-eligible and Taxonomy-non eligible economic activities.

EU Taxonomy Reporting

The methodology for the determination of the key performance indicators of FOURLIS Group, was the following:

- Identification of the Taxonomy-eligible economic activities
- Assessment to determine alignment of the Taxonomy-eligible economic activities based on the below:
  - Substantial contribution to the climate change mitigation and climate change adaptation environmental objectives.
  - Do no significant harm (DNSH).
  - Compliance with the minimum social safeguards, at Group level.
- Calculation of the key performance indicators

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

- The Climate Delegated Acts 2021/2139 and 2022/1214: These Delegated Acts establish the technical screening criteria (TSC) for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation and/or climate change adaptation environmental objectives, as well as for determining whether that economic activity do no significantly harm any of the other environmental objectives.
- The Disclosure Delegated Act 2021/2178: This Delegated Act specifies the content and presentation of information to be reported, concerning environmentally sustainable economic activities.
- Final Report on Minimum Safeguards: This Report, published by the Platform on Sustainable Finance, includes guidance on the application of the minimum social safeguards.

i1. Identification of the Taxonomy-eligible economic activities

The determination of the eligible economic activities of FOURLIS Group business activities was conducted based on the NACE codes associated with its activities.

FOURLIS Group is one of the largest retail groups of consumer goods, which operates in Greece, Cyprus, Bulgaria, Romania, and Turkey, in the following fields of business activity:

- Home Furniture and Household Goods retail sale: through IKEA stores in Greece, Cyprus, and Bulgaria
- Sporting Goods retail sale: through INTERSPORT stores in Greece, Cyprus, Bulgaria, Romania and Turkey and through the Athlete's Foot stores in Greece and Turkey.
- In the context of gaining benefits from synergies between the Group's subsidiaries, TRADE LOGISTICS S.A., one of the Group's subsidiaries, provides storage and distribution services in both sectors, for all countries.
- Retail sale of Health and Wellness products: In 2022, FOURLIS Group announced its entry into the rapidly growing Health and Wellness products sector, through a strategic partnership with Holland & Barrett, the largest retailer in Great Britain and one of the largest in Europe, in the Health & Wellness sector.
- Real estate investment sector through the establishment of a new subsidiary company named TRADE ESTATES REIC, which is one of the largest real estate investing companies in Greece and the only one with a specialized investing objective. The company aims at the acquisition and development of retail parks and logistics centers of next generation, following the strongest trend in new retail developments globally, providing consumers with easy, safe, and direct access to markets and services.

The economic activities of FOURLIS Group for the financial year 2022 were identified eligible as a whole for the below activities:

- Activity 4.1 - Electricity generation using solar photovoltaic technology.
- Activity 7.3 - Installation, maintenance and repair of energy efficiency equipment, related to the purchase of individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions.
- Activity 7.7 - Acquisition and ownership of buildings.

i2. Eligibility Assessment

FOURLIS Group proceeded with the assessment of the alignment of its eligible economic activities and assets, in accordance with the technical screening criteria concerning substantial contribution to at least one environmental objective, no significant harm to the remaining five environmental objectives, as well as compliance with the minimum social safeguards. The scope of this assessment was the determination of the level for alignment of the Group's eligible economic activities with the technical screening criteria and the requirements of Taxonomy Regulation, as well as the identification of potential gaps, in order the Group to structure a specific action plan to achieve alignment, with the Taxonomy Regulation, of its eligible economic activities, in the near future.

i2.1 Substantial contribution

An assessment of each asset of the eligible economic activities was carried out against the respective climate change mitigation (Activity 4.1 - Electricity generation using solar photovoltaic technology) or climate change adaptation (Activity 7.7 - Acquisition and ownership of buildings) Technical Screening Criteria for substantial contribution. An identification whether it is an enabling or a transitional economic activity was carried out.

i2.2 Do No Significant Harm (DNSH)

An assessment of each asset of each economic activity was carried out against the DNSH technical screening criteria of climate change adaptation, or climate change mitigation, as well as for the rest of environmental objectives (the sustainable use and protection of water and marine resources, the transition to a circular economy, the pollution prevention and control and the protection and restoration of biodiversity and ecosystems) for the economic activities that they are available.

i2.3 Minimum Social Safeguards

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

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

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

- Human rights, including labor rights.
- Corruption/Bribery.
- Taxation.
- Fair Competition.

i3. Accounting policy for the determination of key performance indicators (KPIs)

i3.1 Turnover (turnover KPI)

The proportion of turnover referred to in Article 8(2), point (a), of the Regulation (EU) 2020/852 is calculated as the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities (numerator), divided by the net turnover (denominator) as defined in Article 2, point (5), of Directive 2013/34/EU. The turnover covers the revenue recognized pursuant to International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) No 1126/2008[1].

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

(a) qualify as enabling activities in accordance with Article 11(1), point (b) of Regulation (EU) 2020/852; or

(b) are themselves Taxonomy-eligible and aligned.

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

i3.2 Capital expenditure (CapEx)

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

Denominator

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

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

(a) IAS 16 Property, Plant and Equipment, paragraphs 73, (e), point (i) and point (iii);

(b) IAS 38 Intangible Assets, paragraph 118, (e), point (i);

(c) IAS 40 Investment Property, paragraphs 76, points (a) and (b) (for the fair value model);

(d) IAS 40 Investment Property, paragraph 79(d), points (i) and (ii) (for the cost model);

(e) IFRS 16 Leases, paragraph 53, point (h).

Numerator

[1] *Commission Regulation (EC) No 1126/2008 of 3 November 2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council (OJ L 320, 29.11.2008, p. 1).*

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

(a) related to assets or processes that are associated with Taxonomy-aligned economic activities;

(b) related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, notably activities listed in points 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

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

i3.3 Operating expenditure (OpEx)

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

Denominator

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

Numerator

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

a. related to assets or processes associated with Taxonomy-aligned economic activities, including training and other human resources adaptation needs, and direct non-capitalized costs that represent research and development;
b. related to the purchase of output from Taxonomy-aligned economic activities and to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions as well as individual building renovation measures as identified in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) or Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

Where the operational expenditure is not material for the business model of non-financial undertakings, those undertakings shall:

a. be exempted from the calculation of the numerator of the OpEx KPI in accordance with point 1.1.3.2 of the Annex I of the delegated Regulation 2021/2178 EU and disclose that numerator as being equal to zero;
b. disclose the total value of the OpEx denominator calculated in accordance with point 1.1.3.1
c. explain the absence of materiality of operational expenditure in their business model.

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

i3.4 Key Performance Indicators 2022

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

Turnover				Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')									
Economic activities	EU NACE code	Turnover	Proportion of total Turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of Turnover FY22	Category (Enabling activity)	Category (Transitional activity)
		€m	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1 Taxonomy-aligned activities																			
Total Turnover from taxonomy-eligible and aligned activities (A.1)		0.0	0%	**0%**	**0%**	-	-	-	-								**0%**	**0%**	**0%**
A.2 Taxonomy-non-aligned activities																			
Electricity generation using solar photovoltaic technology (4.1)	D35.1.1	0.0	0%																
Acquisition and ownership of buildings (7.7)	L68	13.8	3%																
Total Turnover from taxonomy-non-aligned activities (A.2)		**13.8**	**3%**																
Total Taxonomy-eligible Turnover (A.1 + A.2)		**13.8**	**3%**														**0%**	**0%**	**0%**
B. Taxonomy-non-eligible Activities																			
Total Turnover from Taxonomy-non-eligible activities (B)		**487.6**	**97%**																
Total Turnover (A+B)		**501.4**	**100%**																

Note: In the table related to the turnover KPI, in the category "Electricity generation using solar photovoltaic technology (4.1)" the turnover from electricity production through TRADE LOGISTICS' photovoltaic system, amounting to € 343.8 thousand, which is presented in income and loss statement in line "other income", is not included. For IKEA Cyprus store, the photovoltaic system operates with offsetting.

CapEx				Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')									
Economic activities	EU NACE code	CapEx	Proportion of total Capex	Climate change	Climate change	Water and marine	Circular economy	Pollution	Biodiversity and	Climate change	Climate change	Water and marine	Circular economy	Pollution	Biodiversity and	Minimum safeguards	Taxonomy-aligned proportion of CapEx FY22	Category (Enabling activity)	Category (Transitional activity)
		€m	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1 Taxonomy-aligned activities																			
Total CapEx from taxonomy-eligible and aligned activities (A.1)		0.0	0%	0%	0%	-	-	-	-								0%	0%	0%
A.2 Taxonomy-non-aligned activities																			
Electricity generation using solar photovoltaic technology (4.1)	D35.1.1	0.1	0%																
Installation, maintenance and repair of energy efficiency equipment (7.3)	F43	0.2	0%																
Acquisition and ownership of buildings (7.7)	L68	47.3	49%																
Total CapEx from taxonomy-non-aligned activities (A.2)		47.7	50%																
Total Taxonomy-eligible CapEx (A.1 + A.2)		47.7	50%														0%	0%	0%
B. Taxonomy-Non-Eligible Activities																			
Total CapEx from Taxonomy-non-eligible activities (B)		47.9	50%																
Total CapEx (A+B)		95.6	100%																

OpEx				Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')									
Economic activities	EU NACE code	OpEx	Proportion of total Opex	Climate change mitigation	Climate change adaptation	Water and marine	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of OpEx FY22	Category (Enabling activity)	Category (Transitional activity)
		€m	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1 Taxonomy-aligned activities																			
Total OpEx from taxonomy-eligible and aligned activities (A.1)		0.0	0%	0%	0%	-	-	-	-								0%	0%	0%
A.2 Taxonomy-non-aligned activities																			
Electricity generation using solar photovoltaic technology (4.1)	D35.1.1	0.0	0%																
Installation, maintenance and repair of energy efficiency equipment (7.3)	F43	0.0	0%																
Acquisition and ownership of buildings (7.7)	L68	0.2	3%																
Total OpEx from taxonomy-non-aligned activities (A.2)		0.2	4%																
Total Taxonomy-eligible OpEx (A.1 + A.2)		0.2	4%														0%	0%	0%
B. Taxonomy-Non-Eligible Activities																			
Total OpEx from Taxonomy-non-eligible activities (B)		4.4	96%																
Total OpEx (A+B)		4.5	100%																

11. Related parties transactions

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

		Group		Company	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Receivables from:	HOUSE MARKET SA	0	0	6,000	3,250
	H.M. HOUSE MARKET (CYPRUS) LTD	0	0	28	22
	INTERSPORT SA	0	0	0	184
	INTERSPORT (CYPRUS) LTD	0	0	4	4
	RENTIS SA	0	0	2	1
	GENCO TRADE SRL	0	0	115	9
	GENCO BULGARIA	0	0	6	5
	HOUSE MARKET BULGARIA EAD	0	0	38	34
	WYLDES	0	0	31	15
	INTERSPORT ATLETIK	0	0	33	274
	SNEAKERS MARKET	0	0	2	0
	TRADE LOGISTICS SA	0	0	32	26
	TRADE ESTATES AEEAΠ	0	0	22	11
	TRADE ESTATES CYPRUS LTD	0	0	3	3
	TRADE ESTATES BULGARIA EAD	0	0	5	5
	H.M. ESTATES CYPRUS LTD	0	0	3	3
	BERSENCO SA	0	0	15	0
	WELLNESS GR	0	0	2	0
	TRADE STATUS SA	123	92	123	91
	RECON	2,326	0	0	0
	TOTAL	**2,448**	**92**	**6,464**	**3,937**
Payables to:	HOUSE MARKET SA	0	0	6,369	803
	INTERSPORT SA	0	0	1,227	1
	TRADE ESTATES AEEAΠ	0	0	0	1
	WELLNESS GR	0	0	3	0
	TRADE STATUS SA	0	2	0	0
	SOFIA SOUTH RING MALL AED	5	2	0	0
	TOTAL	**5**	**4**	**7,599**	**805**

Third Parties transactions for the period 1/1 to 31/12/2022 and for the period 1/1 to 31/12/2021 are analyzed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Revenue	55	39	4,764	4,464
Other income	23	4	1,837	1,474
Interest income	41	0	0	0
Dividends	0	0	38,056	6,500
Total	**119**	**43**	**44,657**	**12,438**

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Administrative expenses	1	1	10	4
Distribution expenses	192	96	0	96
Total	**193**	**97**	**10**	**101**

The transactions with the subsidiaries and affiliated companies of the Group and the Company during the period 1/1-31/12/2022 and the period 1/1-31/12/2021 are analyzed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Revenue	64,771	56,584	4,709	4,425
Cost of sales	36,917	32,590	0	0
Other income	3,420	3,030	1,821	1,470
Administrative expenses	8,759	6,889	9	4
Distribution expenses	22,505	20,052	0	0
Other operating expenses	11	63	0	0
Dividends	65,894	20,970	38,056	6,500
Interest income	566	0	0	0
Interest expense	566	0	0	0

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Current and non-current receivables	68,121	26,218	6,341	3,847
Inventory	281	281	0	0
Current and non-current liabilities	68,121	26,218	7,599	805

12. Human Recourses of the Group

The total number of employees of the Group as at 31, December 2022 was 4,116 people (4,010 on 31/12/2021). Respectively, the human resources of the Company on 31/12/2022 are 113 people (106 on 31/12/2021).

13. Treasury shares

The Ordinary General Assembly of the shareholders of the Company "FOURLIS HOLDINGS SA" on 18/6/2021 in accordance with the provisions of article 49 of law 4548/2018, approved the purchase by the Company of its own (treasury) shares. The maximum number of shares that can be acquired, including the shares previously acquired by the Company and maintained, amounts to 2,604,600 shares (5% of the paid-up share capital), the minimum acquisition limit at one euro (1.00) per share and the acquisition ceiling at eight euros (8.00) per share.

On 31/12/2022 the Company holds 1,766,702 (2021: 1,391,048) treasury shares, representing 3.3889% (2021: 2.6683%) of the share capital of the Company with an average purchase price of euro 3.583 per share and a total value of euro 6,330,701.63 (2021: 1,391,048).

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

a. Structure of the Company's share capital

The share capital on December 31,2022 amounted to euro 52,131,944.00 divided into 52,131,944.00 shares with a nominal value of 1.00 euros each. The share capital on December 31, 2021 amounted to Euro 52,131,944.00 divided into 52,131,944.00 shares with a nominal value of 1,00 Euro each.

All shares are common registered, held in intangible form, listed for trading on the Securities Market ("High Capitalization" category) of the Athens Stock Exchange. Each share provides the right to one vote except for the number of own (treasury) non-voting shares.

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

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

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

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

On 31/12/2022, the following shareholders owned more than 5% of the voting shares of the Company:

- KEM DAFNI A. FOURLIS: (17,21%)
- HOLD Alapkezelő Zrt. (5,06%)

d. Preference shares providing special control rights

The Company does not have any such preference shares.

e. Restrictions to voting rights

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

f. Shareholder agreements, known to the Company, resulting in restrictions to the transfer of shares or to the exercise of voting rights

The Company is not aware of any Shareholder agreements resulting in restrictions to transfer of shares or to the exercise of voting rights as it is prescribed by the Company's Articles of Association.

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

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

h. Responsibility of the Board of Directors or of some members of the BoD for the issue of new shares or the purchase of own (treasury) shares in accordance with article 49 of

Law 4548/2018

A. According to Art 24 par 1 of Law 4548/ 2018 and the Art 4 par. 1 of the Articles of Association of the Company, during a 5-year period from the Shareholders' General Assembly resolution, the board of directors has the right, by its decision taken by a majority of 2/3 of all its members, to increase share capital through the issue of new shares for an amount that cannot exceed three times the paid-up share capital on the date that the board of directors was awarded the aforementioned right and this authority of the board of directors can be renewed from the general assembly by its resolution for a time period that will not exceed 5 years for each granted renewal. The resolutions of the general assembly for the granting or renewal of a power for increase of the share capital by the board of directors are subject to publicity. Share capital increases that are decided according to the aforementioned (extraordinary increases) constitute an amendment of the Articles of Association.

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

B.1) The Ordinary General Assembly of shareholders of the Company "FOURLIS HOLDINGS SA" as of 16/6/2017, acting under the provisions of paragraph 13 of Article 13 and paragraphs 3 and 4 of Article 29 and paragraph 2 of Article 31 of the C.L. 2190/ 1920, decided the implementation of a stock option plan - hereinafter "Program B" - to senior executives of the Company and its affiliated companies within the meaning of article 32 of L. 4308/2014 as in force, and authorized the Board of Directors, to regulate procedural matters and details. The Board of Directors, under the terms of the plan and the law shall issue to beneficiaries, who exercised their option, certificates of the option for new shares and issue and deliver the shares to these beneficiaries, increasing the share capital of the Company and certifying the capital increase. These increases in share capital are not amendments to the Articles of Association. The Board of Directors during the last month of the fiscal year within which capital increases occurred, as determined above, must adjust, by its resolution, the article of Articles of Association regarding capital, so as to predict the amount of capital, as shown after these increases, in compliance with the publicity requirements provided by Article 7b of the C.L. 2190/1920.

No stock options were exercised within the year 2022 within the context of the aforementioned Program A.

2) The Extraordinary General Meeting of the shareholders of the Company "FOURLIS HOLDINGS SA" as of 22.07.2021 decided, in accordance with the provisions of article 113 of Law 4548/2018, the implementation of the Stock Options Program-hereinafter "Program B" - to senior executives of the

Company and its affiliated companies within the meaning of article 32 of Law 4308/2014 as in force, and authorized the Board of Directors to regulate procedural issues and details. The beneficiaries of Program B were determined by the decision of the Board of Directors dated 22.11.2021 (relevant minutes of the Board of Directors with number 429 / 22.11.2021). During the program and in accordance with these terms, the Board of Directors shall issue to the beneficiaries who exercised their right certificates of the option for new shares and issue and deliver the shares to the above beneficiaries, increasing the share capital of the Company and certifying the capital increase. These share capital increases do not constitute amendments to the Articles of Association. The Board of Directors is obliged during the last month of the fiscal year, in which capital increases have occurred, as specified above, to adjust, by its decision, the article of the Articles of Association on the capital, so that the amount of the capital is predicted, as arisen after the above increases, in compliance with the publicity requirements of article 13 of Law 4548/2018.

No stock options were exercised during the fiscal year 2022 in the context of the implementation of the above Program B.

Regarding the programs concerning the issuance of new shares for the period 1/1 - 31/12/2022, more information is provided above, in the Management Report of the Board of Directors in paragraph 6 Stock options program.

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

b) The Ordinary General Assembly of the shareholders of the Company "FOURLIS HOLDINGS SA" of 18/6/2021 approved the purchase by the company of its own shares, up to the number of 2,604,600 shares including the shares it had acquired previously and maintains (5% of the paid-up share capital) within 24 months of approval, i.e. until 18/6/2023, with a minimum acquisition limit of one euro (euro 1.00) per share and an upper acquisition limit of eight euros (euro 8.00) per share, in accordance with article 49 of Law 4548/2018 and , and authorized the Board of Directors to regulate, within the aforementioned frameworks, the exact time, number and price of the shares to be acquired.

Regarding the aforementioned resolutions of 14/6/2019 and 18/6/2021 of the General Assembly, on 31/12/2022 the Company had purchased and continued to hold 1,766,702 own shares, which correspond to a percentage of 3.3889% of all its shares.

i. Any significant agreement that the issuer has entered into, which comes into force, is

amended or terminated in the event that there are changes in the issuer's control due to a public offer and the results of this agreement

There are no significant agreements concluded by the Company, which come into force, are amended or terminated in the event that there are changes in the Company's control due to a public offer.

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

There are no agreements that the Company has concluded with members of the Board of Directors or its human resources, which provide for indemnity, especially in the event of resignation or redundancy.

15. Corporate Governance Statement for the period 1/1 – 31/12/2022

According to L. 4548/2018 article 152, and L.4706/2020 article 18, the Board of Directors of the Company declares the following:

a) Reference to the Corporate Governance Code to which the Company is subject or which it has voluntarily decided to apply, as well as to the website that the relevant text is available to the public and can be found.
b) Reference to the corporate governance practices applied by the Company in addition to the law provisions, as well as reference to the place where these practices have been published.
c) Description of the main characteristics of the Company's internal control and risk management systems in relation to the process of preparation of the financial statements.
d) Information required under Article 10 (1) (c), (d), (f), (h) and (i) of Directive 2004/25 / EC of the European Parliament and of the Council, dated 21 April 2004 on takeover bids, provided that the Company is subject to this Directive.
e) Information on the operation of the General Assembly Meeting of Shareholders and their basic authorities, as well as a description of the rights of shareholders and the form of exercising them
f) Composition and operation method of the Board of Directors and any other administrative, managerial or supervisory bodies or committees of the Company.
g) If the Company deviates from the corporate governance code to which it is subject orwhich it applies, the corporate governance statement includes a description of the discrepancy with reference to the relevant parts of the corporate governance code and a justification for this discrepancy. If the company does not apply certain provisions of the corporate governance code to which it is subject or which it applies, the corporate governance statement shall include a reference to the non-compliant provision and an explanation of the reasons for non-compliance.
h) Reference to the fit and proper policy
i) Reference to the proceedings of the Committees of article 10 of law 4706/2020
j) Detailed biographical notes of members of the Board of Directors and senior executives
k) Information on the participation of the members of the Board of Directors in its meetings and in the meetings of the Committees of article 10 of law 4706/2020
l) Information on the number of shares held by each member of the Board of Directors and each chief executive officer of the Company
m) Confirmation of the fulfillment of the conditions of independence based on article 9 of law 4706/2020 of the independent non-executive members of the Board of Directors before the publication of the annual financial report 2021.
n) Reports and independent non-executive members' report based on article 9 of law 4706/2020

More specifically:

15.1 Reference to the corporate governance code to which the Company is subject or which the Company has voluntarily decided to apply, as well as to the place where the relevant text is available to the public.

In Greece, the corporate governance framework for Greek companies holding securities listed on a regulated market, consists, on the one hand, of the adoption of mandatory legal rules and, on the other, of the application of corporate governance principles as well as the adoption of best practices and recommendations through self-regulation. Specifically, it includes Law 4706/2020 ("Law on Corporate Governance"), the decisions of the Hellenic Capital Market Commission issued under the authority of the Corporate Governance Law, certain provisions of law 4548/2018 on societes anonymes and principles, best practices and self-regulatory recommendations incorporated in the corporate governance code.

The Hellenic Code of Corporate Governance (hereinafter referred to as "the HCCG" or "the Code"), has been drafted by the Hellenic Corporate Governance Council (hereinafter: "the HCCC") and has already been updated (version of June 2021) within the periodical revision and harmonization with the requirements of the capital market legislation. HCCC was founded in 2012 and is the result of a partnership between the Hellenic Stock Exchanges (HELEX) and the Association of Businesses and Industries (SEV).

The purpose of the HCCC is to monitor the implementation of the Greek Corporate Governance Code by Greek companies and in general to operate as a specialized body for the dissemination of corporate governance principles, increasing the credibility of the Greek market among international and domestic investors and improving the competitiveness of Greek companies and seeks to develop a culture of good governance in the Greek economy and society. The general action plan of the HCCC includes the formation of positions on the institutional framework, the submission of proposals, the participation in consultations and working groups, the organization of educational and information campaigns, the monitoring and evaluation of corporate governance practices and the implementation of corporate governance codes, providing assistance tools and rating the performance of Greek companies.

Addressed to the Greek societes anonymes (as defined by Law 4548/2018) with registered seat in Greece, especially those whose values have been admitted to trading on a regulated market (listed), according to article 17 of law 4706/2020 and article 4 of the Decision of the Hellenic Capital Market Commission (Decision 2/905 / 3.3.2021 of the Board of Directors of the Hellenic Capital Market Commission), the Hellenic Corporate Governance Code (HCCG - June 2021), which replaces the Greek Code of Corporate Governance for Listed Companies that was issued by the HCCC in 2013, is adapted to Greek law and business reality and has been drafted under the principle of "comply or explain" ("comply or explain"). The HCCG does not impose obligations, but explains how to adopt good (best) practices with self-regulatory recommendations and facilitates the formulation of corporate governance policies and practices, which will meet the specific conditions of each company.

The main goal of HCCG is to create an accessible and understandable reference guide, which sets in a codified way in a single text, high (higher than mandatory) requirements and corporate governance standards. In particular, the HCCG does not address issues that constitute mandatory legal provisions (laws and regulations), which are already very extensive. On the contrary, the Code establishes principles beyond the mandatory framework of Corporate Governance legislation and addresses those issues that are either a) not regulated by law, or b) regulated, but the current framework allows selection or derogation, or c) regulated to their minimum content. In these cases, the Code either complements the mandatory provisions, or introduces stricter principles, drawing on experience from European and international best practices, always guided by the characteristics of Greek business and the Greek stock market.

The Hellenic Code of Corporate Governance (June 2021) is entered into force from the entry into force of articles 1 to 24 of law 4706/2020, thus from 17/7/2021 (according to the transitional provision of article 92 § 3 of the above Law) and is uploaded on the website of the Hellenic Corporate Governance Council, at the address: http://www.esed.org.gr.

The Company with the decision of its Board of Directors dated 16/7/2021, has voluntarily decided to apply the Greek Corporate Governance Code (June 2021) which has been drafted by the HCCC which is a body of recognized reputation and accreditation based on a relevant decision of the Hellenic Capital Market Commission, in compliance with the obligation arising from the provision of article 17 of law 4706/2020.

The HCCC will review the content of the Code on a regular basis and will adapt it according to developments, both in specific practices and in the regulatory framework but also according to the needs of the Greek business world.

The Code consists of Parts and Sections. In more detail:

• Part A '- Board of Directors

- First Section: Role and Responsibilities of the Board of Directors

- Second Section: Size and Composition of the Board of Directors

Third Section: Functioning of the Board of Directors

• Part B - Corporate Interest

- Fourth Section: Obligation of acting in Good Faith & Diligence

- Fifth Section: Sustainability

• Part C - Internal Control System

- Sixth Section: Internal Control System

• Part D - Shareholders, Stakeholders

- Seventh Section: General Assembly

- Eighth Section: Shareholders' Participation

- Ninth Section: Stakeholders

• Part E - Instructions for drafting a Corporate Governance Statement

By adopting best corporate governance practices, the Company seeks to increase the investors' confidence and broadens the horizons of attracting investment funds with the ultimate goal of ensuring further value to its shareholders, with transparency and safeguarding their interests.

15.2 Reference to the corporate governance practices implemented by the Company beyond the requirements of the Law, as well as reference to the website, where these practices have been published by the Company

Indicatively, the following principles, best practices and self-regulatory recommendations implemented by the Company are mentioned and are incorporated in the Greek Code of Corporate Governance:

- The responsibilities of the Chairman are explicitly established by the Board of Directors in distinction from those of the Chief Executive Officer and are described in the Charter of Operation of the Company which is updated, issued and approved by the Board of Directors and its summary is uploaded on the Company's website (http://www.fourlis.gr).
- The maturity of the options is defined in a period of not less than three (3) years from the date of their granting to the executive members of the Board of Directors. A description of the valid options programs of the Company is included in its financial reports which are posted on its website (http://www.fourlis.gr).
- The Board of Directors is supported by a competent, qualified and experienced Corporate Secretary who attends its meetings. All members of the Board of Directors have access to the services of the Corporate Secretary, whose role is to provide practical support to the Chairman and the other members of the Board of Directors collectively and individually, based on the compliance of the Board of Directors with internal rules and relevant laws and regulations.
- The Corporate Secretary keeps the minutes of the meetings of the Board of Directors and its committees and ensures the efficient flow of information between the Board of Directors and its committees as well as between the Senior Management and the Board of Directors. The Corporate Secretary plans the introductory briefing program for the newly elected members of the Board of Directors immediately after their election and ensures that they are provided with ongoing information and training on issues related to the Company. Further, the Corporate Secretary ensures the effective organization of the General Meetings. The detailed CV of the Corporate Secretary is displayed in the section 16.10 of the Corporate Governance Statement.
- The company adopts and implements a policy for ESG issues and sustainable development (Sustainability Policy) which is uploaded on its website (http://www.fourlis.gr).
- The Company adopts and implements a Human Rights Policy with commitments: to apply the international basic principles for human rights as well as the national legislation in the countries where the Group operates, to ensure that all people are treated fairly, with dignity and respect, to ensure a working environment equal opportunities, without discrimination and harassment for all employees of the Group, promotion of respect and protection of Human Rights, both in the internal environment of the Company and in its sphere of influence. The Human Rights Policy is posted on the Company's website (http://www.fourlis.gr).
- The Chairman of the Board of Directors is available for meetings with shareholders of the

Company and discusses with them issues related to the governance of the Company. The Chairman ensures that the views of the shareholders are communicated to the Board of Directors. In this way, the exercise of shareholders' rights and the active dialogue with them (shareholder engagement) is facilitated. The mechanisms of communication with the shareholders are described in the Operating Regulations of the Company, a summary of which is uploaded on the Company's website (http://www.fourlis.gr).

- The Audit Committee applies a procedure of periodic evaluation of the efficiency of its operation as mentioned in its Charter of Operation which is uploaded on its website (http://www.fourlis.gr).

15.3 Description of the main characteristics of internal control and risk management systems of the company in relation to the process of preparation and drafting of the financial statements

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

The main characteristics of internal control and risk management systems applied by the Company in relation to the process of preparation of the financial statements and the Financial Report are the following:

- Adequate knowledge, skills and availability of personnel involved with clearly separated roles and areas of responsibility.
- Existence of recorded and updated procedures related to the issuance of financial statements and the appropriate time schedule.
- Regular review and audit of accounting principles and policies, and their compliance control
- Use of information systems for the issuance of financial statements and the preparation and drafting of financial reports related to the ERP of the Company, accessible with distinct roles and rights of use to all the consolidated companies of the Group.
- Existence of control activities associated with information systems used.
- Regular communication of the Independent Certified Auditors with the Management and the Audit Committee
- Regular communication between the members of the Audit Committee, the Chief Financial Officer

and the Head of the Internal Audit Unit.

- Confirmation by the Board of Directors of the at least yearly fulfillment of independence criteria of the independent members of the Board of Directors and in any case before publishing of the annual financial report.
- Regular meetings for validation and registration of the significant resolutions, acknowledgements, and estimations affecting the financial statements.
- Existence of risk management methodology and documentation for its implementation. Presentation of the results of risk management to the Board of Directors.
- Existence of a unique Chart of Accounts for all Group companies and its centralized management.
- Upon recommendation of the Audit Committee, annual evaluation by the Board of Directors of the internal control and risk management systems applied for the issuance of financial statements.

15.4 Additional Information pursuant to sections c), d), f) g) and h) of Article 10 par.1 of the Directive 2004/25/EC as of the 21st of April 2004, regarding the Takeover Bids, provided that the Company is subject to this Directive

During the year no Takeover Bids or public offer occurred.

15.5 Information about the operation mode of the General Shareholders' Assembly, and its basic powers, as well as description of the rights of the shareholders and how these can be exercised

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

Regarding the operation mode of the General Assembly of its Shareholders, the Company follows the practices mentioned below:

- Timely information provided to the Company's Shareholders within the deadlines prescribed by law, together with the publications required and provided by law regarding the convocation of the General Assembly..
- The Company publishes and uploads on its website the Invitation of the General Assembly, the ways of representation of the Shareholders, the deadlines and the mode of exercise of their rights as well as the voting results for each issue on the agenda.
- The Company publishes and uploads timely on its website an Explanatory Note regarding the agenda, the relevant proposals by Board of Directors, the required quorum and majority for the approval of the proposals. The Explanatory Note is also available in hard copy at the Company's Head Office and is distributed to the Shareholders upon entering the General Assembly, when this is held with physical presence of the shareholders.
- Ensuring that all shareholders are capable of participating at the General Assembly either by expressing their views or by submitting their questions.

The Company takes all measures for the lawful performance of the General Assembly and ensures the Shareholders' rights according to the applicable laws. More analytically:

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

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

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

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

• Approval of the annual and any consolidated financial statements,

• Distribution of annual profits,

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

• Approval of the remuneration policy,

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

• Appointment of liquidators and

• Any other issue provided by law.

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

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

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

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

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

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

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

Anyone who appears as a shareholder in the Company's book-entry intangible shares system is entitled to participate in the General Assembly Meeting, which is kept electronically in the company "Hellenic Central Securities Depository Societe Anonyme" (ELKAT) at the beginning of the 5th day preceding the initial meeting (registration date). The above recording date is also valid in the case of postponed or recurring meeting since the postponed or recurring meeting takes place no more than 30 days after the recording date according to article 124 of Law 4548/2018.

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

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

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

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

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

The Board, its independent members, and all members of the Audit Committee, have been elected by the Annual Ordinary General Assembly of shareholders held on 17/6/2022. Further, at the Annual Ordinary General Meeting of shareholders as of 17/6/2022, the Audit Committee was redefined and a decision was made regarding its type, composition (number and qualities of members) and its term of office. The term of office of the members of the Board of Directors according to the Articles of Association of the Company and the members of the Audit Committee, is five years and is automatically extended until the first ordinary general meeting after the end of its term.

On 31/12/2022 the BoD established in a body as follows:

Chairman of the BoD, Executive Member	Vassilis S. Fourlis
Vice – Chairman of the BoD, Executive Member	Dafni A. Fourlis
Independent Vice Chairman, Senior Independent Member, Independent Non-Executive Member, Chairman of the Nomination and Remuneration Committee	David A. Watson
CEO, Executive Member	Apostolos D. Petalas
Director, Executive Member, Sustainable Development and Corporate Social Responsibility Director	Lida S. Fourlis

Director, Independent Member, Non – Executive Member, Member of Audit Committee	Maria S. Georgalou
Director, Independent Non - Executive Member, Member of Audit Committee	Stavroula A. Kampouridou
Director, Independent Non – Executive Member, Chairman of Audit Committee, Member of Nomination and Remuneration Committee	Stylianos M. Stefanou
Director, Independent Non – Executive Member and Member of Nomination and Remuneration Committee	Nikolaos P. Lavidas

Detailed resumes of all members of the Board of Directors as well as of the Corporate Secretary Mr. Ioannis Zakopoulos, are presented in section 15.10 of the Corporate Governance Statement.

The Articles of Association of the Company provide for the Board of Directors to be composed of 7 to 9 members. The Company has elected its Board with the maximum permitted number of Directors to ensure the diversity of gender, age, knowledge, qualification and experience serving the objectives of the Company as well as the balance between executive and non-executive members. On 31/12/2022 the Board of Directors consisted of 9 members, 5 (56%) of them were independent.

The Role and the responsibilities of the Board of Directors

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

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

- Approving the overall long - term strategy and operational goals of the Company. The Board of Directors is responsible for defining the values and strategic orientation of the Company. At the same time, it remains responsible for the approval of the strategy and the business plan of the Company as well as for the continuous monitoring of their implementation. The Board of Directors also regularly reviews the opportunities and risks in relation to the defined strategy as well as the relevant measures taken to address them. The Board of Directors, seeking to receive all the necessary information from its executive members or from its executives, is informed about the market and any other developments that affect the Company.
- Ensuring that the values and strategic planning of the Company are in line with the corporate culture. The values and purpose of the Company are translated and applied in practice and influence the practices, policies and behaviors within the Company at all levels. The Board of Directors and the top management set the model of the characteristics and behaviors that shape the corporate culture and are an example of its implementation. At the same time, they use tools and techniques that aim at the integration of the desired culture in the systems and processes of the Company

- Understanding the Company's risks and their nature and determining the extent of the Company's exposure to the risks it intends to undertake in the context of its long-term strategic goals.
- Approving annual budgets and business plans and deciding on major capital expenditures, acquisitions and divestitures which are under the final approval of the General Assembly Meeting. The Board of Directors provides the appropriate approval, monitors the implementation of the strategic directions and objectives and ensures the existence of the necessary financial and human resources, as well as the existence of an Internal Control System (ICS).
- Establishment of a policy for the identification, avoidance and treatment of conflicts of interest between the interests of the Company and those of its members or persons to whom the Board of Directors has assigned some of its responsibilities, according to article 87 of law 4548 / 2018.
- Selecting and replacing, if necessary, the executive leadership of the company and overseeing succession planning.
- Definition and / or delimitation of the responsibilities of the Chief Executive Officer and the Deputy Chief Executive Officer, who exercises them if any.
- Monitoring the performance of senior management, and aligning executive remuneration with the longer term interests of the company and its shareholders taking into consideration the proposals of the Nomination and Remuneration Committee.
- Preparation and approval of the remuneration policy of the members of the Board of Directors which is subject to the final approval of the General Assembly Meeting of the Company's shareholders, taking into account the proposals of the Nominations and Remuneration Committee.
- Preparation and approval of the annual remuneration report of the members of the Board of Directors which is submitted for information to the General Assembly Meeting of the Company's shareholders, taking into account the proposals of the Nominations and Remuneration Committee.
- Approval of crisis measures or risk situations as well as when it is required to take measures which are reasonably expected to significantly affect the Company.
- Ensuring the adequate and efficient operation of the Internal Audit System (IAS) that aims at the consistent implementation of the business strategy with the effective use of available resources, the identification and management of essential risks associated with the business and operation of the Company, the effective operation of the internal control unit, in ensuring the completeness and reliability of the data and information required for the accurate and timely determination of the financial situation of the Company and the preparation of reliable financial statements as well as the non-financial situation, in compliance with the regulatory and legal framework as well as the internal regulations governing the Company.
- Ensuring that the functions of the Internal Audit System (IAS) is independent of the business sectors they control and that it consists of the appropriate financial and human resources as well as the powers to operate them effectively.
- Definition and supervision of the implementation of the Corporate Governance System, monitoring and evaluation periodically every three (3) years, of its implementation and effectiveness by taking

the appropriate actions to address shortcomings. The Corporate Governance System includes an adequate and effective Internal Audit System (IAS), including risk management and regulatory compliance systems, adequate and effective procedures for the prevention, detection and suppression of conflicts of interest, effective and efficient communication with the shareholders to facilitate the exercise of their rights and the active dialogue with them (shareholder engagement) and remuneration policy, which contributes to the business strategy, the long-term interests and the sustainability of the Company.

- Approval of the Fit the proper policy of the members of the Board of Directors and any amendment which is submitted for final approval to the General Assembly Meeting of the Company's shareholders.
- Appointment of a vice-Chairman among its non-executive members in cases that the Chairman is an executive member.
- Ensuring compliance with independence criteria and the designation of a member of the Board of Directors as an independent member. Review at least annually and in any case before the publication of the annual financial report, the fulfillment of the independence criteria. In case it is found that the criteria are not met for the independent non-executive member, take the appropriate replacement actions.
- Appointment of the members of the Nominations and Remuneration Committee and the Audit Committee in the event that the General Assembly Meeting of the Company's shareholders has decided to consist exclusively of non-executive members of the Board of Directors.
- Vigilance regarding existing and potential conflicts of interest between the Company and its Management, members of the Board of Directors or major shareholders (including shareholders with direct or indirect authority to shape or influence the composition and conduct of the Board of Directors). Appropriate handling of such conflicts and the Board of Directors shall adopt a transaction supervision procedure with a view to transparency and the protection of corporate interests.
- Responsibility for making relevant decisions and monitoring the effectiveness of the Company's management system, including decision-making procedures and the assignment of powers and duties to other executives.
- Formulation, dissemination and application of the main values and principles of the Company that govern its relations with all interested parties, related to the Company.
- Defining the sustainable development policy of the Company and monitoring its implementation.
- Approving the Internal Regulation Charter, Corporate Governance Code embraced and applied by the Company, Code of Conduct and their revisions.
- Approval of the Charter of Operation of the Internal Audit Department, the Charter of Operation of the Audit Committee and the Charter of Operation of the Nominations and Remuneration Committee and their revisions.
- Examining the internal audit reports submitted every quarter to the Board of Directors through the Audit Committee including its recommendations.

- Approving equal opportunities and diversity policy, including gender balance between board members.
- Informing the shareholders, through the Company's website, about its candidate members no later than 20 days before the General Meeting regarding the justification of the proposal, the detailed CV and the determination of the eligibility criteria of the candidate members.
- Ensure that the Company's Articles of Association, codified in its current form, are posted on the Company's website.
- Obligation to include in the corporate governance statement a reference to the fit and proper policy, in the work of its committees, in the CVs of the members of the Board of Directors and senior executives, in the participation of the members of the Board of Directors in its meetings and in the meetings of its committees and information on the number of shares of the Company held by each member of the Board of Directors and each senior manager of the Company based on article 152 of Law 4548/2018.

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

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

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

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

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

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

The non-executive members of the Board of Directors meet at least annually, or extraordinarily whenever deemed appropriate without the presence of executive members in order to discuss the performance of the latter. In these meetings the non-executive members do not act as a de facto body or committee of the Board of Directors.

Non-executive members may request, in accordance with the procedure contained in the Charter of Operation of the Board of Directors, to contact the executives of the top management of the Company, through regular presentations by the heads of departments and services.

The non-executive members of the Board of Directors do not participate in the Boards of Directors of more than five (5) listed companies and in the case of the non-executive Chairman more than three (3).

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

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

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

The Role of the Chairman of the BoD

The Chairman of the Board of Directors coordinates the operation of the Board of Directors and chairs it. It has the responsibility to convene the Board of Directors, to determine the issues on the agenda of its meetings and to ensure the good organization of its work and the efficient conduct of its meetings. He ensures the timely and correct information of the members of the Board of Directors, based on the fair and equal treatment of the interests of all shareholders, the maximization of the return on investments and the protection of the Company's property. He coordinates the implementation of the corporate governance system of the Company and its effective implementation.

When the Chairman is absent or incapacitated, the Vice-Chairman shall deputize for the full extent of his executive powers.

Indicatively, the responsibilities and duties of the Chairman of the Board of Directors are as follows:

• Prepares the annual program of meetings of the Board of Directors and distributes it in the first fortnight of each year to its members.

• Proposes to the Board of Directors the issues and the date of General Meetings.

• Determines the items on the agenda of the meetings of the Board of Directors.

• Sends to the members of the Board of Directors the material that will be discussed during its meeting, at least four (4) working days before the meeting.

• Coordinates the discussions between the members of the Board of Directors, formulates and puts to the vote the proposals on the issues of the agenda.

• Ensures the good organization of the work of the Board of Directors and the efficient conduct of its meetings.

• Ensures the timely and correct information of the members of the Board of Directors, based on the fair and equal treatment of the interests of all shareholders, the maximization of the return on investments and the protection of the Company's property.

• Attends the General Meeting of the Company's shareholders, takes an active part in its procedures and answers questions addressed to him by the shareholders. It provides that through the procedures of the General Meeting, sufficient time is available for the submission of questions by the shareholders.

• Ensures the effective communication of the Board of Directors with all shareholders and is available to meet the shareholders and discuss with them the governance issues of the Company.

• Ensures that the views of shareholders are communicated to the Board of Directors.

• Ensures that the General Meeting of Shareholders is utilized to facilitate their substantive and open dialogue with the Company.

• Proposes to the Board of Directors the distribution of a dividend, which after being approved by the Board of Directors, will be proposed to the General Meeting.

• Participates in corporate workshops / presentations (roadshows).

• Facilitates the effective participation of the non-executive members of the Board of Directors in its work and ensures constructive relations between its executive and non-executive members.

• Evaluates proposals of non-executive members of the Board of Directors for the appointment of specialized directors, when deemed necessary for the performance of their duties.

• Collaborates with the Chief Executive Officer, providing instructions in the context of the decisions of the Board of Directors, for the drafting of the Charter of Operation, the Code of Ethics and their revisions and suggests to the Board of Directors regarding their approval.

• Recommends to the Board of Directors the approval of the Charter of Operation of the Audit Committee, the Nominations and Remuneration Committee of the Charter of Operation of the Internal Audit Department and the Charter of Operation of the Board of Directors.

• Receives the minutes of the meetings of the Audit Committee and is regularly informed by its Chairman about the progress and findings of the audit procedures.

• Approves the Annual Social Responsibility Report.

• Proposes, for approval by the Board of Directors, the organization chart of the Company and its amendments.

• Evaluates the risk management process implemented by the Company and the effectiveness of the Company's risk management plans.

• Supervises the responsibilities of the Corporate Secretary.

• Evaluates in collaboration with the Chief Executive Officer and the Managers, the significant investment opportunities presented for the Company and proposes to the Board of Directors the relevant action plans.

• Evaluates proposals of the Committees of the Board of Directors for the recruitment of external consultants, to the extent necessary.

• Evaluates the efficiency of the operation of the Committees of the Board of Directors.

• He is a member of the Executive Committee of the Group and participates in its meetings.

• Receives regular information from the Chief Executive Officer (especially in the intervening periods between the meetings of the Board of Directors) regarding the progress of the Company and the risks it faces and any opportunities that are presented. It evaluates the issues and depending on their seriousness, can be convened by the Board of Directors, in addition to the regular annual planning for decision making.

• Receives from the CEO the important procedures of the Company, for submission and approval by the Board of Directors.

• Presents to the Board of Directors the progress of the new projects / activities / collaborations for the development of the Group's operations.

• Approves the introductory information programs for new members of the Board of Directors proposed by the Corporate Secretary.

• Approves the publications that are posted on the Company's website and concern issues of corporate governance, administrative structure, ownership status and other information useful for investors.

• Approves the procedures related to corporate governance, which are submitted by the CEO.

• Prepares the Charter of Operation of the Board of Directors and suggests its approval.

• Presents to the Board of Directors the Annual Financial Statements and the Management Report of the Board of Directors that will be submitted for approval to the Ordinary General Meeting of the Company's shareholders. Submits for approval to the Board of Directors the Interim Financial Statements and the Semi-Annual Management Report of the Board of Directors.

• Commits and represents the Company in accordance with the current Representation Minutes

The Role of Vice Chairman of the Board

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

Role of Independent Vice Chairman or Senior Independent Member of the Board (Lead or Senior Independent Director)

The Independent Vice Chairman supports the Chairman to act as a liaison between the Chairman and the members of the Board of Directors.

He is also in charge of the evaluation of the Chairman carried out by the members of the Board of Directors as well as in the meetings of the non-executive members of the Board of Directors.

He is obliged to be available and to attend the General Meetings of the Company's shareholders in order to discuss corporate governance issues when and if they arise.

Monitors and ensures the smooth and efficient communication between the Committees of the Board of Directors and the Board of Directors. Coordinates the non-executive members of the Board of Directors, including the independent members, in the fulfillment of their obligations.

The Role of the Chief Executive Officer

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

The Chief Executive Officer and the senior management ensure that any information necessary for the performance of the duties of the members of the Board of Directors is available to them at any time.

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

Indicatively, the responsibilities of the CEO are the following:

• Has the responsibility for the Management and management of the Company within the provisions of its articles of association, the decisions of the General Meetings of its shareholders and its Board of Directors and in accordance with applicable law.

• Takes care of the protection of corporate property and the interests of shareholders and seeks to maximize the efficiency of business activities.

• Has the responsibility of drafting / revising the Charter of Operation, the Code of Corporate Governance and the Code of Ethics, in accordance with the instructions received from the Chairman of the Board in the context of the decisions of the Board of Directors.

• Has the responsibility of monitoring the implementation of the Board of Directors, the Charter of Operation, the Code of Corporate Governance and the Code of Ethics approved by the Board of Directors.

• Approves the procedures of the Company's Management. Procedures related to corporate governance are submitted for approval to the Chairman of the Board of Directors.

• Formulates proposals for the revision of the Company's organization chart in order to better meet its needs and submits it for approval to the Chairman of the Board of Directors.

• Prepares in collaboration with the Company's Managements the material of the presentations concerning the significant risks faced by the Company and formulates proposals to the Chairman of the Board of Directors regarding their evaluation and treatment.

• Coordinates and controls the Management and the human resources of the Company in order to improve their efficiency.

• Controls the action plans of the Directorates in order to achieve the business objectives of the Company and proposes any amendments to improve their performance.

• Approves the Action Plan of the Regulatory Compliance Unit.

• Evaluates the proposals submitted by the Directorates and determines the priorities taking into account the needs of the Company and the relevant decisions of the Management bodies.

• Has the supervision of budgetary and accounting figures in terms of expenses and expenses of the Company per Directorate and in its entirety, as well as the respective investments for which it evaluates their profitability.

• Regularly informs the Chairman of the Board of Directors (especially in the intervening periods between the meetings of the Board of Directors) in relation to the progress of the Company and its financial figures, the risks it faces and any opportunities that are presented.

• Takes care of securing the required resources (human, technical and financial) for the smooth, efficient and competitive operation of the Company.

• Cooperates with the legal advisors of the Company for the examination of the contracts and any other commitments undertaken by the Company.

• Cooperates with the legal advisors of the Company for the legal drafting of the Invitations of the General Meetings and their legal conduct and submits them to the Chairman of the Board of Directors, so that they are submitted for approval to the Board of Directors and receive the publicity provided by law.

• Presents to the Board of Directors the Annual Operating Plan (AOP) of the Group and its revision (STRAT PLAN), when required.

• In each regular meeting of the Board of Directors presents the financial results in relation to the Annual Operating Plan (AOP) of the Group and justifies any deviations.

• She is a member of the Executive Committee of the Group and participates in its meetings.

• He is a member of the risk management team of the Group and is responsible for presenting to the

Chairman of the Board of Directors of the risk management methodology.

• Formulates the agenda of the meetings of the Executive Committee and sends it to the participants.

• Presents the financial results of the Group vs Prior Year and AOP at the meetings of the Executive Committee.

• Approves the goals of the Company Managers.

• Evaluates the performance of the Company's Directors and submits suggestions to the Nominations and Remuneration Committee.

• Informs the Board of Directors, in collaboration with the Chairman, about the general course of the Company and other issues.

• Supervises the operation of subsidiaries in Greece and abroad.

• Collaborates with the Boards of Directors of the subsidiaries, receives reports on the progress of their work, the risks they face and any opportunities that are presented. Evaluates and presents the issues to the Chairman of the Board of Directors and the Board of Directors of the Company.

• Studies scenarios and alternative proposals for the development of the Group in new activities in Greece and abroad. Elaborates, evaluates and presents the issues to the Chairman of the Board of Directors and the Board of Directors of the Company for approval of the relevant investment plans.

• Supervises the progress of the work for the preparation of the Financial Statements and the Management Reports of the Board of Directors.

• Provides the members of the Board of Directors with any information they deem necessary for the performance of their duties at any time.

• Discusses with the certified auditors of the Company the most important findings from their audit.

• Signs the representation letters requested by the certified auditors.

• Organizes meetings with the Managers and executives of the Subsidiaries and coordinates their presentations regarding the examination of the course of business activities and their future perspective.

• Participates in corporate workshops / presentations (road shows).

• Represents the Company in employers' organizations, chambers, unions and associations and promotes the interests of its shareholders.

• Receives the minutes of the meetings of the Audit Committee and is regularly informed by its Chairman about the progress and findings of the audit procedures in the context of informing the members of the Board of Directors.

• Attends the General Meeting of the Company's shareholders, takes an active part in its procedures and answers questions addressed to him by the shareholders.

• Commits and represents the Company in accordance with the current Representation Minutes

The Role of the Company Secretary

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

- Checking the legality of the recommendations to the Board of Directors as defined in detail in the procedures and regulations of the Company and by the decisions of the Board of Directors.
- Legal elaboration of the agenda items for the meetings of the Board of Directors of the Company.
- Ensuring a good flow of information between the Board of Directors and its Committees as well as between the top Management and the Board of Directors.
- Ensuring the effective organization of shareholders' meetings and the generally good communication of the latter with the Board of Directors, based on the compliance of the Board of Directors with the legal and statutory requirements.
- Keeping records of members of the Board of Directors for the purpose of compliance with the laws (indicatively independence, participation conditions for the members of the Audit Committee and the Nominations and Remuneration Committee, conflict of interest, updated detailed curriculum vitae, etc.)
- Assistance of the Audit Committee in its work with the assistance of the Director of Internal Audit where necessary, organizing the meetings of the Audit Committee (regular meetings are held every quarter), issuing the agenda and keeping the minutes of the Audit Committee meetings, coordinating the meetings with the external auditors but also with the Financial Director of Planning and Audit of the Group and preparing the necessary material for the presentation of the issues that will be discussed during the meetings of the Audit Committee.
- Establishment of an introductory information program for the members of the Board of Directors, immediately after the beginning of their term of office and continuous information and training on issues concerning the Company.

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

Operation of the Board of Directors

The operation of the Board of Directors is described in detail in the Charter of Operation of the Board of Directors of the Company. In these Charter is described at least how the BoD convenes and takes decisions and the procedures it follows, taking into account the relevant provisions in the Articles of

Association and the mandatory law provisions. It includes the following:

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

The Board of Directors arrange meetings with the necessary frequency, in order to perform its duties effectively. At the beginning of each calendar year, the Board of Directors adopts a meeting calendar and a 12-month action plan, which can be revised according to the developments and needs of the Company, so that its proper, complete and timely fulfilment of its duties and responsibilities, as well as the review of all decision-making issues is ensured.

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

After the assumption of the duties of the new members of the Board of Directors, a special induction program of the new members is implemented, which includes informative meetings, presentations and discussions with the key executives of the Board in order to understand the purpose and nature of the work of the company. In addition, the new members are informed about their obligations regarding the Code of Ethics, the Code of Corporate Governance, the Charter of Operation, the stock market legislation and in general the policies and procedures that govern the operation of the Company. The introductory briefing program also includes meetings with the Company's regular auditors.

Information about the participation of the members of the BoD in its meetings and in the meetings of the Committees of article 10 of L.4706/2020 are provided in the section 15.11.

The Board of Directors met fifteen (15) times during the year 2022. In the meetings of the Board of Directors that had as subject the preparation of the financial statements of the Company or the agenda of which included issues for the approval of which the decision was foreseen by the General Meeting with increased quorum and majority, according to Law 4548/2018, the Board of Directors was in quorum and at least two (2) independent non-executive members were present.

The operation of the Board of Directors is supported by two Committees: the Audit Committee and the Nomination and Remuneration Committee. Secretary at both Committees is the Company's Secretary, Mr. Ioannis Zakopoulos; his resume is included in the section 15.10

Audit Committee

On 31/12/2022, the Audit Committee is established in a body as follows:

Director, Independent Non-Executive Member, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	Stylianos M. Stefanou
Director, Independent Non-Executive Member, Member of the Audit Committee	Maria S. Georgalou
Director, Independent Non-Executive Member, Member of the Audit Committee	Stavroula A. Kampouridou

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

a) Regarding the supervision of the regular audit:

- Is responsible for the selection process of the regular auditor and makes proposals to the Board of Directors regarding the appointment, reappointment and removal of the regular auditor, as well as for the remuneration and the terms of employment of the regular auditor under Article 44 of the "Audit Committee". Law 4449/2017 and article 16 of Regulation (EU) 537/2014 which will be approved by the General Assembly.
- Examines and monitors the independence of the regular auditor and the objectivity and effectiveness of the audit process, taking into account the relevant professional and regulatory requirements in Greece.
- Examines and monitors the provision of additional services to the Company by the auditing company to which the regular auditor/s belongs for this purpose, has developed and implements a procedure for approving the provision of non-auditing services by the auditing company that performs the statutory audit of the individual and consolidated financial statements of the Group companies and supervises its implementation.

- Reviews the financial reports before their approval by the Board of Directors in order to assess their completeness and consistency in relation to the information provided as well as the accounting principles applied by the Company and informs accordingly the Board of Directors.
- Arranges meetings with the Management / competent executives during the preparation of the financial reports as well as the certified auditor during the planning and control stage, during its execution as well as during the preparation stage of the audit reports.
- It is informed about the procedure and the schedule for the preparation of the financial information by the Management and about the annual program of mandatory audit by the certified auditor.
- Receives from the regular auditor a supplementary report pursuant to Article 11 of Regulation (EU) 537/2014 which includes the results of the statutory audit and any weaknesses in the internal control system, in particular the weaknesses of the financial reporting procedures of the financial statements and informs the Chairman, the CEO and the Board of Directors of the company.
- Informs the BoD about the outcome of the statutory audit and explains how the statutory audit contributed to the integrity of the financial information and what the EU's role was in the process.
- Monitors the performance of the external auditors taking into account any findings and conclusions of the competent authority in accordance with paragraph 6 of Article 26 of Regulation (EU) No. 537/2014.

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

- Monitors the financial information process and submits recommendations or proposals to ensure its integrity and the reliability of the Company's financial statements.
- Supervises any official announcement regarding the financial performance of the Company (announcements, press releases), informs the Board of Directors about its findings and submits improvement proposals if it deems necessary.
- Inspects the Company's internal financial controls and monitors the effectiveness of the Company's internal control, regulatory compliance and risk management systems. To this end, the Audit Committee periodically reviews the company's internal control and risk management system to ensure that key risks are properly identified, addressed and disclosed. It informs the Board of Directors of its findings and submits proposals for improvement if it deems it necessary.
- Examines and evaluates in detail important issues such as:
    - Significant judgments, assumptions and estimations in the preparation of the financial statements
    - The valuation of assets at fair value.
    - Assessing the recoverability of assets.
    - The adequacy of disclosures about the significant risks faced by the Company.

- The significant transactions with related parties.
- The significant unusual transactions.
- Adherence to accounting principles and standards and any changes from the previous year.

- Examines conflicts of interest during the Company's transactions with related parties and submits relevant reports to the Board of Directors,
- Examines the existence and content of those procedures, according to which the Company's employees may, in confidence, express their concerns about possible illegalities and irregularities in matters of financial information or other issues related to the operation of the Company. The Audit Committee ensures that there are procedures for the effective and independent investigation of such issues, as well as for their appropriate treatment.
- Examines the regulatory compliance system that includes the establishment and implementation of appropriate and up-to-date procedures, in order to achieve in time the full and continuous compliance of the Company with the applicable regulatory framework and to have at all times a complete picture of the degree of achievement of this purpose.
- Examines the policy and procedure for conducting periodic evaluation of the internal control system by persons who have proven relevant professional experience and do not have dependency relationships according to article 14 of Law 4706/2020.

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

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

d) Regarding sustainable development

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

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

Information on the participation of members in the meetings of the Audit Committee is given in section 15.11.

The discussions and decisions of the Audit Committee are recorded in minutes according to article 74 of L.4706 / 2020, which are approved via electronic mail by the present members, according to article 93 of L.4548 / 2018. The Secretary of the Board of Directors acts as Secretary of the Audit Committee.

For the year 2022, the Audit Committee has prepared an Annual Report of Proceedings to the ordinary General Meeting of Shareholders of the Company which is included in section 17 of the Management Report of the Board of Directors.

In the context of its role, the Audit Committee for the year ended on 31/12/2022, approved the receipt of non-audit services, in order to ensure the independence of the Certified Auditors. For the Group, the percentage of other fees (Non-audit services) in relation to the audit services amounted to 8% and for the Company to 7%.

Nominations and Remuneration Committee

The Committee for the Promotion of Nominations and Remuneration is established a Body as follows:

Independent Vice Chairman, Senior Independent Member, Independent Non-Executive Member, Member of the Nomination and Remuneration Committee	David A. Watson
Director, Independent Non-Executive Member, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	Stylianos M. Stefanou
Director, Independent Non-Executive Member, Member of the Nomination and Remuneration Committee	Nikolaos P. Lavidas

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

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

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

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

Policy of the members of the Board of Directors and the taking of any measures in case of deviations.

- Submits proposals to the Board of Directors regarding the remuneration of the Company's executives, in particular the head of the internal control unit.

Information on the participation of members in the meetings of the Nomination and Remuneration Committee is given in section 15.11

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

Executive committee

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

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

Information on the number of shares held by the members of the Board of Directors and the executives of the Company are stated in section 15.12.

The Company's Corporate Governance System includes:

- Anti-Discrimination Policy, Policy against violence and harassment at work
- Suppliers' Code of Conduct
- Human Rights Policy
- Diversity Policy
- Sustainability Policy
- Related Party Transfer Pricing Policy
- Policy and Procedures for the Prevention, Detection and Management of Conflicts Interest
- Remuneration Policy
- Fit and Proper Policy
- Code of Conduct
- Internal Regulation Charter
- Risk Management System
- Internal Control System

- Regulatory Compliance System
- Supplier Acceptance due Diligence Policy
- Internal Audit Unit
- Investors Relations and Corporate Announcements

In more details:

Policy on fighting discrimination, violence and harassment at the workplace

The Company has established and implements the Policy on fighting discrimination, violence and harassment at the workplace. Aim of the Policy is the further support, at the Group's working environment, of a respect climate, in the framework of which human dignity and the right of each individual to a working world without discrimination, violence and harassment is promoted and guaranteed. The Group states that it recognizes and respects the right of its entire human resources department to a working environment without discrimination, violence and harassment, as well as that it does not bear any such behavior of any kind or form, by any person at all.

The effective implementation of the Policy constitutes the responsibility of the entire human resources of the Group.

Parallel to that, the Group has designed and implements a Human Rights Policy, which constitutes for the Group one more medium of compliance notice with the applicable laws in force and with the international standards and guidelines, making clear that the Group respects the Human Rights and does not show any tolerance to any form of their violation.

In the implementation scope of the Policy shall fall the members of the Board of Directors, the executive directors, and all human resources of the Group, irrespective of their contractual status, including the employees working under a work contract, a contract for the provision of independent services, on a salaried assignment basis, the employees working through third service providers, as well as the individuals attending training programs, including the trainees and apprentices, volunteers, workers whose employment contract has expired, as well as individuals applying for a job, but also individuals having transactions or cooperating with the Group. Especially, the employees under a work contract, a contract for the provision of independent services, as well as individuals concluding transactions or cooperating with the Group are bound by the Policy, in accordance with the special provisions included in the contracts executed between these individuals and the Group.

All members of the Group's human resources confirm that they have become aware of the Policy's content. The Policy shall always be uploaded and freely accessible in the Group's communication media (such as for example: F2F, announcement boards, Group's and Companies' sites).

The forms of behavior prohibited by this Policy include the following behaviors, but shall not be limited to these:

- Unreasonable demands by senior officers (demands that are not associated with work obligations);
- Insult or circulation of insulting or obscene material;
- Suggestive remarks, mockery, obscene or sexual/racist jokes or comments or use of insulting language;
- Use of insulting language describing a person with disability or mocking a person with a disability;
- Comments for the external appearance or for somebody's character, that cause shame or embarrassment;
- Unwanted following, stalking, persecution and unwelcome verbal or physical/sexual attention;
- Sending of unwanted messages with sexually explicit content via SMS, e-mail, social media networks, by fax or post or making threatening phone calls.
- Insulting and persisting questions about age, family status of a person, his/her personal life, his/her sexual interests or orientation, as well as similar questions about gender or nationality of a person, also including his/her cultural identity and religion;
- Unwanted sexual gestures or pressing "proposals" for dates or threats;
- Suggestive remarks and hints that the sexual favors of a person may promote his/her career, or the rejection of making a sexual relationship may adversely affect his/her career;
- Wicked looks, rude gestures, touches, friendly and intimate pats on the back, or any kind of unwanted physical contact;
- Spreading of malicious comments or insult of a person, mainly due to discrimination on grounds of age, race, gender change, kind of marriage, civil partnership, pregnancy and maternity, gender, any kind of disability, the person's sexual preferences, religion or beliefs;
- Outbursts of anger against a person, exercise of a persisting or undue criticism, the exclusion from social events, work-team meetings, discussions and collective decisions or scheduling.

The forms of behavior that fall within the Policy, may be expressed during the execution of the work, either connected with it, or arising from it. These may take place:

- At the workplace, including public and private areas and areas where the employee executes its work, receives remuneration, takes his/her break, especially for rest or for lunch, areas of personal hygiene and care, restrooms or accommodation provided by the employer;
- During the transfers from and to work, the other transfers for professional purposes (travels, training), as well as during events and social activities associated with the work; and
- During communications, associated with the work, including those made via information and communication technology.

The Group explicitly states that it is committed to undertake all necessary measures for the dealing with and elimination of discrimination, violence and harassment at the work-field, aiming at guaranteeing a work environment, that respects, promotes and ensures the right of every person at a workplace without discrimination, violence, and harassment.

Taking into account the working conditions, the educational and social niveau of the Group's human resources, the experience until today in relation to such incidents, but also the practices implemented by the Group at an international and local level, as well as the values that govern it, the risks of discrimination, violence and harassment are deemed to be limited.

The Group clearly and unequivocally states its zero tolerance to any form of discrimination, violence, and harassment, expressed during work, either associated with it or arising from it.

Suppliers' Code of Conduct

The Code has a unique goal to provide guidelines in relation to the business conduct of the Group's suppliers. If the contract already concluded between the Group and the Supplier contains stricter terms than those included in the Code, then the terms and provisions of the contract shall prevail.

The suppliers/partners are obliged to promote and care about the guarantee and protection of the human rights, the respect at the workplace, as well as the honest conduct and uprightness among the co-workers. They are obliged to adopt policies, procedures and practices that recognize, encourage, and appreciate diversity, different views and experiences, whereas at the same time support the honest and mutual communication always in a spirit of adaptability, conciliation and compromise.

Any form of forced labour constitutes a violation of human rights and the Group's suppliers should prohibit it. The provision of work must be characterized by freedom and be made according to the laws of the country where the suppliers run their business. Further, the Suppliers should strictly prohibit the employment of individuals who are under the lawful limit of adulthood, pursuant to the applicable laws.

The working hours, the licenses and the overtime of the Supplier's personnel should comply with the relevant national laws and a respect to the relevant workers' rights should exist. The employment terms should be fair and reasonable and in compliance with the forecasts of the applicable labour laws. The remuneration to the human resources of the Supplier should be paid in accordance with the terms and provisions of the applicable labour laws.

The equal and fair behavior and conduct to the workers should characterize the Group's Suppliers. They must show zero tolerance to any form of discrimination, verbal or other harassment, or violence in the workplace. They must comply with the applicable laws on the provision of equal opportunities of employment, also including those related to the prohibition of discrimination, harassment, and insulting treatment phenomena.

The application of hygiene and safety rules for human resources at the workplace is necessary for the protection of human life.

All Suppliers must not allow their human resources to consume alcohol or drugs during work. The abuse of alcohol, drugs and other psychotropic substances at the workplace may cause a severe problem to the health, safety, and work performance.

The guarantee of compliance with the national and international institutional and regulatory framework constitutes the obligation of the Group's Suppliers.

The Group's Suppliers must show zero tolerance to any form of bribery, corruption, and fraud. They are obliged to have established and apply policies and procedure on the preventive and repressive treatment of any such incident.

The Suppliers are obliged to make any effort so that circumstances that might be considered as resulting in conflict of interest between the companies and the Group are prevented.

The Group's Suppliers must comply with the rules regulating the trade's practices, the competition, and prohibit the creation of monopolies. They are obliged to abstain from any behavior that could be considered as unfair competition pursuant to the relevant laws.

Provided that the Suppliers, due to the nature of the service or the product provided to the Group, acquire access to confidential or secret Group's information, they are obliged to keep these information secret and confidential.

The Suppliers are obliged to respect and not allow any act that constitutes a breach of the Group's rights in relation to its facilities or regarding its intellectual property. In this respect they are obliged to ensure the implementation of the relevant laws.

The products or the services offered by the Suppliers to the Group must comply with the specifications and the safety requirements, specified by national laws.

The Suppliers are obliged to comply with the applicable laws on environmental protection, and make any possible effort in order to reduce their environmental footprint, via proper management and processing of natural resources and mediation of greenhouse gas emissions, aiming at the limitation of the relevant effects on the environment and society in general and at the contribution to tackling the climate change phenomenon.

Human Rights Policy

In FOURLIS Group we operate responsibly, we are constantly evolving and we proceed in all the countries where we operate with a commitment to our Values and driven by respect for our employees and all of our stakeholders, the support of society and the protection of the environment, aiming at sustainable development on an economic, social and environmental level.

Our Values are: Integrity, Respect, Efficiency.

Our Vision is: Passion for a better life!

Our Mission is: To create superior value for our customers, people, shareholders and society, by delivering goods and solutions for better living.

Respect for Human Rights is, for the companies of the FOURLIS Group, an issue of fundamental importance, as is also evident in the principles of our Group: Integrity, Respect, Efficiency.

We are committed to applying both basic international human rights principles and national legislation in the countries in which we operate.

We are committed to ensuring that all people are treated fairly, with dignity and respect.

We are committed to ensuring an equal opportunity, discrimination and a non-harassment work environment for all our employees.

We are committed to promoting the respect and protection of Human Rights, both within the Company's internal environment and in our sphere of influence with stakeholders.

For the FOURLIS Group, the protection of Human Rights is part of its culture and a strong priority, both at the level of Management and employees.

Policy of equal opportunities and diversity

Aiming at the promotion of an appropriate diversity at the Board of Directors and a multi-diverse group of members, the Company applies an Equal Opportunities and Diversity Policy by the appointment of the new members of the BoD. The current applicable Equal Opportunities and Diversity Policy is uploaded on the Company's website (http://www.fourlis.gr) and briefly includes the following:

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

The Company ensures that all employment decisions, including but not limited to those involving recruitment, hiring, promotion, training, compensation, benefits, transfer, disciplinary offences, and dismissals, are free from unlawful discrimination.

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

The Company will provide for appropriate adjustments for qualified employees with a disability pursuant to the law, face and manage cases of any disability of employees on a case-by-case basis.

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board of Directors as an essential element in supporting attainment of its strategic objectives and its sustainable development. Based on this direction, the Company has a Fit and Proper Policy for the members of the Board of Directors in harmonization with the requirements of Law 4706/2020, the basic principles of which are presented in this Corporate Governance Statement.

Regarding the Senior Executive Officers but also the members of the remaining levels of the Company's hierarchy, certain minimum qualifications that these individuals should possess, include strong values and discipline, high ethical standards, and a commitment to full support to the structures and procedures of the Company. The Candidates should possess individual skills, experience and demonstrated abilities that help meet the Company's short-term planning and strategy.

The diversity at the Senior Executive Officers' level and among the members of the remaining Company's hierarchy levels is based on a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of previous employment.

All Board & Senior Executive Officers appointments and the appointments of the members at all remaining levels of the Company's hierarchy should be based on meritocracy, and candidates should be considered based on objective criteria, taking always into account the benefits of the Company's diversity.

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

Representation percentages by gender and age of the Board of Directors and the management of FOURLIS HOLDINGS SA	2019	2020	2021	2022
Board of directors	9	9	9	9
Men	75%	75%	75%	75%
Women	25%	25%	25%	25%
50- 60 years old	55%	55%	55%	25%
>60 years old	45%	45%	45%	75%
Executives	5	5	5	5
Men	60%	60%	60%	60%
Women	40%	40%	40%	40%
30- 40 years old	0%	0%	0%	0%
40- 50 years old	0%	0%	0%	0%
50- 60 years old	100%	100%	80%	60%
>60 years old	0%	0%	20%	40%
Managers	16	16	17	16
Men	44%	44%	47%	38%
Women	56%	56%	53%	62%
<40 years old				6%
40 – 50 years old	63%	63%	59%	50%
50- 60 years old	38%	25%	29%	38%
>60 years old		13%	12%	6%

SUSTAINABLE DEVELOPMENT POLICY

At FOURLIS Group we operate responsibly and we constantly evolve, in all the countries of activity, while being committed to our Values and having as a priority the respect for all our people and stakeholders, the support of the society and the protection of the environment, aiming at sustainable development at a financial, social and environmental level.

Our Values
Integrity, Respect, Efficiency

Our Mission

To create superior value for our customers, people, shareholders and society, by delivering goods and solutions for better living.

For Our People

- We aim at creating and safeguarding employment positions, through the development of our activities in Greece and abroad.
- We respect, protect and promote the internationally recognized human rights through the policies we adopt and the initiatives we take.
- We offer a work environment of meritocracy and equal opportunities, with policies of fair recruitment, reward and personal development for all our employees, without any discrimination.
- We invest in the continuous training and development of our human resources, as well as in their systematic and meritocratic evaluation.
- We apply a Health and Safety Policy for all the Group's companies in all the countries of activity, providing a healthy and safe working environment.
- We offer health benefits to our employees and personalized support to those affected by natural disasters or in cases of serious health issues.
- We encourage and promote employees' volunteerism.

For the Society

- We constantly get informed about the needs of the citizens and the societies in which the Group operates, through established communication and consultation channels.
- We evaluate and prioritize those needs and then we design and implement programs and actions as we target to meet the real and most important needs of each local community, taking into account the number of beneficiaries as well as the nature of our activities.
- We implement social actions which are in line with the social responsibility strategy of our Group (support of vulnerable social groups and especially children).
- We respond to emergencies (e.g. pandemic, natural disasters), beyond the standard social responsibility planning.

For the Market

Economic Growth

- We aim at achieving positive financial results, at continuing strictly chosen investments and at exploiting new investment opportunities.
- We invest in technology and at upgrading our services, following the fast changes in consumer habits, but also in the nature of the retail sector, seeking to meet the growing expectations of consumers and to create a positive experience for the customer.
- We aim at the continuous improvement of the relations with our suppliers, through the communication of the terms of cooperation and the main framework of principles and values that should govern our cooperation.

• We offer quality and affordable products.

Corporate Governance

• We comply with the law and apply internal safeguards to ensure compliance with the rules that concern the activity of all Group companies.

• We have developed and implement a Code of Conduct and related policies.

• We have adopted the Greek Corporate Governance Code for listed companies.

• We adopt a corporate structure and governance that allows a close relation with investors, aiming at creating superior value for shareholders.

• We assess and manage business risks aiming to safeguard the interests of all our stakeholders.

• We have committees, we take measures and follow policies and procedures to enhance transparency, to prevent and combat fraud, corruption and bribery and generally any conduct that is opposed to the Code of Conduct.

Health, Safety and Accessibility of Customers and Visitors

• We apply a Health and Safety Policy for all FOURLIS Group companies in all the countries of operation.

• We provide a healthy and safe environment for partners and visitors at our facilities.

• We provide for the safe accommodation and transportation of people with disabilities at our facilities.

• The products sold by FOURLIS Group companies meet the international quality and safety standards

For the Environment

• We implement actions for the protection of the environment that are not limited to those dictated by the legislation.

• We focus on actions aiming at the reduction of our environmental impact, at responsible energy management and reduction of greenhouse gas emissions, at saving and recycling natural resources and at responsible water consumption.

• We offer products that contribute to a sustainable lifestyle.

• We raise awareness of employees and the public on environmental protection and the adoption of a responsible way of life.

For all the above issues, we set individual sustainable development goals, which we evaluate on an annual basis in terms of their effectiveness and review them, when and where necessary, aiming at our continuous improvement.

Moreover at FOURLIS Group

• Since 2008, FOURLIS Group is an official member of the United Nations Global Compact, thus we are committed to adopting, supporting and promoting its 10 Principles through our business.

• We perform a materiality analysis, in the context of continuously improving the Group's approach to sustainable development and social responsibility topics, in order to prioritize the Group's topics with the most significant economic, social and environmental impacts, but also those that significantly influence its stakeholders.

• We link the Group's material issues to the Sustainable Development Goals (SDGs) of the UN, contributing to their achievement through responsible operation, our programs and the related results.

• We inform our stakeholders about the conducted work in the field of Sustainable Development, publishing an annual report in accordance with internationally accepted Sustainable Development standards.

The Management is committed to the implementation of the Sustainable Development Policy, at all levels, companies and activity sectors of the Group.

Policy of Transfer Pricing transactions with related parties

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

The Company follows the rules regarding the transparency, the independent financial management, the accuracy and the correctness of its transactions.

Related parties, in relation to the Company, are considered the persons defined as affiliated with it according to International Accounting Standard 24 as well as the legal entities controlled by them, in accordance with International Accounting Standard 27.

Transactions between the Company and its affiliates are made at a price or consideration which is proportional to what would have been paid if the transaction had taken place with another natural or legal person, under market conditions prevailing at the time of the transaction and in particular proportional to the price or consideration agreed by the Company, when trading with any third party, in accordance with the relevant provisions of the relevant legislation

Information on the above transactions is included in the Management Report of the Board of Directors and in the Notes on the Financial Statements.

Policy and Procedures for the Prevention, Detection and Management of Conflicts Interest

The Company has and implements a Conflict-of-Interest Policy in accordance with article 14 of Law 4706/2020; any revision of this Policy should be approved by the Company's Board of Directors. This Conflict of Interest Policy determines the circumstances constituting or possibly resulting in a conflict of interest, whereas, further specifies the procedures that must be followed and the measures that must be taken for the mitigation, the management and the resolution and settlement of each such conflict of interest that may arise. Through this Policy instructions to the Board of Directors, the Executive Committee, the management and all employees of the Company regarding the detection and the management of conflicts of interests are essentially provided.

The Company seeks to avoid conflicts of interest to ensure that it continues to operate in accordance with its purpose. In any case, it takes all necessary measures to prevent conflicts of interest and, if such conflicts arise, it acts immediately to manage and limit them by providing mitigation and resolution measures and applying the necessary controls, in accordance with the provisions of the above Policy.

Every member of the Board of Directors and every third person to whom responsibilities have been assigned by the Board of Directors, have an obligation of loyalty to the Company and must not pursue the same interests that are contrary to the interests of the Company. The members of the Board of Directors act with integrity and in the interest of the Company and safeguard the confidentiality of non-publicly available information. They must not compete with the Company and must avoid any position or activity that creates or appears to create a conflict between their personal interests and those of the Company, including holding positions in the Board of Directors or in the management of competing companies, without permission of the General Meeting of Shareholders of the Company. The members of the Board of Directors must contribute their experience and devote the necessary time and attention to their duties.

They should notify the Board of Directors, prior to their appointment, of their other professional commitments, including significant non-executive commitments to companies and non-profit institutions, and report to the Board of Directors changes to the above commitments as soon as they arise. In addition, they must timely and adequately notify the Regulatory Compliance Department of the Company and the other members of the Board of Directors of their own interests that may arise from any corporate transactions and / or activities of the Company that fall under their duties, as well as of any other conflict of interest that they may have with the interests of the Company or an affiliated Company.

Each member of the Board of Directors and the Executive Committee of the Company is obliged to submit to the Regulatory Compliance Division a "Declaration of Conflicts of Interests" according to the terms of the above Policy at the time of appointment to the Company, as well as on an annual basis and to update it during of the year, whenever required.

No member of the Board of Directors is allowed to vote on issues for which there is a conflict of interest between him (or an affiliated person) and the interest of the Company. In this case, the decisions are taken by the other members of the Board of Directors.

The Regulatory Compliance Directorate examines and evaluates all conflicts of interest notified to it in cooperation with the Legal Directorate or the Human Resources Directorate or any other Directorate required, and the decision is made on the measures to be taken for the appropriate resolution or conflict management, by properly informing the person involved. The Regulatory Compliance Department keeps a record of all cases of conflicts of interest that have been notified to it and the decisions that have been taken to address them, in addition to informing at least annually, the Company's Audit Committee of the above incidents and decisions taken during the year by submitting a relevant report.

Remuneration Policy

The policy and principles of the Company regarding the form of executive and non-executive board members' remuneration as well as the calculation method of remuneration, including quantitative and qualitative criteria taken into consideration, are included in Remuneration Policy which has been approved by the Extraordinary General Assembly on 18/6/2021 and has been uploaded in the Company's website http://www.fourlis.gr. The Policy refers to the members of the Board of Directors (BoD) of the Company and was conducted according to the EU Directive on stock options of shareholders (Directive (EU) 2017/828 of the European Parliament and of the Council as of 17 May 2017) as it has been integrated in Greek laws with L. 4548/2018.

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

Nomination and Remuneration Committee will review on an annual basis if the policy is still compatible with the Company's business strategy or if amendments need to be proposed to the Board of Directors. Every four (4) years or earlier if an amendment need arises following recommendation of the Committee, the Board of Directors will submit for approval any Policy changes they consider appropriate at the General Assembly of the Company's shareholders.

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

No member of the Board of Directors make decisions nor is responsible for its own remuneration. The Remuneration and Nomination Policy will secure the fact that no person will be present at the discussion regarding its remuneration.

More analytically:

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

Remuneration Policy of the executive members of the Board of Directors

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

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

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

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

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

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

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

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

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

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

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

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

Fit and Proper Policy

Information on the Eligibility Policy of the members of the Board of Directors of the Company is given in section 15.8.

Code of Conduct

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

- **Relationship with third parties**

- **Collaborators/ Suppliers**

The human resources of the Company treat the partners and suppliers with objectivity and respect.

The Company has adopted a Supplier Code of Conduct, as well as relevant policies and procedures, which characterize its daily practices.

The Company encourages the compliance of its existing and key suppliers / partners with the current Supplier Code of Conduct.

In addition, during the selection process of new suppliers / partners, the Company notifies them in writing of this Code, as well as their obligation to comply with its provisions.

Each partner / supplier is aware that the Supplier Code of Conduct is uploaded on our website and agrees to comply with the principles of business ethics.

- **Media, Publications and Public Speeches**

Only natural persons authorized by the Board of Directors of the Company, can communicate with public bodies and the media and announce information about the activities and results of the Company and the Group.

A special and express approval must have been preceded also in case that a member of the human resources participates as a speaker representing the Company at any presentation, in order to obtain any necessary supporting material, and, if needed, relevant guidance prior to the publishing of any press release, in order to be confirmed that the text does not expose the Company's reputation at risk.

- **Social Media**

The Company encourages members of its human resources to participate in Social Media Networks, encouraging them to act with good judgment, common sense & be governed by ethical behavior.

In the context of ensuring the proper use of the accounts maintained by the Company on social media, access and the right to manage these accounts is provided only to authorized human resources, which can make posts in the name and on behalf of the Company.

- **Shareholders & public Investment**

The Company implements the appropriate procedures in order to ensure the immediate, accurate information of the shareholders, as well as their necessary support, regarding the exercise of their rights.

- **Relationship of employees with colleagues and with the Company in general**

- **Respect for colleagues**

All employees of the Company must promote respect in the workplace, as well as honest behavior and honesty among them.

Recognize, encourage and value diversity, different views and experiences, while supporting honest and reciprocal communication always in a spirit of adaptation, flexibility and compromise.

They develop relationships that are governed by understanding and trust, proving in practice mutual respect and respecting the hierarchy.

The Company seeks to improve issues related to employees and the workplace through structured dialogue in a way that is communicated and known to all employees. The Company participates in a social dialogue, based on trust and respect.

- **Health and Safety**

The rules of Health and Safety of human resources in the workplace are a requirement for the protection of human life.

The Company takes care of the health and safety of all human resources. Monitors and controls the relevant risks, while taking all necessary preventive measures against accidents and occupational diseases in the workplace. For this purpose, a health manager has been appointed within the Company.

- **Forced and child labor**

Any form of forced and child labor is a violation of human rights and the rights of children, therefore both of the aforementioned types of work are strictly prohibited within the Company.

In particular, the Company prohibits the use of any form of forced labor, including, indicatively but not limited to restrictive labor under imprisonment, particularly hard labor, slave labor, military labor and slave labor, and any form of human trafficking.

Furthermore, the Company strictly prohibits child labor, which is defined as the recruitment of any person below the minimum age permitted by law.

- **Respect for people - Equal opportunities policy**

A basic principle of operation of the Group is respect for people. The Group shows its respect for all employees by providing a positive, productive and safe work environment that accepts diversity and inclusion (diversity & inclusion).

The Company ensures that all its employees have equal rights and opportunities as well as obligations and duties. In addition, all employees are treated equally, they are provided with equal opportunities for growth and development, fair pay and equal access to tools in order to do their job to the best of their ability and contribute to the development of the Company.

- **Harassment in the workplace**

Harassment means any behavior that may be offensive, aggressive, violate or disturb the sensitivity and dignity and / or isolate the employee.

Any form of harassment is expressly prohibited and we do not accept harassment that offends the victim's personality and individual integrity and / or creates an environment of intimidation, hostility or humiliation for the victim (eg physical, sexual, psychological, verbal or other form of harassment).

The Company's commitment to the safety of individuals is also evidenced by the "zero tolerance" in all cases of discrimination, violence, sexual harassment, which endanger the safety of employees and the performance of the Group.

The Company ensures that all employees contribute to a fair and equal working environment, not tolerating and acting directly against all forms of harassment.

Communication of incidents of discrimination and harassment is necessary for the Company to maintain a respectable work environment.

- **Evaluation**

Our evaluation is done with respect, honesty and based on objective criteria. The aim is to make only bona fide criticism and to set goals related to the improvement of our personal performance and through it to the development of the Company.

- **Education**

The Company provides training opportunities to all its human resources depending on the specific requirements of the position we hold, but also on its needs. There is cooperation, in order to choose the training that suits the abilities and the program of each employee. All employees must show a willingness to participate in the training offered.

- **Crisis management / Cooperation of employees in case of control by authorities, as well as in case of court proceedings**

In any case of crisis, all those involved must assist and make every effort to reduce as much as possible the negative effects of a possible crisis.

- **Awareness of Risk Management Culture (risk awareness)**

The corporate culture reflects the core values, attitudes and decisions of the Company and is a very important factor in shaping the perception of risk management.

According to the requirements of the legislation, the Group has a Risk Management System, with the main custodian being the Regulatory Compliance Directorate on the 2nd line. Specifically, the Company has:

- Risk management policy and procedures.

- Enterprise Risk Management (ERM) methodology based on the COSO framework.

- Risk register.

- **Regulatory Compliance Issues**

- **Conflict of interest**

In accordance with the Company's Conflict of Interest Policy and Procedures, a Conflict of Interest is any situation in which a person liable (member of the Board of Directors, member of the Executive Committee, Director, Chief, employee of the Group or any affiliated company) or one of his relatives (children, spouse, cohabiting partner, parents, siblings, in-laws, grandparents and grandchildren, children of spouse or cohabiting partner, dependents of that person or spouse / its partner in a cohabitation agreement, personal business partners / affiliated companies - legal or natural persons) has, on its own account or on behalf of third parties, an interest, the achievement of which could hinder the achievement of the Group's corporate interest, to which the person in question owes a fiduciary obligation and / or could influence or appears to influence, directly or indirectly, the manner in which the person in question performs his or her professional duties to the detriment or benefit of the Company.

The existence of a Conflict of Interest is assessed and verified, taking into account the specific circumstances of each situation.

- **Publication of Financial and Non-Financial Information**

The Company is committed within the framework of the Internal Audit System (IMS) that applies, that the financial and non-financial information it provides is accurate and complete, valid and timely, the information is accessible, sufficiently available to authorized or eligible recipients, the systems that support them are securely secured and provide the appropriate evidence for all recorded transactions.

The entire human resources of the Company are responsible for compliance with the above commitments of Financial and Non-Financial Information, as well as for the required cooperation with internal and external auditors to verify the information provided. The Audit Committee of the Company conducts a review of the Financial and Non-Financial Information in order to evaluate its completeness and consistency and informs accordingly the Board of Directors responsible for its approval.

- **Notification of Dependency Relations of members of the Board of Directors**

In accordance with the provisions of article 9 of L.4706 / 2020 on independent non-executive members of the Board of Directors, the Company applies a procedure for notifying any dependent relationships of their members of the Board of Directors and persons who have close ties with them.

The Board of Directors is responsible for taking the necessary measures to ensure the above compliance, as well as for the necessary actions in case it is found that the conditions of independence, defined by law, are not met. The review of the conditions takes place on a quarterly basis with the assistance of the Corporate Secretary of the Group and is included in the annual financial management report.

The Procedure for Notification of Dependencies of members of the Board of Directors is described in detail in the Charter of Operation.

- **Compliance of Persons Exercising Managerial Duties**

The listed companies of the Company have a specific procedure of compliance of the persons exercising managerial duties in full compliance with the provisions of article 19 of Regulation (EU) 596/2014 regarding the transactions carried out by the executives of the listed companies and the persons who have close ties with them.

The Compliance Procedure of the Persons exercising Managerial Duties is described in detail in the Company's Charter of Operation.

- **Corruption**

Corruption is generally considered to be the promise, offer, payment, search or acceptance of a reward, such as payment, donation or favor, for the purpose of illegally exerting influence over a business transaction.

In the Company, the maintenance of high ethical standards, in compliance with national and international laws, is a guiding principle and governs all activities and functions.

The Company emphasizes the strict application of the anti-corruption law, we consider the protection of the company and its reputation crucial and the human resources seek to act in a way that is in line with the above assumptions.

- **Bribery**

Bribery consists of claiming, receiving, offering, promising or providing money or other non-due and unfair benefit from or to an employee of the Company or to a Public Servant in order to secure a commercial or personal advantage.

It is expressly forbidden to offer or promise or provide any monetary or other benefit to a Public Servant or other Public body and / or third party, as well as to receive such benefit, in order to secure and maintain a commercial transaction, to secure a commercial advantage or privilege. The ban also applies to all persons acting on behalf of the Company.

- **Fraud**

Fraud is the act or omission of a person who, in order to obtain the same or a third unlawful property benefit, harms foreign property by convincing someone of an act, omission or tolerance by knowingly presenting false facts as true or unlawful concealment or unlawful concealment or concealment of true facts.

The Company does not tolerate any form of fraud as well as acts or omissions that could expose it to the risk of fraud.

- **Protection of information, personal data and assets of the Company**

- **Confidentiality, privileged information**

There is an obligation to maintain the confidentiality of this confidential or privileged information, whereas their management, processing, and disclosure should be done only to the competent authorities or persons who are specially authorized and in any case in strict compliance with the relevant requirements of legislation.

Any legal entity or person outside the Company who receives such information must sign a confidentiality agreement (in cases where this is legally possible).

- **Personal data**

The Company complies with all applicable provisions on the protection of personal and sensitive personal data and fully cooperates in any audits or investigations, carried out both internally by competent executives of the Company, as well as by the public authorities, and / or by private bodies that have undertaken this task.

The Company respects the privacy of individuals with whom it does business (visitors, customers, employees, candidates and former employees) and already uses their personal data exclusively for legitimate business purposes.

- **Assets of the Company**

The Company's property, facilities and resources (human and material) are used only for the Company's activities and not for personal purposes.

- **Healthy competition**

It is the Company's policy to operate with vigor and awareness of the law, to exercise an independent commercial judgment in the conduct of its operations and to comply faithfully with the laws governing the practices of trade and competition.

Antitrust and competition laws are intended to promote the functioning of the free market. These laws protect against non-competitive behavior that harms consumers. They also ensure the existence of a balanced business arena, which allows companies to compete fairly in terms of price, quality and service.

- **Environmental protection**

The Company complies with all environmental laws and regulations aiming at sustainable development at the economic, social and environmental level. In this context, a Sustainable Development Policy has been adopted, regarding which the Management is committed to its implementation at all levels, the companies and segments of the Company.

- **Code of Conduct Line - Whistleblowing Information System**

The Company is in compliance with the Directive 2019/1937 of the European Parliament and of the Council on the protection of persons who report violations of Union law.

With respect for the fundamental rights to freedom of expression and information, the protection of personal data, business freedom and good governance, consumer protection, public health and the environment, and in order to ensure a high level of protection for persons who report law infringements, the Company establishes the Code of Conduct Line - whistleblowing system. This is a system with internal reporting channels and monitoring procedures for breach reports:

o Product safety and compliance,

o Environmental protection,

o Food safety,

o Public health protection,

o Consumer protection,

o Protection of privacy and personal data,

o Rules and provisions of corporate tax legislation.

The Code of Conduct Line - whistleblowing system, in compliance with the criteria of impartiality and independence, appoints as the person responsible for receiving and managing the reports the Company's Regulatory Compliance Manager.

Relevant reports can be submitted through the following alternative channels:

o By sending an e-mail (email) to the e-mail codeofconduct@fourlis.com or telephone reference to the line of the Group Code of Conduct - 2106293010

o Upon request for a personal meeting (in person or by video conference) with the Company Regulatory Compliance Manager, within a reasonable period of time from the date of the request. The request is submitted in writing or by phone to the Code of Conduct Line 2106293010.

Internal Regulation Charter

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

- The organizational structure, the objects of the units, the committees of the Board of Directors or other standing committees as well as the duties of their heads and their reference lines.
- The report of the main characteristics of the Internal Audit System (IAC) which includes the internal audit unit, risk management and regulatory compliance.
- The process of recruiting top executives and evaluating their performance.
- The process of compliance of persons holding managerial duties and persons having close links with them, with the obligations of Article 19 of Regulation (EU) 596/2014.
- The process of notifying any dependent relationship of the independent non-executive members of the Board of Directors and the persons who have close ties with these persons.
- The process of compliance with the obligations arising from the law on transactions with related parties.
- The policies and procedures for the prevention and treatment of conflict of interest situations.
- The policies and procedures of compliance of the Company with the laws and regulations that regulate its organization and operation as well as its activities.
- The procedure available to the Company for the management of privileged information and the correct information of the public, in accordance with the provisions of Regulation (EU) 596/2014.
- The policy and procedure for conducting periodic evaluation of the Internal Audit System (IMS), by

persons who have relevant professional experience and do not have dependent relationships.

- The training policy of the members of the Board of Directors, the executives as well as the other executives of the Company, especially those involved in internal control, risk management, regulatory compliance and information systems.
- The sustainable development policy followed by the Company.

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

Risk Management System

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

The adequacy of the Risk Management System is based on:

• The nature and extent of the risks it faces,

• The extent and categories of risks that the Board of Directors deems as being within acceptable limits for the Company,

• The possibility of implementing the risks,

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

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

Risk management is a process that:

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

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

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

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

• Defining objective goals: The objectives of the Company are defined at a strategic level, in collaboration with the Management. The Company faces various risks from external and internal sources. Setting clear objectives is a prerequisite for effectively identifying, evaluating and addressing risks / events. The objectives of the Company are in line with the view of the Management for taking risks.

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

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

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

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

Internal Control System

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

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

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

• The efficient operation of the internal audit unit.

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

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

The Company has the following basic characteristics of the Internal Control System (ICS):

• Code of Conduct and procedures for monitoring its implementation.

• Approved organization chart in full development, for all levels of hierarchy and with distinction of functions into main and secondary, in which the area of responsibility per sector / department is clearly defined.

• Composition and operation of the Audit Committee.

• Organizational structure and operation of the Internal Audit Unit.

• Description of the strategic planning, its development process and its implementation.

• Long-term and short-term action planning per significant activity, with a corresponding report and highlighting of discrepancies on a periodic basis as well as their justification.

• Complete and up-to-date articles of association where the object of exploitation, work and the main purposes of the Company are clearly identified and recorded.

• Job description of directorates, departments and job descriptions.

• Recording of policies and procedures of important operations of the Company and identification of the control activities.

Procedures for compliance with the current legal and regulatory framework (Regulatory Compliance).

• Risk assessment and management procedures.

• Procedures for completeness and reliability of financial information.

• Procedures for hiring, training, assigning responsibilities, targeting and evaluating the performance of executives.

• Procedures for the security, adequacy and reliability of information systems.

• Staff and asset security procedures.

• Description of reference lines and communication channels inside and outside the Company.

• Mechanism for monitoring and evaluating the efficiency and effectiveness of procedures.

• Procedure for periodic evaluation of the adequacy and effectiveness of the ICS by an independent evaluator, communication of results and preparation of a treatment plan for weaknesses.

• Policies for the environmental management system and other environmental, social and governance issues (ESG factors).

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

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

• The control environment,

• Risk assessment,

• The control activities,

• Information and communication,

• The monitoring.

Control Environment

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

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

Risk Assessment

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

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

Control Activities

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

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

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

Information & Communication

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

Monitoring

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

Periodic evaluation of the Internal Control System (ICS)

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

Regulatory Compliance System

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

The Company has a Regulatory Compliance Department with the main mission of ensuring the Company's compliance with the current institutional and supervisory framework, which governs its business activities and operation. For this reason, the Regulatory Compliance Directorate monitors and analyzes developments and changes in the institutional and supervisory framework and conducts impact / deviation analyzes. Based on these analyzes, the Regulatory Compliance Directorate formulates proposals and action plans / actions.

Specifically, the Company must comply with at least the following framework:

- Corporate legislation and Corporate Governance legislation (eg Law 4548/2018, Law 4706/2020, N 4449/2017, Decision EC 1.891 / 2020, EKED)

- Stock market institutional and supervisory framework (eg Law 4443/2016, Law 3556/2007, Decision EC 3/347/2005, Circular EC 33 / 3.7.2007, 25 / 17.07.2008 of the Board of Directors ATHEX, ATHEX Regulation)

Regulation (EU) No 596/2014 (MAR) and other provisions of the national and European regulatory framework regarding the misuse of privileged information and market manipulation

- European and national legislation on product specifications

- European and national legislation on personal data protection, information protection, confidentiality

-Other institutional and supervisory framework.

The institutional and supervisory framework to which the Company complies, and which is supervised by the Regulatory Compliance Department is analyzed in detail in the Rules of Operation.

Supplier Acceptance due Diligence Policy

The Company deems it necessary for all external partners, who have been assigned services or tasks in the form of outsourcing, to observe a high level of integrity and legality, when operating on its behalf. For this purpose, the Company applies control of the legality and integrity of its external partners. This test is analyzed in three distinct stages.

Pre-contractual stage

Each external partner is required to provide the Company with specific documents and information prior to the signing of the cooperation agreement (eg legal documents for legal entities, identity documents for natural persons, financial statements). At this stage, every possible effort is made to evaluate the potential external partner and mainly an effort is made to identify, evaluate and manage potential risks and situations of conflict of interest. The documents and information collected are checked by the Director of Regulatory Compliance, who, depending on the outcome of the audit, proposes to the competent Director the approval of the cooperation and the preparation of the relevant contractual documents or the rejection of a possible cooperation.

Contractual stage

At this stage, the contractual texts are drafted based on the requirements imposed by the nature of each cooperation, the relevant institutional framework that may exist and the restrictions provided by the Company's internal policies. After the contractual texts are drafted and approved by the competent executives, the stage of their signing, execution and their implementation follow with the beginning of the provision of the prescribed services.

During the provision of services / post-contractual stage

All external collaborations are constantly checked for possible risks during their execution. Depending on the duration of each collaboration, specific time points are provided at which the provision of services is evaluated and re-checked by the external partner, so that it is found that nothing has changed from what was found in the pre-contractual evaluation stage and if information updates need to be made, as well as the level of services offered, in order to determine whether they correspond to what has been agreed and whether in the end the expected result emerges.

If there is a need to terminate the cooperation for any reason, the provisions of the relevant contract regarding the subject of the complaint are examined and every possible effort is made so that the consequences of such a termination for all the contracting parties are the ones provided, without exposure of the Company to any risk. Furthermore, depending on the nature of the services related to the terminated contract and the needs of the Company, a new external partner is sought for the provision of these services.

The Company maintains a register of external partners, as well as a file of outsourcing contracts, which it has prepared and all the documents collected and evaluated for the existing partners, always complying with the provisions of current legislation on the protection of information and personal data.

Internal Audit Unit

The Internal Audit Unit operates in accordance with articles 15 and 16 of law 4706/2020, the Greek

Code of Corporate Governance voluntarily adopted by the Company (http://www.helex.gr/el/esed) and the provisions of the Rules of Operation of the Company. The operation of the Internal Audit Unit is described in detail in the Rules of Operation of the Internal Audit Unit (Audit Committee Charter) approved by the Board of Directors of the Company and uploaded in the Company's website (http://www.fourlis.gr).

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

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

•of quality assurance mechanisms,

•of corporate governance mechanisms,

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

The responsibility of the Internal Audit Unit includes the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

Investors Relations & Corporate Announcements

The Investors Relations & Corporate Announcements takes care of:

- direct, accurate and equal information of the shareholders as well as their support, regarding the exercise of their rights based on the currently applicable legislation and the Company's Articles of Association,
- distribution of dividends and free shares, the issuance of new shares with cash payment, the exchange of shares, the period of exercise of the relevant pre-emptive rights or the changes in the initial time limits, such as the extension of the deadline of exercise of the rights,
- providing information on the regular or extraordinary general assembly meetings and the decisions taken by them,
- acquisition of treasury shares and their disposal and cancellation, as well as the programs of distribution of shares or free distribution of shares to members of the Board of Directors and the employees of the Company,
- exchange of data and information with the Central Securities Depository and intermediaries, in the context of shareholder identification,

- wider communication with shareholders,
- informing the shareholders in compliance with the provisions of the law for the provision of facilities and information by the Company,
- monitoring the exercise of shareholder rights, in particular with regard to shareholder participation rates and the exercise of voting rights in general meetings,
- monitoring the exercise of shareholder rights, in particular with regard to shareholder participation rates and the exercise of voting rights in General Assembly Meetings,
- informing the shareholders through the necessary announcements concerning regulated information (article 91 L.4548 / 2018) and corporate events (article 104 L.4548 / 2018),
- Compliance with the obligations provided in Article 17 of Regulation (EU) 596/2014 regarding the disclosure of preferential information and other applicable provisions.

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

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

Hellenic Code of Corporate Governance (June 2021)	Explanation/ Justification of deviations from special practices of the Hellenic Code of Corporate Governance
The company adopts a diversity policy that is part of the eligibility policy. With regard to gender representation, diversity policy includes specific quantitative targets for gender representation. The company ensures that the diversity criteria apply beyond the members of the Board of Directors and senior and / or senior executives with specific gender representation goals as well as timelines for achieving them (specific practices 2.2.13, 2.2.14 and 2.2.15, Composition of the Board of Directors).	The Company is in the process of compliance and within 2023 specific gender representation targets and timetables for achieving them will be set according to the size and scope of its operations.
The contracts of the executive members of the Board of Directors provide that the Board of Directors may demand the return of all or part of the bonus awarded, due to breach of contract terms or inaccurate financial statements of previous years or generally based on incorrect financial data used to determine the bonus (special practice 2.4.14, Remuneration of members of the Board of Directors).	The existing contracts of the executive members of the Board of Directors with the company do not include this term. For the contracts of executive members of the Board of Directors that will arise in the future and after the end of the term of the existing Board of Directors, there will be relevant compliance by the

Hellenic Code of Corporate Governance (June 2021)	Explanation/ Justification of deviations from special practices of the Hellenic Code of Corporate Governance
	Company

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

15.8 Reference to the Fit & Proper Policy

The Company has a Fit and Proper Policy for the members of the Board of Directors which is approved by its Board of Directors and is submitted for final approval to the General Meeting of Shareholders of the Company. The first version of the Fit and Proper Policy for the members of the Board of Directors based on the provisions of Law 4706/2020 was approved by the Ordinary General Meeting of Shareholders on 18/6/2021 and is uploaded on the Company's website (http: //www.fourlis. gr). The basic concepts and principles of the Company's Fit and Proper Policy are the following:

• Fit and Proper Policy is the set of principles and criteria that are applied at least during the selection, replacement and renewal of the term of office of the members of the Board of Directors in the context of the evaluation of individual and collective suitability.

• Individual suitability is the degree to which a person is considered to have as a member of the Board of Directors sufficient knowledge, skills, experience, independence of judgment, moral guarantees, and a good reputation for performing his duties as a member of the Board of Directors of the Company, according to the suitability criteria set by the Company's Fit and Proper Policy.

• Collective Fit & Proper is the Fit & Proper of the members of the Board of Directors as a whole.

• The Fit & Proper Policy aims to ensure the quality staffing, efficient operation and fulfillment of the role of the Board of Directors based on the overall strategy and medium-term business aspirations of the Company in order to promote the corporate interest.

• The Fit and Proper Policy is clear, adequately documented and governed by the principle of transparency and proportionality.

• The criteria for assessing individual suitability are general and apply to all members of the Board of Directors, regardless of their capacity as executive, non-executive or independent non-executive members.

• The composition of the Board of Directors reflects the knowledge, skills and experience required to exercise its responsibilities. This includes the requirement that the Board of Directors has an adequate understanding of the areas for which the members are collectively responsible and has the necessary skills to exercise the actual management and supervision of the Company, regarding, among other things:

-Its business activity and the main risks associated with it,

— Strategic planning,

— The financial reports,

— Compliance with the legislative and regulatory framework,

— Understanding corporate governance issues,

— The ability to identify and manage risks,

— The impact of technology on its activities,-Adequate representation by gender.

• The Suitability Policy explicitly provides for adequate representation by gender of at least 25% of all members of the Board of Directors and in case of a fraction, this percentage is rounded to the previous whole.

• The Fit and Proper Policy refers to the Equal Opportunities and Diversity Policy of the Company to ensure that it has been taken into account when appointing new members of the Board of Directors

• The Monitoring the implementation of the Fit and Proper Policy is the responsibility of the Board of Directors. The implementation of the Fit & Proper Policy is assisted by the Internal Audit Unit, the Regulatory Compliance Unit, the Nominations and Remuneration Committee and the Corporate Secretary where required. The results of the Assessment Policy are recorded as well as the actions to be taken to address any deficiencies identified at both the individual and the collective level.

• The documentation regarding the approval of the Fit & Proper Policy and any amendments thereto are kept in an electronic file.

15.9 Reference to the proceedings of the Committees of article 10 of law 4706/2020

During the year 2022, the members of the Audit Committee held a total of nine (9) meetings, during which they discussed the following issues:

•Meeting as of 10/3/2022

- Issue 1: Establishment of the Audit Committee in a Body and election of its President in accordance with the provisions of article 44 of Law 4449/2017.

- Issue 2: Submission of a proposal to the Board of Directors for the appointment of a new head of the Internal Audit, to replace the departed Ms. Aggeliki Bogdanou.

•Meeting as of 17/3/2022

- Issue 1: External Audit A. Additional Report to the Audit Committee of the Company based on article 11 of EU Regulation no. 537/2014 for the financial year 2021. B. Approval of the receipt of non-audit services by the auditing company that performs the mandatory audit of the Financial Statements.

- Issue 2: Financial information procedure (case b of par. 3 of article 44 of Law 4449/2017 and Law 4706/2020). A. Annual Financial Report 1/1 - 31/12/2021 of the Company: Evaluation of the drafting process and overview in terms of completeness and application of accounting principles. B. Approval of the presentation of the Chairman of the Audit Committee to the Board of Directors of the Company as of 21/3/2022 in accordance with article 44 of Law 4449/2017 as amended by articles 10, 15 and 16 of Law 4706/2012 and the relevant its decision EC No. Prot. 1508 of 17/7/2020. 1. Regular Audit supervision. 2. Financial Information Process. 3. Internal control system (ICS), regulatory compliance, risk management and Internal Audit Department. 4. Report of the Acts of the Audit Committee for the year 2020.

- Issue 3: Procedures of internal control, regulatory compliance, risk management and Internal Audit Department A. Approval of the induction training program of the new Head of Internal Audit. B. Internal audit report of FOURLIS HOLDINGS SA for the audit year 2021. C. Internal audit project report of FOURLIS HOLDINGS SA for the period January 1, 2022 - March 16, 2022.D. Action plan status update. E. Planning of internal audit projects of FOURLIS HOLDINGS SA for the period March 17, 2022 – May 6, 2022 F. Revision of the Internal Audit Manual G. Corporate Governance Issues.

- Issue 4: Other. A. Approval of Minutes of previous EU meeting.

•Meeting as of 12/5/2022

- Issue 1: External Audit. A. Approval of the receipt of non-audit services by the auditing company that performs the mandatory audit of the Financial Statements. B. Appraisal of EY’s audit services C. Statutory Audit Fees 2022 (Statutory fees) D. Preparation of the request for proposal (RFP) for the selection of statutory auditors.

- Issue 2: Financial information procedure (case b of par. 3 of article 44 of Law 4449/2017). A. Consolidated Financial Statements of the Group for the first quarter 2022 of the Company.

- Issue 3: Procedures of internal control, regulatory compliance, risk management and Internal Audit Department. A. Report of the Company's internal audit project for the period March 17, 2022 – May 6, 2022. B. Report of the EY to the Company's Board of Directors for the performed internal audit of the period March 17, 2022 – May 6, 2022. C. Planning of the Company's internal audit projects for the period May 2022 - August 2022. D. Regulatory Compliance Report for Q1 2022 and planning for Q2 2022. E. Risk Management Report for Q1 2022 and planning for Q2 2022. F. Selection procedure of the company for the evaluation of the Internal Control System of FOURLIS HOLDINGS SA and the most important subsidiaries of HOUSEMARKET SA and INTERSPORT SA, in accordance with the requirements of Law 4706/2020 and decision 1/891/30.9.2020 of EC.

- Issue 4: Other. A. Audit Committee self-Assessment B. Approval of Minutes of previous EY meeting.

- Meeting as of 6/6/2022

- Sole Issue of the Agenda: Revaluation of significant FOURLIS HOLDINGS SA subsidiaries.

- Meeting as of 17/6/2022

- Sole Issue of the Agenda: Establishment of the Audit Committee in a Body and election of its Chairman in accordance with the provisions of article 44 of law 4449/2017.

- Meeting as of 1/9/2022

- Issue 1: External Audit. A. Consolidated Group Financial Statements for the First Half of 2022 of FOURLIS HOLDINGS SA. B. Presentation of the Audit Committee to the Board of Directors regarding the six-monthly financial report of FOURLIS HOLDINGS SA.

- Issue 2: Financial reporting process. A. Consolidated Group Financial Statements for the first half of 2022 of FOURLIS HOLDINGS SA.

- Issue 3: Procedures of internal control systems, regulatory compliance, risk management and Internal Audit Department. A. Internal audit project report of FOURLIS SA HOLDINGS for the period May 7, 2022 – August 31, 2022 & Action plan status update. B. Report of the EY to the Board of Directors of FOURLIS SA HOLDINGS for the internal audit carried out for the period May 7, 2022 – August 31, 2022. C. Planning of internal audit projects of FOURLIS SA HOLDINGS for the period September 2022 – November 2022. D. Examination of proposals of consulting companies for the co-sourcing of Internal Audit. E. Procedure for receiving bids for the external evaluation of the Internal Audit Unit. F. Regulatory Compliance Report for Q2 2022 and planning for Q3 & Q4 2022. G. Risk Management Report for Q2 2022 and planning for Q3 & Q4 2022.

- Issue 4: Other. A. Approval of the Minutes of the previous meeting of the EY.. B. Revision of the Operating Regulations of the Internal Audit Unit.

- Meeting as of 17/11/2022

- Issue 1: External Audit. A. Confirmation of a meeting with the external auditors on 2/12/2022 for the audit of the year 2022. B. Discussion regarding the update of the approval process for receiving non-audit services from the audit firm that performs the mandatory audit of the Financial Statements. C. Approval of receipt of non-audit services from the audit company that performs the mandatory audit of the Financial Statements.

- Issue 2: Financial information procedure. A. Overview of Consolidated Financial Statements of the Group for the period 1/1 - 30/9/2021

- Issue 3: Procedures of internal control systems, regulatory compliance, risk management and Internal Audit Department. A. Report of the internal audit project of FOURLIS HOLDINGS SA for the period

September 1, 2022 – November 16, 2022. B. EY report to the Board of Directors of FOURLIS HOLDINGS SA for the internal audit carried out for the period September 1, 2022 – November 16, 2022. C. Planning of internal audit projects of FOURLIS SA HOLDINGS SA for the period November 2022 – February 2023. D. Review of Audit Plan 2022. E. Internal Audit Self-Assessment. F. Internal Control System Assessment Progress by Grant Thornton. G. Regulatory Compliance Report for Q3 2022 and planning for Q4 2022. H. Risk Management Report for Q3 2022 and planning for Q4 2022.

- Issue 4th: EY meetings and actions. A. Planning of Audit Committee meetings and actions 2023. B. Sustainable development policy - Planning a meeting with the Group Sustainable Development and CSR Director. C. Scheduling the annual evaluation of the Head of Internal Audit. D. Planning for the preparation of an annual audit committee report.

- Issue 5: Other. A. Approval of the Minutes of the previous meeting of EY. B. Discussion regarding the update of the Operating Regulations of the Audit Committee. C. Letters of capital market Commission. D. Informing the Audit Committee on the Compliance Procedure with the obligations of article 14, paragraph 3, letter (f) of Law 4706/2020 and articles 99-101 of Law 4548/2018 regarding transactions with Related Parties.

- Meeting as of 2/12/2022

- Issue 1st: Meeting with the external auditors for the scheduling of the audit work at the end of the fiscal year 2022.

. - Issue 2: Approval of the 2023 Internal Audit Program by the EY.

- Issue 3: Informing the Audit Committee on Sustainable Development issues.

During the year 2022, the members of the Nomination and Remuneration Committee held a total of eight (8) meetings, during which they discussed the following issues:

• Meeting as of 17/1/2022

- Issue of the Agenda: Discussion on issues concerning the current work of the Nomination and Remuneration Committee.

• Meeting as of 10/3/2022

- Issue 1: Resignation a) of Mr. Pavlos K. Triposkiadis from the position of independent non-executive member of the Board of Directors, as well as from the position of member of the Audit Committee, and b) of Mr. Eftichios Th. Vassilakis from the position of the non-executive member of the Board of Directors. Submission of a proposal to the Board of Directors for the replacement of the aforementioned resigned.

- Issue 2: Submission of a proposal to the Board of Directors regarding the remuneration of the new head of the Internal Audit Department, who will be appointed to replace the resigned Ms. Aggeliki Bogdanou.

• Meeting as of 21/3/2022

- Issue 1: Approval of a revised version of the Operating Regulations of the Nomination and Remuneration Committee.

- Issue 2: Informing the Committee on the progress of the project of identifying and attracting human resources suitable for being a member of the Board of Directors, in accordance with the decisions of the Committee of 22.10.2021 and 30.11.2021.

- Issue 3: Discussion on other issues within the competence of the Committee.

• Meeting as of 16/5/2022

- Issue of the Agenda: Submission of the Committee's proposal to the Board of Directors for the composition and formation of the new Board of Directors.

• Meeting as of 17/6/2022

- Issue of the Agenda: Establishment of the Committee for the Promotion of Nominations and Remuneration in a Body and election of its Chairman in accordance with the provision of article 10 paragraph 3 of Law 4706/2020.

• Meeting as of 5/9/2022

- Issue 1: Implementation of the appraisal process of the Board of Directors on a collective and individual level, in accordance with the Operating Regulations of the Nomination and Remuneration Committee.

- Issue 2: Informing the Nomination and Remuneration Committee regarding the progress of the project to identify human resources suitable for being of a member of the Board of Directors.

• Meeting as of 10/10/2022

- Issue of the Agenda: Informing the Nomination and Remuneration Committee on the issues related to the implementation of the evaluation process of the Board of Directors on a collective and individual level and the perspective of undertaking and implementing the relevant project by the consulting company Nestor Advisors.

• Meeting as of 21/11/2022

- Issue of the Agenda: Implementation of the evaluation process of the Board of Directors at a collective and individual level, in accordance with the Operating Regulations of the Nomination and Remuneration Committee. Selection of candidate external consultants for the purpose of assigning the evaluation project of the Board of Directors.

Section 16 includes the Audit Report of the Audit Committee for the year 2022.

15.10 Detailed CVs / Resumes of the members of the Board of Directors and senior executives

Vassilis Fourlis, Chairman of the Board of Directors, Executive Member

Personal information:

Nationality: Hellenic

Year of birth: 1960

Current positions:

Chairman of the Board of Directors of FOURLIS HOLDINGS SA, Chairman of the Board of Directors of TRADE ESTATES REIC, Vice Chairman of the Board of Directors of HOUSEMARKET SA (IKEA), member of the Board of Directors of INTERSPORT SA

Member of the Boards of Directors of the Hellenic Foundation for European & Foreign Policy (ELIAMEP) and the Hellenic Society of Environment and Culture.

Previous Professional Experience:

He has been a member of the Boards of Directors of the Association of Enterprises and Industries (SEV), of the Hellenic Corporate Governance Council (HCCC) of the company TITAN Cement SA, OTE SA, of IMITHEA SA (Henry Dunant Hospital Center), of Piraeus Bank, Vivartia SA, as well as National Insurance SA.

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

Academic Qualifications:

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

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

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

Dafni Fourlis

Vice Chairman of the BoD, Executive Member

Personal Data:

Nationality: Hellenic

Year of birth 1966

Current Positions:

Vice Chairman of the Board of Directors of Fourlis Holdings SA, as well as

Chairman of the Board of Directors of Intersport Athletics SA, and

Chairman of the Board of Directors of HOUSEMARKET SA (IKEA)

Previous Professional Experience:

1989 – 2000 Marketing Department Wholesale of FOURLIS BROS SA (currently renamed to "FOURLIS HOLDINGS SA")

Academic Qualifications:

Business Administration BSc awarded by the Deree College

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

Personal information:

Nationality: Hellenic

Year of birth: 1965

Current positions:

Advisor-Executive member of the BoD of FOURLIS HOLDINGS SA (since 2008)

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

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

FOURLIS Group Social Responsibility Director (since 2008)

Previous Professional Experience:

1989- 1997: FOURLI BROS SA- Marketing Department

1998-2008: Director of Human Rescources at FOURLIS Group

Academic Qualifications:

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

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

David W. Watson, Independent Member of the Board of Directors, Chairman of the Nomination and Remuneration Committee

Personal Data:

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

Year of birth: 1947

Residences: Casco, Maine, US and Athens, Greece

Current Job Positions:

Currently serving as Independent Non-Executive Member in two Boards of Directors:

- easyGroup Holdings (since 2008), Munich - easyGroup is a holding company owned by Mr. Stelios Hadji-Ioannou, engaged in various easy-branded businesses. In addition, he is a member of the Board of Directors, Trustee in the Trust Company and member of Stelios Philanthropic Foundation

• FOURLIS HOLDINGS SA (since 2016), Chairman of the Nomination and Remuneration Committee. He has also served as a member of the Audit Committee of FOURLIS HOLDINGS SA and its subsidiary HOUSEMARKET SA.

Previous Professional Experience:

- April 2002 to December 2005
  Business Manager at Eurobank

  Responsible for Subsidiary Banks in SE Europe, Athens, Greece

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

  Completed the operational merger of three banks.

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

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

  Xiosbank was a new start-up venture opening for business established in 1990 due to the market deregulation.

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

  Citibank – Middle East and Southern Europe, London, Great Britain

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

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

  Citibank – Southeast Asia, Manila, Philippines

- July, 1974 to May, 1985
  Citibank Greece

Various Assignments - Corporate Banking

Academic Qualifications:

Northeastern University Boston, Massachusetts MBA

Elective emphasis on advanced accounting.

Miami University Oxford, Ohio BA

Seminars in Banking, Management and Business Strategy.

Stelios M. Stefanou Independent Non-executive Member of the Board of Directors, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee.

Personal Data:

Nationality: Hellenic and Cypriot

Year of birth: 1962

Recent Job Positions:

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

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

2020 - to date Independent BoD Member, Member of the Audit Committee of CNP Asfalistiki & CNP Cyprialife, in Cyprus.

2021 – to date Independent Member of the Board of Directors of Fourlis SA, Chairman of the Audit Committee and member of the Nominations and Remuneration Committee

Previous Professional Experience:

1985 – 1990	KPMG London Office - Senior Audit Supervisor
1990 - 1992	METAXA - Financial Planning & Analysis Manager
1992 - 1997	METAXA - Chief Financial Officer
1997 - 1999	METAXA - Managing Director and Head of UDV European Operations

1999 - 2005	METAXA - Managing Director and shareholder in JV with BOLS BV
2001 - 2004	Independent BoD Member of Hellenic Bank Unit Trust
2007-2021	Independent Member of the Board of Directors, Chairman of the Audit Committee of Elgeka SA
2009-2012	Member of the Board of Directors, of ERT. Chairman of the Board of Directors for the last ten months of its service

Education:

1982 - 1985	THE LONDON SCHOOL OF ECONOMICS
	BSc (Hons) in Economics (Accounting & Finance)
1985 - 1990	KPMG - London Office
1988 – to date	FCA - Member of the Institute of Chartered Accountants in England and Wales
2020 – to date	Continuous participation in ESG training seminars

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

Personal Data:

Nationality: Hellenic

Year of birth: 1960

Professional Experience:

2007-Until today Fourlis Group

CEO FOURLIS HOLDINGS SA, Executive Member of the BoD of FOURLIS HOLDINGS SA, Non-executive member of the BoD of TRADE ESTATES REIC, Member of the Audit Committee of TRADE ESTATES REIC

- IKEA Franchisee in Greece, Bulgaria, Cyprus
- Intersport Franchisee in Greece, Romania, Bulgaria and Turkey (140 stores)
- Distributor of Samsung, General Electric, Liebherr & Körting companies in Greece and Romania until 2011
- Main tasks include Strategic Directions, Development of New Activities, Organizational Planning & Development, Communication with Investors,

Development of relationships with business partners and key shareholders, Setting targets & performance goals

- Report to the Board of Directors of the Group

1999 - 2006 PBG (Pepsi Bottling Group), Greece

Chairman & CEO

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

1996 - 1998 PEPSICO Greece

Finance Director

Reference to the General Directorate of Greece and to the central Financial Administration

1990 – 1995 PEPSICO Greece

Financial Controller

Report to the Chief Financial Officer

1985 – 1990 Colgate–Palmolive Greece

Cash and Costing Manager

Report to the Chief Financial Officer

Independent Member of the BoD, Independent Vice-Chairman, Chairman of the Audit Committee and Chairman of the Nominations and Remuneration Committee of the listed company « AS Company SA ».

Member in many Associations in Greece, indicatively : SEVT, SELPE, SEV, EASE , Hellenic-American Chamber etc.

Academic Qualifications:

1992-1993 PepsiCo Executives Strategic Development Program (international)

1978-1982 University of Piraeus, Department of Business Administration

Maria Georgalou, Independent non Executive Member

Personal Data:

Nationality: Hellenic

Year of birth 1960

Professional activity:

Current position:

Vice President : BESPOKE S.A

Prior professional activity:

2022 - Vice President Chipita Foods S.A.

2014 – 2021 : CHIPITA S.A. Deputy CEO

2013 – 2019: DOLPHIN GROUP (ARGENTINA), Representative of Greece Real Estate Investments

2011 – 2014 : DRY CLEANING SERVICES LTD, Member of the founding team, Master Franchisee of 5asec, (Romania, Greece. Serbia, Croatia, Skopje).

2004 – 2011 : DELTA HOLDING S.A. / VIVARTIA SA, Group Financial Director (2007 to 2011), Business Development Director (2004 to 2007)

1995 – 2004: EMPORIKI VENTURE CAPITAL S.A., Executive Director – Member of the Investment Committee, Venture Capital Company – 100% subsidiary of Emporiki Bank of Greece

1990 – 1992: DE BENEDETTI GROUP OF COMPANIES (Greece): Financial Analyst (Financial Manager) at Eurohellenic SA as well as at Cofir SA (Spain) (company listed on the Madrid Stock Exchange)

1979-1989 : GEORGALOS HNOS SA, AGROGEO SA AND AGROFABRIL SA, Assistant internal auditor / administrative-accounting department, Family business in the food sector

Participates in the Boards of Directors as a member of the companies CHIPITA FOOD S.A. and CHIPITA S.A.

Education: C.P.A – Chartered Public Accountant Universidad de Belgrano – Buenos Aires - Argentina and Michael Ham Memorial College (Valedictorian).

Stavroula Kambouridou, Independent non Executive Member

Personal Data:

Nationality: Hellenic

Year of birth 1979

Professional activity:

Recent position:

- Jan. 2021-present CEO DIAS Interbank Systems
- Feb. 2017-Dec. 2021 Bank of Greece
- March 2019 - December 2021 Head of the Financial Technology (FinTech) Innovation Hub Consultant

- February 2017 - December 2021 Technology Advisor to the President of the Bank of Greece.

Prior professional activity:

- Jan. 2009-Dec. 2016 National Bank of Greece (NTE Group)
- 2011 - 2016 Director of IT Procurement Department (2011-2016)
- 2009 – 2011 Executive Advisor.

  Member of the main team entrusted with the creation of the Procurement Group 2009 at the EBG Group.
- 2005 – 20009 IBM Greece
- 2007 – 2009 Director of Customer Systems
- 2005 – 2007 Hardware Sales Specialist (2005-2007)

Previous Roles/Positions:

- Stanford University • Research Assistant
- Stanford University • Teaching Assistant

Education:

- December 2021 Harvard Business School, USA
  Executive Training
- 2002-2004 Stanford University, USA
  Master of Science (MSc) in Electrical Engineering. (with full scholarship from Stanford University)
- 1997 – 2001 University of Athens, Greece
  Bachelor's Degree (BSc) in Information Technology and Telecommunications (with distinction)
  Master's Thesis on: "Performance Development Techniques Specifications and Power Quality of Service on Internet Protocol (IP) Wireless Networks"

Collaborations – Participation in Teams / Professional Awards:

- Stanford University Alumni Association in Greece (Board member since 2018)
- "Rookie of the Year" Award (2006) from IBM Europe, for achieving the highest sales target of an IBM recruit in the European territory (exceeding revenue and profit targets by more than 280%)
- Nominated by IBM for 100% participation in the IBM Clubs (2006, 2007, and 2008) for overachievers/excellents and in the Golden Circle Association (2006) for exceeding their goals by more than 200%.
- Full scholarship for research/teaching at Stanford University to complete the Master of Science (2 years)

Languages: English (Bilingual), German (Basic Knowledge), Greek (Native)

Ioannis Zakopoulos, Company's Secretary

Personal Data:

Nationality: Hellenic

Year of birth 1958

Professional activity:

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

Other activities:

6/2020 – to date	Member of the Board of Directors of "FLEXUS INVESTMENT S.A. "
6/2012 – to date	Member of the Board of Directors of the company "RENTIS REAL ESTATE INVESTMENTS SA"
2/2011 – to date	Company's Secretary of "FOURLIS HOLDINGS SA"

Academic Qualifications

1982 - 1983 DESS Banque et Finances, Université Paris I Panthéon - Sorbonne

(Master's degree in Banking Law)

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

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

Military service:

1983 - 1985 Hellenic Air Force

Foreign Languages:

English, French

Nikolaos Lavidas, Member , Independent non Executive member

Personal Data

Nationality: Hellenic

Year of birth 1970

Current Job Positions:

2022-present: AB Vassilopoulos SA: CEO and head of the Executive Committee, for AB Vassilopoulos Group, member of Ahold Delhaize Group. AB Vasilopoulos is a company with a turnover of approximately 2 billion euros, 592 stores and 14,000 associates.

2019-2022: Upfield Greece: General Management of the company in August 2019 initially having responsibility for Greece, Cyprus and Albania and then for the wider region of Southeast Europe, additionally taking responsibility for Slovenia, Serbia , Croatia, Bosnia, Montenegro, Kosovo, Skopje, Romania, Moldova and Bulgaria. A key priority was the strengthening of the existing organization of the newly established company and its split from Unilever following the recent acquisition of the margarine and oils sector by KKR as well as the return of the sector to a growth trajectory.

PREVIOUS PROFESSIONAL EXPERIENCE

2011-2019: Sklavenitis Group: Initially assumed the role of General Development Manager with the main responsibility of reorganizing the company and creating the appropriate framework in order to support a series of acquisitions, which led to the creation of the largest retail group in Greece with a turnover that exceeded €3 billion, with more than 500 stores nationwide and a workforce of over 30,000 employees. Following the acquisition of Carrefour's activities in Greece in 2016, he assumed the position of General Administrative Director with the main objective the absorption of its local network and smoothly integrating it into the Sklavenitis operating system.

1996-2011 Kraft Foods Greece: In 2009, after a 14-year career in Kraft Food Greece, holding various positions of increasing responsibility, he assumed the position of CEO with the main responsibility for the merger of the local organizations of Kraft and Cadburys, which led to the creation of the largest company in the snacks industry in Greece.

Education:

He holds a postgraduate diploma in International and Commercial Law (1994 - LLM in International and Commercial Law, University of Buckingham, UK, Graduated with Distinction) as well as a graduate in Business Administration (1993, BSc in Business Administration University of Buckingham, UK Graduated with Merit)).

Christos Theodoridis, Group Internal Audit Manager

Personal information:

Nationality: Hellenic

Year of Birth: 1987

Current Job Position:

March 2022 – to date: Group Internal Audit Manager, FOURLIS HOLDINGS SA

-Preparation and execution of the Internal Audit Plan based on risk assessment.

-Testing of internal controls and preparation of audit reports.

-Communication of audit results to management and recommendation of action plans.

-Reporting to Audit Committee.

Previous professional experience:

November 2019 – February 2022: Group Internal Auditor, Fourlis Holdings S.A.

• Conducting audits based on the Annual Audit Program.

• Checking the effectiveness of security valves and writing reports.

• Suggestions for improvement and agreement of actions with the operational managers.

• Design of data analysis for the audit (Computer-aided audit tools)

September 2014 – October 2019: Risk Assurance Senior Associate, PwC S.A.

• Management of auditing and consulting projects regarding: evaluation of internal security valves, risk assessment, fraud, evaluation of information systems and procedures, data analysis, implementation of computerization systems.

• Presentation of results and findings to control groups.

• Providing training to the control teams of data analysis tools (Computer-aided audit tools).

• Business processes blueprinting and optimization.

Education:

2005 – 2010: Aristotle University of Thessaloniki, Degree in Economics

2012 – 2014: University of Antwerp, BE - MSc in Finance

George Alevizos, Chief Financial Officer (Treasury, IR and Risk Management), member of the Executive Committee

Personal Data

Nationality:	Hellenic
Year of birth	1967

Recent Job Positions:

03/2000– to date
Chief Financial Officer (Treasury, IR and Risk Management)
Key responsibilities:

Financing & Capital Purchase (Capital Markets)

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

Transactions

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

Cash Management

Cash pooling, Relations with cooperating banks

Risk Management

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

Investor Relation

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

Insurance

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

Previous professional experience:

XIOSBANK SA (Banking Sector)

04/1995 - 02/2000

Treasury Dealer (Negotiator Money Market and FX)

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

GIZA BROS SA (Wholesale)

08/1994 - 04/1995

Credit Control Manager

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

Boards of Directors:

Trade Estates REIC - Vice President, Executive Member and Member of the Investment Committee

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

Trade Status SA(DPAM) - Chief Financial Officer and Member of the BoD

Housemarket SA. (IKEA Greece) - member of the BoD

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

Intersport Athletics Cyprus Ltd - Member of the BoD

Genco Trade SrL (Intersport Romania) – Administrator

Genco Bulgaria EOOD (Intersport Bulgaria) - Administrator

WYLDES Ltd –Director

VYNER Ltd - Director

South Sofia Ring Mall EAD – Director

SEVAS TEN REAL ESTATE DEVELOPMENT AND EXPLOITATION SA - Vice Chairman of the BoD

MANTENKO REAL ESTATE DEVELOPMENT AND EXPLOITATION SA - Vice Chairman of the BoD

Academic Qualifications

ALBA Graduate Business School, Athens, Greece

09/1993 - 09/1994

Master of Business Administration

University of Patras, Department of Mathematics

<u>Manolis Vidoris, IT Director, member of the Executive Committee</u>

Personal Data

Nationality: Hellenic

Year of birth: 1963

Recent Job Positions:

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

Previous Professional Experience:

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

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

1999 – 2003: TOYOTA Hellas SA (IT Director)

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

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

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

1986 - 1988: ELSA SA (Programmer)

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

Academic Qualifications

1981: Graduate of the Leontio Lyceum of Patission

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

Professional Certifications:

Microsoft (Microsoft Summit, Developers days, TechEd days

Online IBM OS/400 04/1994

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

EEDE Project management. 05/1995

Infoquest SA Time Management. 04/1997

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

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

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

Inspirandum PRINCE Project Management Methodology 10/2001

EEDE E-business Technology Seminar 02/2002

ALBA Project Management 07/2003

TMME TOYOTA Paneuropean IT Conference

Maria Theodoulidou, Group Finance Director (Controlling & Planning), member of the Executive Committee

Personal Data

Nationality: Hellenic

Year of birth 1968

Recent Job Positions:

2000 – to date FOURLIS Group of Companies

Financial Director of Planning and Control (2009 – to date) & member of the Executive Committee. Responsibilities for compliance, risk management and corporate governance issues

FOURLIS Group Internal Audit Manager (2000-2008)

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

Previous Professional Experience:

1995 – 2000 KPMG

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

Senior Advisor (1995 - 1996)

1993 - 1994 01 PLIROFORIKI

Project Manager

Academic Qualifications

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

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

19th General High School of Thessaloniki

Professional Certifications:

Certified Information Systems Auditor (CISA)

Certification in Control Self- Assessment /CCSA

Certification in Internal Audit /CIA

Certification in Environmental Audit

Certification as an ISO 9000 Internal Auditor

Memberships:

Member of BOD of INTERSPORT ATHLETICS SA

Member of BOD of HOUSEMARKET (CYPRUS) LTD

Member of BOD of TRADE ESTATES CYPRUS LTD

Member of BOD of H.M. ESTATES CYPRUS LTD

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

Corporate Governance Committee of the Hellenic American Chamber of Commerce

BSE Corporate Governance Committee

BSE Tax Group Committee

Non-Executive Director's Club in Greece

Public Register of Internal Auditors of Greece

Technical Chamber of Greece

Panhellenic Association of Production and Management Engineers

Act-tlo Youth Professional Solidarity Initiative

Natasha Spirou, Group HR Director, member of the Executive Committee

Personal information:

Nationality: Hellenic

Recent Job Positions:

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

Previous professional experience:

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

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

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

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

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

Education:

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

Ioannis Lioupis, Group Business Development Manager, Member of the Executive Committee

Personal information:

Nationality: Hellenic

Year of Birth: 1959

Recent Job Positions:

2017 – to date

FOURLIS GROUP

Business Development Manager

Responsible for exploring, evaluating and developing new business potential opportunities in the best performing and most profitable retail sectors in South East Europe.

He reports to the CEO of the Group.

Previous professional experience:

He was a member of the Boards of Directors of the companies:

FOURLIS HOLDINGS SA, Fourlis Trade SA, Service One SA and P. Kotsovolos SA

2002-2016

FOURLIS TRADE SA

CEO

FOURLIS TRADE was one of the largest trading companies in electrical and electronic devices in the Greek market with the exclusive representation of large and established companies abroad, such as Samsung, General Electric, Liebherr, Neff and Korting.

He reports to the Group CEO.

2000 - 2002

FOURLIS TRADE SA

Marketing Director

He reports to the CEO

1996 – 2000

FOURLI BROS SA

Marketing Manager

He reports to the CEO.

1994 – 1996

WELLA HELLAS SA

Group Product Manager

He reports to the Commercial Director

1991 – 1994 FARAN LABORATORIES SA

Product Manager

He reports to the General Manager.

1989 - 1991.

FOUNDATION FOR ECONOMIC & INDUSTRIAL RESEARCH (IOBE)

Head of Sectoral Research Reports

He reports to the Director of Sectoral Research Reports

Education:

1983-1985 UNIVERSITY COLLEGE OF WALES, UK

M.Sc. Marketing

1980-1983 UNIVERSITY OF NEWCASTLE UPON TYNE, UK

B.Sc. Food Marketing

Anestis Partalidis, CEO TRADE LOGISTICS, member of the Executive Committee

Personal information:

Date of birth: 6/10/1956

Place of birth: ISTANBUL

Education:

1975-1981 National Technical University of Athens, School of Mechanical Engineering.

Professional activity:

1983-2000 Gr. Sarantis SA. Initially as a procurement manager, then as Operations Manager and finally as a Logistics Manager. In 1997 he created the storage facilities of Gr. Sarantis in Oinofyta.

2000- to date FOURLIS Group. From 2000 to 2004 as Logistics Director in Kotsovolos (it was a company of the FOURLIS Group at that time) and later as CEO in Trade Logistics. He was the leader of the team that designed and implemented the project of the Trade Logistics facilities in Schimatari, from which the IKEA and INTERSPORT stores of the Fourlis Group in five countries are currently supplied. The Trade Logistics facilities are connected to the railway network, they are equipped with two automation systems, the first for pallet handling and the second for order collection and their energy balance is neutral.

Trade Logistics in 2009 won the "European Supply Chain Excellence Award in Logistics" in London among eighty entries from all European countries and in 2011 in Berlin, the second place in the competition "Supply Chain Distinction Awards"

Awards:

In 2015, he was named "Professional of the Year 2015" in Brussels by the European Logistics Association (which has fifty thousand members in thirty European countries). In the same year he was awarded the MEGAS ALEXANDROS prize by the Logistics Management Institute of Greece.

Additional activities:

He was a member of the Permanent Committee of Logistics, of the Ministry of Development (2013-2014), since 2016 he is a member of the Council of Development and Competitiveness of the Supply Chain , also he is Coordinator of the National Logistics Committee, member of the Working Group "Smart Transport and Supply Chain" of the General Secretariat for Research & Technology, member of the Legislative Drafting Committee for the review of the institutional framework of logistics and member of the Initiative Group for the Logistics of Hellenic Federation of Enterprises.

He is the Chairman of the Board of INTERSPORT ATLETIK in Turkey.

Seminars - Conferences:

He has attended numerous seminars and conferences in Greece and abroad and has participated as a speaker in many conferences.

Languages:

English, Turkish

Panagiotis Katiforis, CEO HOUSEMARKET, member of the Executive Committee

Personal information:

Nationality: Hellenic

Year of Birth: 1967

Recent Job Positions:

Mr. Panagiotis Katiforis is the CEO House Market (IKEA) from 2011 until today. House Market is a subsidiary of FOURLIS Holdings SA which operates IKEA stores in Greece, Cyprus and Bulgaria.

Previous Professional Experience:

From 2007 to 2011 he was General Manager of SARA LEE Hellas. From 2000 to 2007 he was a manager of Kimberly Clark in various positions, responsible in Europe and Greece. From 1994 to 2000 he held various managerial positions at Beiersdorf Hellas, whereas from 1985 to 1993 he worked in the family business that produced and traded handmade silverware.

From 2011 until today he is a member of the BoD of HOUSE MARKET (IKEA) as well as of Trade Logistics.

Education:

He holds a degree in Marketing Management from the American College in Greece (Deree College) (1993), as well as a Master's degree MBA with specialization in Finance, from the Strathclyde Business School, Glasgow, Scotland.

Evangelos Batris, CEO of INTERSPORT, member of the Executive Committee

Personal information:

Nationality: Hellenic

Year of Birth: 1975

Recent Job Positions:

Mr. Evangelos Batris is the CEO of Intersport SA from 2020 until today. Intersport SA is a subsidiary of FOURLIS Holdings SA, which operates Intersport stores in Greece, Cyprus, Bulgaria, Romania and Turkey.

Previous Professional Experience:

From 2010 to 2019 he was a manager in various positions at Nike, responsible for the EMEA headquarters in the Netherlands, for Eastern Europe & the Middle East, and in the Greek office in commercial roles.

From 2002 to 2010 he held various management positions at Coca - Cola Hellenic, whereas from 1999 to 2002 he worked at Allianz as a Private Banking Account Officer.

From 2020 until today he is a member of the BoD of Intersport SA in Greece as well as Intersport Cyprus ltd in Cyprus and Intersport Atletik in Turkey. He is also the legal representative of Genco Trade Srl in Romania and Genco Bulgaria Ltd in Bulgaria.

Education:

He holds a BSc in Electrical Engineering, Patras University, Greece (1998) and a postgraduate MSc in Business Administration, Cardiff Business School, UK (1999)

Sofia Spiliotopoulou, Head of Business Unit of Holland & Barrett

Personal information:

Nationality: Hellenic

Year of Birth: 1967

Current Job Positions:

Head of Business Unit of Holland & Barrett

Prior Professional Activity:

KORRES S.A

PRESIDENT OF EUROPE REGION (May 2019 – June 2022)

Head of the European Agency, member of the Management Team. European P&L responsibility for the business units of DACH (Germany/Austria/Switzerland), France, UK, Greece and Export.

COMMERCIAL DIRECTOR (May 2012 – April 2019)

Head of the commercial team leading Sales, Exports, Business Development, Business Intelligence, Marketing, Trade Marketing and Training.

PEPSICO

SNACKS & BEVERAGES INTEGRATION DIRECTOR (October 2010 – February 2012) Head of the Integration team leading the planning and implementation of the Integration of the two PepsiCo businesses in Greece: Beverages (Pepsi-Ivi) and Snacks (Tasty Foods), in the areas of Sales, Finance , HR, BIS & Supply Chain.

SOUTHEAST EUROPE REGIONAL DIRECTOR, FOOD & BEVERAGE MARKETING & REVENUE MANAGEMENT (Jan. 2009 – Oct. 2010)

He has led the Food & Beverage Marketing Operations of the Countries: Turkey, Romania, Bulgaria, Serbia, Bosnia, Croatia, Greece and Israel.

MARKETING DIRECTOR, TRADE MARKETING & ALLIED BUSINESSES, (May 2003 – Dec 2008)

Head of the Marketing and Trade Marketing departments of the Snack food division of PEPSICO in Greece.

UNILEVER

DETERGENT MARKETING MANAGER, (Sept. 2000 – April 2003)

Responsible for the profitable growth of the Detergents portfolio of the brands: SKIP, SURF, CAJOLINE and OMO

HAIR MARKETING MANAGER, (1998 – 2000)

Responsible for the profitable growth of the entire hair portfolio: ORGANICS, ULTREX, TIMOTEI, SUNSILK, MOD`S HAIR.

Prior to the above, he held various positions of increasing responsibility at Unilever – i.e. TRADE MARKETING MANAGER (1997 – 1998), HAIR GROUP MANAGER (1996 – 1997), BRAND MANAGER (1993 – 1996), TRAINING DIRECTOR (1992 – 1993), ASSISTANT FACTORY QUALITY CONTROL (1989 – 1990)

Academic Qualifications:

CITY UNIVERSITY LONDON: MBA in Engineering Management, Major in Marketing, 1990-1991

UNIVERSITY OF PATRAS: Chemical Engineer (MEng), specialization in petroleum technology, 1984 – 1989

Graduation in 1984 from the 7th Lyceum of Patras

15.11 Information on the participation of the members of the Board of Directors in its meetings and in the meetings of the Committees of article 10 of law 4706/2020

The following table provides information on the participation of the members of the Board of Directors in its meetings for the year 2022.

Composition of the Board of Directors	Activity	Meetings of the Board of Directors during 2022 (15 in total)	Percentage of attendance at the meetings

Vassilios Fourlis of Stylianos	Chairman of the Board of Directors, executive member	15	100%
Daphne Fourli of Anastasios	Vice Chairman of the Board of Directors, Executive Member	14	93.33%
David Watson of Arthur	Independent Vice Chairman, Senior independent member, Independent non-executive member, Chairman of the Nomination and Remuneration Committee	15	100%
Ioannis Costopoulos of Athanasios	Director, non-executive member, Audit Committee member	(up to 17/6/2022) 10	100%
Lida Fourli of Stylianos	Director, executive member	15	100%
Apostolos Petalas of Demetrios	Director, executive member	15	100%
Stavroula Kampouridou of Alexandros	Director, independent non-executive member, member of Audit Committee	(from 17/6/2022) 5	100%
Stylianos Stefanou of Markos	Director, independent non-executive member, Chairman of Audit Committee, Member of the Nomination and Remuneration Committee	(from 17/6/2021)	100%
Maria Georgalou of Sofoklis	Director, member of Audit Committee, independent non-executive member	13	100%

Nikolaos Lavidas of Panagiotis	Director, independent non-executive member, Member of the Nomination and Remuneration Committee	12	92.31%

The following table provides information on the participation of members in the meetings of the Committees of article 10 of law 4706/2020 and specifically of the Audit Committee and the Nominations and Remuneration Committee for the year 2022.

Composition of the Audit Committee	**Status/Property**	**Audit Committee Meetings in 2022 (Total 8)**	**Percentage of participation in the meetings**
Stylianos Stefanou of Markos	Director, independent non-executive member	8	100%
Maria Georgalou of Sofoklis	Director, independent non-executive member	8	100%
Stavroula Kampouridou of Alexandros	Director, independent non-executive member	4	100% (from 17/6/2022)
Ioannis Costopoulos of Athanasios	Director, non-executive member	4 (up to 17/6/2022)	100%

Composition of the Nominations and Remuneration Committee	**Status/ Property**	**Meetings of the Nominations and Remuneration**	**Percentage of participation in the meetings**

		Committee during 2022 Total 8	
David Watson of Arthur	Independent Chairman, independent non-executive member	8	100%
Stylianos Stefanou of Markos	Director, independent non-executive member	8	100%
Nikolaos Lavidas of Panagiotis	Director, independent non-executive member	8	100%

15.12 Information on the number of shares held by each member of the Board of Directors and each chief executive officer of the Company

The following table provides information on the number of shares of the members of the Board of Directors and the main managers dated 31/12/2022. Indirect participations are also included in the Table.

Name	Title	Position 31/12/2022	Indirect participation
Vassilios Fourlis	Chairman of the Board of Directors, executive member	86.088	660.000
Daphne Fourli	Vice Chairman of the Board of Directors, Executive Member	8.970.116	-
Lida Fourli	Director, executive member	683.170	100.000
Apostolos Petalas	Director, executive member	17.500	-

George Alevizos	Chief Financial Officer (Treasury, IR and Risk Management), Member of the Executive Committee	42.100	-
Ioannis Lioupis	Group Business Development Manager, member of the Executive Committee	93.426	-
Panagiotis Katiforis	CEO HOUSEMARKET, member of the Executive Committee	28.741	-
Evangelos Batris	CEO INTERSPORT, member of the Executive Committee	9.146	-
Anestis Partalidis	Managing Director TRADE LOGISTICS, member of the Executive Committee	16.674	-
Emmanuel Vidoris	Director of Informatics, member of the Executive Committee	9.915	-
Maria Theodoulidou	Financial Director of Planning & Control, member of the Executive Committee	5.223	-
Anastastia Spyrou	Director of Human Resources, member of the Executive Committee	6.000	-

15.13 Confirmation of the fulfillment of the conditions of independence based on article 9 of law 4706/2020 of the independent non-executive members of the Board of Directors before the publication of the annual financial report 2022

The Board of Directors confirmed the fulfillment of the criteria of independence based on article 9 of law 4706/2020, of the independent non-executive members of the Board of Directors, before the publication of the annual financial report 2022.

15.14 Reports and reports of the independent non-executive members of the Board of Directors based on article 9 of law 4706/2020

The independent non-executive members of the Board of Directors, from the beginning of law 4706/2020, are obliged to submit to the regular or extraordinary General Meeting of the Company reports either jointly or individually.

The content of the above reports must include, at a minimum, a report on their obligations, as described in article 7 of law 4706/2020: the non-executive members of the Board of Directors, including the independent non-executive members, have, in particular, the following obligations:

a) Monitor and examine the Company's strategy and its implementation, as well as the achievement of its objectives.

b) Ensure the effective supervision of the executive members, including the monitoring and control of their performance.

c) Examine and express views on proposals submitted by executive members, based on existing information

15.15 Evaluation of the Internal Control System under article 4 of L.4706/2020 and of the decision No.1/891/30.9.2020 issued by the Hellenic Capital Market Commission.

The Company has a specific procedure for a periodic evaluation of the Internal Control System (ICS), which shall be performed by an objective, independent, evidently certified and adequately experienced assessor, as defined in article 9 and in article 14 of L.4706/2020 and specified by the decision No.1/891/30.9.2020 of the Board of Directors of the Hellenic Capital Market Commission. Further, the Company has a specific procedure for the proposal, selection, and approval of the assessor of the ICS.

The procedure for periodic evaluation of the ICS specifies the objects to be evaluated, the form and the recipients of the evaluation report, the regularity, the assignment procedure to an independent assessor and the subsidiaries included in the evaluation.

Objects of Evaluation of the ICS

The objects of the ICS evaluation as specified in the evaluation procedure of the Company's ICS are the following:

-Control Environment

The evaluation of the control environment of the Company focuses:

- On the integrity and ethics framework, in respect of which the decisions of the Board of Directors are taken and on the monitoring procedures for the faithful compliance with the aforementioned values;

- On the organizational structure of the Company through which the fields of responsibility of the business units-directions are delimited and the control of their works and their lines for reporting are specified;
- On the structure, organization and operation mode of the Board of Directors, in relation to the links to the executive management, to the supervision of the ICS and to its composition;
- On the corporate liability with which the senior executive management of the Company established its organizational structure for the achievement of the corporate goals;
- On human resources, in relation to hiring, remuneration, training and performance evaluation policies.

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

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

Risk Management

The evaluation of the ICS focuses on the risk identification procedures (risk assessment), on the Company’s management and response procedures to these risks (risk response) and on risk monitoring and development (risk monitoring).

More specifically, the role, the operation and the responsibilities of the Risk Management Unit is evaluated, as well as the policies applied by this Unit (RMU).

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

Risk assessment presupposes the determination of objective business goals set by the Company’s executive management. Based on these, the important events that may affect them should be identified, the relevant risks assessed and the Company's response to them determined.

Control Activities

The evaluation of the control activities of the ICS focuses on conflict-of-interest, separation of duties and information system security issues of the Company.

Control Activities are the policies, procedures, techniques, and mechanisms that are put into operation to ensure that the decisions of the Board of Directors regarding the management of risks that threaten the achievement of the Company's objective goals are implemented. They concern the entire Company and are executed by the executives of all levels (Board of Directors, Management, other employees) and in all corporate operations.

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

Each applicable control activity should be associated with the existence of relative risk, as otherwise its operation burdens the company with costs (direct or indirect), without providing benefits in terms of achieving its business goals. The cost-benefit ratio is considered when choosing among possible alternative control activities to cover a risk.

Information & Communication

The evaluation of the Company's ICS, as regards the effectiveness of information and communication, focuses on the effectiveness of the development and transmission procedure both of the financial and non-financial information.

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

Monitoring

The evaluation of the Company's ICS also aims at the effective function of the Company's mechanisms and structures, assigned with the continuous evaluation of the ICS data and specifically at the effective operation of the Audit Committee, the Internal Audit Department and the Regulatory Compliance Unit.

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

As regards the Audit Committee, the evaluation focuses on monitoring of the effectiveness of the entire ICS, assigned to the Committee.

As regards the Internal Audit Department, the evaluation focuses on compliance with articles 15 and 16 of L.4706/2020, and particularly:

- On the establishment and implementation of the approved by the Company's BoD Rules of Operation of the Internal Audit Unit;
- On the incorporation of operation of the Internal Audit Unit inside the Company's governance framework, on its organizational independence and staffing adequacy;

- On the review of tools and techniques used by the Internal Audit Unit;
- On the review of knowledge and qualifications of the personnel employed in the Internal Audit Unit;
- On random review of the audit report of the Internal Audit Unit of the Company and its subsidiaries regarding their timely submission as well as their proper preparation and completeness under the provisions in article 16 of L.4706/2020.

As regards the Regulatory Compliance Unit, the evaluation focuses on compliance with the provisions of corporate governance of L.4706/2020, and particularly:

- On its independence, access option to all required information sources, timely and valid communication of its findings, and on its training and information for the purpose of monitoring of the effective adoption and strict implementation of the changes made in the regulatory framework;
- On the staffing adequacy with personnel having sufficient knowledge and experience for the effective arrangement and fulfillment of the said duties and responsibilities;
- On the establishment of an approved by the Audit Committee annual action plan and on the monitoring of its implementation.

Periodic evaluation of the Internal Control System (ICS)

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

The Company's Board of Directors is responsible for the adequate and effective functioning of the Corporate Governance System and of the Internal Control System, as this is specified in articles 1 to 24 of L.4706/2020. In respect of this responsibility the BoD determines that the periodic evaluation of the ICS shall be made every three (3) years with reference period the one from 17/7/2021 until 31/12/2022 and estimated evaluation date within 2023.

In any case, the evaluation of the ICS constitutes part of the entire evaluation of the Company's Corporate Governance System, pursuant to article 4 par.1 of L.4706/2020. The Company's Corporate Governance System is going to be evaluation under relevant provisions within 2023 with reference date the 31st/12/2022.

The following table summarizes the dates of first evaluation of the Corporate Governance System and of the Internal Control System:

System	Evaluation Date	Reference Date
Corporate Governance	Within 2024	31/12/2023

Internal Control	Within 2023	31/12/2022

The Company's BoD is obliged to cooperate with the Hellenic Capital Markets Commission in case that the latter requests the ad hoc evaluation of the Company's ICS.

Procedure for the Assignment of Evaluation of the ICS

The proposal, selection, approval and, finally, assignment procedure for the evaluation of the ICS opens with the order of the Company's BoD to the Chief Executive Officer, so that the latter can collect three (3) written and signed offers by objective, independent, evidently certified, and adequately experienced assessors. The Assessors are legal entities or natural persons or an association of individuals.

Subsequently, the Company's Chief Executive Officer assisted by the Company's Chief Financial Officer shall collect three (3) written and signed offers by assessors meeting the following specific regulatory criteria as these are clearly specified in article 9 of L.4706/2020 and in the decision No. 1/891/30.9.2020 of the Board of Directors of the Hellenic Capital Market Commission:

- Independence (article 9 of L.4706/2020). As independence indications are indicatively mentioned:
  - ✓ The non-holding, directly or indirectly, of a voting-right share equal to more than zero comma five percent (0,5%) of the Company's share capital;
  - ✓ Relief from financial, business, family, or other kind of dependency relations with the Company, its Board of Directors, or its executive officers, which may affect their decision-making.

  Objectivity (decision No. 1/891/30.9.2020). Impartial attitude and mindset. In respect of ensuring independence and objectivity, the evaluation of the ICS cannot be performed by the same Assessor for a third consecutive evaluation.

- Certification and adequacy of knowledge and resources (decision No.: 1/891/30.9.2020). The head of the working group for the evaluation of the ICS and in any case the signatory of the evaluation must have the proper professional certifications (according to the professional standards invoked by the aforementioned person) as well as documented related experience (such as for example on ICS evaluation projects and evaluation of corporate governance structures). Further, the Assessor takes all necessary steps, so that upon execution of his/her work the participating persons have proper knowledge and experience in relation to the duties assigned to them and so that he uses and applies appropriate quality assurance systems, adequate human and material resources and procedures, in order to guarantee afterwards the normality and quality of execution of the relevant works.

The next step of the assignment procedure is the proposal of the Company's Chief Executive Officer to the Company's Audit Committee as to the proper assessor under regulatory criteria aforementioned, but also under technical and financial criteria.

The Company's Audit Committee reviews the proposal of the Chief Executive Officer and, in its turn, makes a proposal to the Company's BoD, that is the final responsible organ for the selection of an assessor and for the assignment of the ICS evaluation project.

The selected assessor in turn starts working on the project, which is finalized upon issuance of the evaluation report described below.

ICS Evaluation Report and Recipients

The ICS Evaluation results in a concise but also detailed report covering the aggregate findings and possible risks in relation to the evaluation objects. The two reports necessarily mention the date and time of their drafting, the evaluation reference date and the period covered.

The recipients of the concise and detailed report are the Board of Directors and the Company's Audit Committee.

The Company promptly submits to the Capital Markets Commission, and in any case within three (3) months from the reference date of the Evaluation Report, the Summary of the Report and, if required, its entire text.

The annual Corporate Governance Statement includes a relevant reference on the results of the Evaluation Report.

Significant Subsidiaries included in the Evaluation of the ICS

Pursuant to article 2 of L.4706/2020, the term "significant subsidiary of the Company" means the one that influences or may substantially influence the Company's financial status or its performance or it business activity or its financial interests in general. Moreover, under the decision No.1/891/30.9.2020 of the Board of Directors of the Capital Markets Commission, the evaluation of the ICS includes as regards the object and regularity of control the significant Company's subsidiaries.

The Company determines as significant subsidiaries those subsidiaries, which cumulatively meet the following criteria:

- Their contribution in the total turnover is at least 25% and
- Their contribution in the total assets is at least 25% and
- Their contribution in the total human resources is at least 25%.

These criteria are reevaluated every three years.

In respect of the first evaluation of the Corporate Governance System and of the Internal Control System, no subsidiaries of the Company are defined as significant..

First Evaluation of the ICS

The first evaluation of the ICS has been assigned to Grant Thornton following its offer as of 5/9/2022.

The purpose of Grant Thornton SA's work (with TIN 094399329) is that the Company obtains the guarantee on behalf of your Company regarding the adequacy and effectiveness of the ICS of the Company, under the provisions of article 14 par.3 and par.4 of L.4706/2020, the Decision No.1/891/30.09.2020 of the Board of Directors of the Capital Markets Commission, as well as the

Decision No.2/917/17.06.2021, which amended the Dec. No.1/891.

The entire project was directed by Mrs Athina Moustaki, Partner, with Reg.No.28871 in the Registry for Certified Public Auditors, who participated in every stage of the project and was responsible for the final approval and signing of the deliverables.

Mrs Moustaki is a Partner of Grant Thornton in Greece, in which she is working for a period of over 20 years. Currently, she is the head of the Environmental, Social, Governance, Risk & Compliance Services Department (ESGRC). Mrs Moustaki has many years of experience in the provision of auditing and consulting services at various bodies and organisations in the private, public as well as financial sector. More specifically, as regards the financial sector, she has worked on the audit of financial statements, due diligence, corporate governance, evaluation of internal control systems, regulatory compliance reviews, internal control services, consulting services about the development of undertaking and risk management. She has been engaged in numerous projects, as an Engagement Partner, in relation to corporate governance, risk management and regulatory compliance at the following companies: NBG, Systemic Bank (Confidential), Piraeus, Attica Bank, Investment Bank of Greece, Emporiki Bank, Marfin Egnatia Bank, HSBC Greece, ETEAN, Thea Artemis, B2Kapital, Engineers and Public Works Contractors Fund (EPWCF), Attica Bank Properties, PRODEA, PREMIA, ALUMIL, LAZARIDIS, P. Petropoulos, LAMPSA, SARANTIS, etc.. Mrs. Moustaki has led the teams at the Monitoring Trustee projects at two out of the four systemic banks in Greece (Eurobank Ergasias and National Bank of Greece) on behalf of the European Commission in the period 2013-2021. Mrs. Moustaki is a Certified Public Auditor-Accountant with the Reg.No. 28871 in the Registry for Certified Public Auditors. She holds the professional certification CPA (Institute of Certified Public Accountants of Greece). She is a member of the Economic Chamber and of the Greek Institute of Certified Public Accountants (SOEL). In addition, she holds an EMCC (European Mentoring and Coaching Council accreditation). Mrs Moustaki is a member of the Internal Auditors Registry kept in the Ministry of Finance.

In relation to the issue of "**independence"** Grant Thornton confirms that both its organization (company) or/and the individuals employed by it do not have any kind of relationships, nor have they entered in any kind of transactions, nor have they any financial interest to be gained by the Company, which prohibit G.T. from providing the specified Services, as imposed by Grant Thornton's Ethics Practices, as well as by the Code of Professional and Business Ethics, as applicable by the International Federation of Accountants. In case that conditions threatening the independence have been witnessed, Grant Thornton is committed to take all necessary steps for the elimination to a tolerable degree or the extinction of the risk of undermining its independence. Furthermore, G.T. has the right to terminate the relevant Agreement signed and executed with the Company with immediate effect, in its entirety or partly, provided it reasonably concludes that it can no more provide its Services under the applicable law or our professional obligations.

The methodological approach included four (4) stages:

- Investigation and Evaluation of the currently existing situation.

- Determination of gaps (deficiencies/ incapacities) and preparation of a special gap analysis report.
- Communication and re-examination and review of findings with competent units of the Company.
- Drafting of an Evaluation Report of the ICS.

The conclusion of the Evaluation Report for the Adequacy and Effectiveness of the ICS was unconditional, given that no substantial gaps and deficiencies have been detected and the relevant Detailed Report dated 6/3/2023 has been submitted to the Board of Directors and to the Company's Audit Committee, whereas its Summary shall be filed to the Capital Markets Commission, within the deadlines prescribed by L.4706/2020 and in the decision No.1/891/30.9.2020 of the HCMC (Hellenic Capital Markets Commission).

16. Report of the Acts of the Audit Committee of FOURLIS SA HOLDINGS for the year 2022 (1/1-31/12/2022)

To the regular General Meeting of Shareholders of the year 2023

Dear Shareholders,

This report of the activities of the Audit Committee concerns the period of twelve months of the closed year (1 /1-31/12/2022). The report was prepared and is harmonized with the provisions of law 4449/2017 as amended by article 75 of law 4706/20120 and aims to inform you about the activities of the Audit Committee based on its responsibilities.

In more detail:

During the year 2022, the Audit Committee met eight (8) times. The first concerned its establishment in a body due to the replacement of a resigned member and the election of a President as well as the submission of a proposal to the Board of Directors for the appointment of a new head of the Internal Audit Department, replacing the previous one. Also, after the election of a new Board of Directors by the Annual Ordinary General Assembly of Shareholders on 17/6/2022, the Audit Committee was formed in a body and elected its President.

The Director of Internal Audit attended in all Committee meetings. Depending on the topics of the meetings, the Directors who are responsible for Financial Reporting, Risk Management, Regulatory Compliance, Corporate Governance, Sustainable Development and CSR were invited to participate, as well as Certified Auditors Accountants.

The relevant information material (internal audit reports, administrative reports, auditors' reports and presentations, financial and non-financial information, etc.) was distributed in a timely manner to the members of the Committee for study so that they could express substantiated views. Minutes were kept for the meetings of the Audit Committee in which the issues discussed were approved and approved by the present Members and notified to the Board.

The Audit Committee consists of three non-executive members of the Board. The members of the Audit Committee as a whole, have proven sufficient knowledge in the field in which the company operates, while the Chairman and a member of the Committee has sufficient knowledge and experience in auditing and accounting.

External evaluation of the Audit Committee has been carried out from the company Grant Thornton, during the evaluation of the Internal Control System based on article 14 par. I of law 4706/2020. The conclusion of the evaluation report of adequacy and effectiveness of the Internal Control was unconditional.

In the exercise of its responsibilities, the Audit Committee had unhindered and full access to all the necessary information and was provided with the necessary resources and infrastructure for its efficient operation.

The role of Secretary of the Committee is performed by the Secretary of the Board of Directors of the Company who attends all its meetings and keeps the minutes of the Committee.

The Audit Committee informed the Board of Directors in writing about the results of all its actions with its findings and submitted specific proposals for the implementation of corrective actions, where it deemed appropriate.

In addition, during the year 2022:

1. With regard to the supervision of the regular audit, the Audit Committee:

• Proposed to the Board of Directors the reappointment of the auditing company EY for the mandatory audit of the Company and the consolidated financial statements for the year 2022 as well as for the approval of the remuneration and the terms of employment of the regular auditor based on article 44 of law 4449/2018, as applicable.

• Met once (1) with the chartered accountant of FOURLIS HOLDINGS SA, before the publication of its semi-annual financial statements.

• Met once (1) with the chartered accountant of FOURLIS HOLDINGS SA, before the publication of its annual financial statements.

• Meet once (1) with the certified public accountant of FOURLIS HOLDINGS SA for purposes of information on the schedule and scheduled end-of-year audit procedures 2022.

• Examined the audit program and the audit approach of the mandatory audit of EV for the year 2022.

• Upon completion of the annual statutory audit and the semi-annual review, it received from the regular auditor the supplementary report under Article 11 of Regulation (EU) 537/2014 with the results of the statutory audit and the confirmation of its independence and informed the Board about with the above.

• Examined and monitored the independence of the regular auditor and the objectivity and effectiveness of the audit process, taking into account the relevant professional and regulatory requirements in Greece.

• Monitored the services provided by the Certified Public Accountants in the context of the statutory audit and evaluated their performance, taking into account any findings and conclusions of ELTE.

• Reviewed and monitored the implementation of the procedure "Approval of receipt of non-audit services by the audit company that performs the mandatory audit of the individual and consolidated financial statements of the Group companies", approving the receipt of non-audit services to ensure the independence of Certified Auditors . For the Group, the percentage of other fees (Non-audit services) in relation to the audit services amounted to 8% and for the Company to 7%.

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

• Before their approval by the Board of Directors, examined the financial statements (corporate and consolidated) of FOURLIS HOLDINGS SA, and taking into account the content of the supplementary report of the Certified Auditor, positively assessed their completeness and consistency and informed the Board.

• Was informed extensively by the competent bodies of the Management and the certified auditors about the important control issues, the important crises, assumptions and estimates during the preparation of the financial statements.

• Evaluate the adequacy and effectiveness of the Internal Control System, taking into account the content of the audit reports of the Internal Audit Department.

• Evaluate the adequacy and effectiveness of the Risk Management System and especially with regard to the risks that emerged due to the COVID-19 pandemic. Specifically regarding the management of the main risks and uncertainties of the Group, the Audit Committee evaluated the methods used to identify and monitor the risks, the treatment of the main ones through the Internal Control System and the Internal Audit Department as well as the Internal Audit Department. Properly disclosed financial information.

• Evaluate the adequacy and effectiveness of the Regulatory Compliance System

• Reassessed the definition of the significant subsidiaries of FOURLIS HOLDINGS SA in accordance with article 2 of Law 4706/2020.

• Was informed about the process of compliance with the obligations of article 14, paragraph 3, letter (f) of Law 4706/2020 and articles 99-101 of Law 4548/2018 regarding transactions with Related Parties.

• Approved the policy and evaluation process of the Internal Control System based on Article 14 of Law 4706/2020 and Decision 1/891/2020 of the Capital Market Commission.

• Chosen the Assessor of the Internal Control System and recommended to the Board of Directors that the selected Assessor be assigned the task of evaluating the Internal Control System.

• Monitored all progress of the Internal Control System evaluation assessment and regularly updated the Board of Directors.

• Was the recipient of the summary and the detailed Evaluation Report of the Internal Control System.

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

• Approved the annual audit program of the Internal Audit Department, evaluating the process of its formulation. He confirmed that the annual audit program 2021 was prepared based on the main risks (financial information, operational, regulatory compliance, financial) faced by the Group companies and systematic application of the COSO ERM methodology that has been adopted.

• Monitored the implementation of the annual audit plan and evaluated the effectiveness of the Internal Audit Department, through the quarterly reports of the Head of Management and the annual report.

• Monitored the progress and effectiveness of the audit work, evaluating, through the quarterly reports, the findings identified, the corrective actions agreed to address the findings and the progress of their implementation.

• Evaluate issues identified by the audits of the Directorate of Internal Audit and made specific proposals for further action to introduce new procedures and controls to eliminate the weaknesses identified, where necessary.

• Reviewed proposals of consulting companies for the co-sourcing of internal audit tasks.

• Monitored the process of receiving bids for the external evaluation of the Internal Audit Department.

• Approved the revision of the Internal Audit Manual.

• Confirmed that the current version of the Charter of Operation of the Internal Audit Department is posted on the website (http://www.fourlis.gr).

• Assured the adequacy of the resources of the Internal Audit Department and was informed about the training plan of its executives.

4. Regarding sustainable development

The Audit Committee was informed about the Sustainable Development Policy and the actions of the Group in matters of sustainable development as well as about the objectives that have been set and analyzed in the Sustainable Development Report.

The company, recognizing that the principles of Sustainable Development are an element of its responsible course and continuous development, has developed a Sustainable Development Policy that is inextricably linked to its values and mission.

More specifically, the **Sustainable Development Policy** provides for the following:

At FOURLIS Group we operate responsibly, we are constantly evolving and we move in all our countries of activity with dedication to our Values and guided by respect for our employees and all our stakeholders, the support of society and the protection of the environment, aiming at sustainable development at economic, social and environmental level.

Our Values

Integrity, Mutual Respect, Efficiency

Our mission

To create additional value for our customers, our people, our shareholders and society, by providing products and services for a better life.

For our People

• We take care of the creation and preservation of jobs with the development of our activities in Greece and abroad.

• We respect, defend and promote internationally recognized human rights through the policies we adopt and the initiatives we take.

• We offer a work environment of meritocracy and equal opportunities, with policies of fair recruitment, reward and professional development, to all our human resources, without any discrimination.

• We invest in the continuous training and development of our human resources, as well as in its systematic and meritocratic evaluation.

• We apply Health and Safety Policy for all the companies of the Group in all the countries of its activity, providing a healthy and safe working environment.

• We offer health benefits to our employees and personalized support in cases of serious health issues and affected by natural disasters.

• We encourage and promote the volunteering of our employees.

For the community

• We are constantly informed about the needs of the citizens and the societies in which we operate through institutionalized channels of communication and consultation.

• We evaluate and prioritize the needs and then design and implement programs and actions based on meeting the real and important needs of each local community, the number of beneficiaries and the nature of our activities.

• We implement social actions which are in line with the social responsibility strategy of our Group (support of vulnerable social groups and especially children).

• We respond to emergencies (eg pandemics, natural disasters), in addition to the standard planning of the social responsibility plan.

For the market

Economic development

• We aim at achieving positive financial results, the continuation of strictly selected investments and the exploitation of new investment opportunities.

• We invest in technology and upgrading our services, following the rapid changes in consumer habits and the physiognomy of the retail trade, seeking to meet the growing expectations of consumers and create a positive experience for the customer.

• We take care of the continuous improvement of the relations with our suppliers, through the communication of the terms of cooperation and the basic framework of principles and values that should govern the cooperation between us.

• We offer quality and affordable products.

Corporate governance

• We comply with the legislation and apply control valves of compliance with the rules concerning the activity of all the companies of the Group.

• We have developed and implemented a Code of Conduct and related policies.

• We have adopted the Greek Corporate Governance Code for listed companies.

• We adopt a corporate structure and governance that allows for a close relationship with investors, with the ultimate goal of creating further value for shareholders.

• We assess and manage business risks in order to safeguard the interests of all our stakeholders.

• We have committees, take action and follow policies and procedures to enhance transparency and prevent and combat fraud, corruption and bribery and any conduct contrary to the Code of Conduct.

Health, safety and accessibility of customers and visitors

• We apply Health and Safety Policy for all the companies of the Group in all the countries of its activity.

• We provide a healthy and safe environment for partners and visitors to our facilities.

• We take care of the possibility of safe stay and movement and the facilitation of people with disabilities in our facilities.

• The products traded by the Group companies meet the international quality and safety standards

For the environment

• We implement actions for the protection of the environment that go beyond the limits of compliance with the legislation.

• We focus on actions to reduce our environmental footprint, proper energy management and reduction of greenhouse gas emissions, saving and recycling of natural resources, responsible water consumption.

• We offer products that contribute to a sustainable lifestyle.

• Raise awareness of employees, customers and the public on environmental issues and the adoption of a sustainable lifestyle.

For all the above issues, we set individual goals for sustainable development, which we evaluate on an annual basis in terms of their effectiveness and review them, when and where necessary, with the aim of continuous improvement.

In addition in the FOURLIS Group

• Since 2008 we have been a signatory to the United Nations Global Compact and we are committed to adopting, supporting and promoting, through our business activity, its 10 Principles.

• We carry out a substantive analysis, in the context of the continuous improvement of the Group's approach to issues of sustainable development and social responsibility, in order to prioritize the Group's issues that have the most important economic, social and environmental impacts, but also those that significantly affect its interested parties.

• We connect the essential issues with the Sustainable Development Goals (SDGs) of the UN, contributing to their achievement through responsible operation, our programs and related results.

• We inform our stakeholders about the ongoing work in the field of Sustainable Development, publishing an annual Report in accordance with internationally accepted standards of Sustainable Development.

The Management is committed to the implementation of the Sustainable Development Policy, at all levels, companies and areas of activity of the Group

The Sustainable Development and Social Responsibility Report issued by the Group, already for the fourteenth (14th) year and has been prepared according to the standards for the preparation of Sustainable Development Reports (GRI Standards, edition 2016), presents in detail the practices followed and the results that have achieved in matters of interest to our Social Partners, for the development of a responsible business environment.

The FOURLIS Group has adopted the ESG Information Disclosure Guide of the Athens Stock Exchange (https://www.athexgroup.gr/el/web/guest/esg-reporting-guide). The annual Progress Reports of the FOURLIS Group as well as the Sustainable Development and Social Responsibility Reports that include the Progress Report (COP) of the Group regarding the 10 Principles of the Universal Pact, are available on the website (http://www.fourlis.gr).

The issues of sustainable development are discussed at least once a year in the Executive Committee in which executives of the Group companies participate, as well as executive members of the Board of Directors, who in turn transfer the issues of sustainable development to the other Members of the Board, in order to according to the results of the materiality analysis, to set the priorities and set the respective objectives. The essential issues of the FOURLIS Group are regulatory compliance and business ethics, ensuring the health and safety of customers and visitors, the creation and distribution of immediate economic value to stakeholders, job creation, compliance, labeling and responsible product communication, advocating for the health, safety and well-being of workers, active and responsible social contribution, advocating for human rights at work and investing in education and development of workers. The Audit Committee evaluated the above and concluded that the Group's actions, its organization as well as the policies and procedures in force, constitute an adequate framework and promote sustainable business and a better future for all the Social Partners and the Group.

The current version of the Charter of Operation of the Audit Committee is posted on the website (http://www.fourlis.gr).

Subsequent events

The Audit Committee has carried out a self-evaluation of its effectiveness and the results were discussed at the Board of Directors at its present meeting.

Maroussi, March 20 2023

The Audit Committee

17. Significant events after the date of preparation of the Annual Financial Statements for the year from 1/1/2022 - 31/12/2022

There are no other events after 31/12/2022 that significantly affect the financial situation and the results of the Group except for the following:

- The Group announced the agreement to sell the "Intersport" activity in Turkey. The agreement provides for the sale of all the shares of the subsidiary company Intersport Atletik Mağazacılık ve Dış Ticaret Anonim Şirketi, licensor of the brand "Intersport" and "The Athlete's Foot" in Turkey, which operates a network of 12 stores. The buyer is the Eren Perakende ve Tekstil Anonim Şirketi Group. The transaction price was set at approximately euro 1.5 million, whereas as provided in the purchase and sale agreement (SPA), the final price will be determined according to the audited financial statements of the year 2022.. At the signing of the contract for the sale and purchase of the shares, 83% of the price was paid, i.e. approximately euro 1.25 million, while the rest will be paid in 2 years from the signing of the contract. The expenses of the transaction amount to euro 166 thousand. The sales of the activity in Turkey in 2022 amounted to euro 12.8 million, and the Losses before Taxes (PBT) amounted to euro 350 thousand. The gain from the sale of Atletik in 2023 amounts approximately to euro 0,5 million. Also, it is mentioned that accumulated losses that occurred during the time that the Group held the investment, amounting to approximately euro 4.5 million, are already reflected in the equity of the subsidiary.
- The Group announced the sale agreement of the retail trading "The Athlete's Foot (TAF)" in Greece. The agreement provides for the sale of total shares of the subsidiary company Sneakers Market SA, which has the right to use the trademark "The Athlete's Foot" and operates a network of 14 stores in Greece. The acquiring company is TAF Global Holding AG, a subsidiary of Arklyz Group AG, which has acquired the rights to the trademark "The Athlete's Foot" worldwide. The price of the transaction amounts to euro 4.1 million, which was finalized with the closing of the transaction at the end of February 2023.

Maroussi, March 20, 2023

The Board of Directors

The Financial Statements (Consolidated and Corporate) listed on pages 189 to 279, have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, approved by the Board of Directors on 20/3/2023 and signed by:

Chairman of the Board of Directors	CEO
Vassilis St. Fourlis	Apostolos D. Petalas
ID No. AM - 587167	ID No. AK - 021139
Finance Manager Controlling and Planning	Chief Accountant
Maria I. Theodoulidou	Sotirios I. Mitrou
ID No. T - 134715	ID No. AI – 557890
	Ch. Acct. Lic. No. 30609 A Class

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THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of FOURLIS HOLDINGS S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of Fourlis Holdings S.A. (the Company), which comprise the separate and consolidated statement of financial position as of December 31, 2022, and the separate and consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying separate and consolidated financial statements present fairly in all material respects the financial position of Fourlis Holdings S.A and its subsidiaries (the Group) as at December 31, 2022 and its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as endorsed by the European Union.

Basis for Opinion

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

Key audit matters

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

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

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

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Key audit matter	How our audit addressed the Key audit matter
Valuation of inventories (consolidated financial statements)	
In the consolidated statement of financial position of December 31, 2022, the Group presents inventories amounting to €91,8 million, which includes a provision for impairment of €4,2 million. As described in Note 3.14 of the consolidated financial statements, the Group records inventories at the lower of cost or net realizable value. Critical judgement and estimates are exercised by the Group management in identifying and assessing the amount of allowance for inventories, which include among other, estimation of the slow-moving inventories, estimation of obsolete inventories that will be destructed during the following period, evaluation of seasonality and estimation of the future selling prices of the products. We consider that because of the judgment involved in inventory valuation and the assumptions used by management, in combination with the significance of the amount of inventories to the Group financial statements, valuation of inventories is a key audit matter. Group discloses the related accounting policies and estimates, and the assumptions used for inventory valuation, in Notes 2.2, 3.14 and 13 of the consolidated financial statements.	We have performed the following procedures: • Historical costs and margins were tested on a sample basis through reconciliation of purchase cost and margins with the original purchase invoices and sales invoices. • We recomputed on a test basis the weighted average valuation method that is used to value inventories. • We assessed whether there were inventories which were sold with a negative margin and whether this was considered for inventory valuation at the lower of cost or net realizable value. • At year end, we attended on a part of inventory counts in Group stores and distribution centers, to validate on a sample basis whether there were indications of obsolesce. • We assessed management's estimations for slow moving inventories through observing on a sample basis historical sales and seasonality. • We evaluated the historical accuracy of allowance of inventories assessed by management by comparing on a sample basis the actual loss from inventory destruction, inventory write offs or other entries related to inventories to the historical allowance. • Furthermore, on a sample basis, we validated the mathematical accuracy of management's calculations for inventory provision. • We also assessed the adequacy of the disclosures which are included in the notes to the consolidated financial statements.

Key audit matter	How our audit addressed the Key audit matte
Impairment exercise on stores, right of use assets related to stores, and stores within assets held for sale (consolidated financial statements)	
Financial statement line items "Property plant and equipment" and "Right of Use assets" on December 31, 2022 include net book value of stores amounting to Euro 56	Our audit procedures included, among others, the following:

million and Euro 132 million respectively. In addition, the line item "Assets held for sale" of Euro 318m, depicts store assets, investment properties, other assets and investments in affiliated companies of a subsidiary of the Group under the name "TRADE ESTATES Real Estates Investment Company", as detailed in note 9 of the consolidated financial statements. The above constitute significant assets of the Group. The Group, in most cases, considers that each store is a Cash Generating Unit, or based on facts and circumstances, a Group of stores is considered as a Cash Generating Unit. In accordance with IFRS, where there are indications for impairment the Group performs an impairment exercise at Cash Generating Unit Level. Due to the material carrying value of those assets as well as the judgment and assumptions involved in the identification of any impairment indication and the assessment exercised whether there is a need of impairment or not, we consider the impairment exercise on stores a key audit matter. The impairment test as at 31 December 2022 did not result in impairment loss for the property, plant and equipment related to stores, ROU, other assets and assets held for sale. Group discloses the related accounting policies and estimates, and the assumptions used for the impairment exercise on stores, in Notes 2.2, 3.4, 3.7, 3.8, 3.10, 3.17, 7, 8 and 9 of the consolidated financial statements.	• We evaluated the Group policies to identify the Cash Generated Units. • We evaluated the Group policies to identify triggering events for potential impairment of assets in each Cash Generated Unit. • We evaluated management assumptions underlying the potential impairment calculation for those stores where a triggering event was identified. Valuation specialists supported the audit team. • We evaluated the management estimates for the future cash flows by performing the following audit procedures: (a) We compared forecasted future cash flows of prior years with the actual cash flows, and (b) We compared the future cash flows that were used in Group models with market available data and industry trends. • We reviewed the discount rate and residual value calculated by the Group with regards to the assumptions used, and compared them with the available industry trends and other financial information. • We evaluated the sensitivity analysis of the most significant assumptions used. • For the assets held for sale, we assessed at December 31, 2022: (a) the Group's evaluation of the measurement of those assets at the lowest between their carrying amount and their fair value less costs to sell, and (b) the fair value of those assets, where we included the support of our valuation specialists. • We also assessed the adequacy of the disclosures which are included in the notes to the consolidated financial statements.

Other information

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

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

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

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

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

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

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

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

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

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

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

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

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

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

<u>Report on Other Legal and Regulatory Requirements</u>

1. Board of Directors' Report

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

a) The Board of Directors' Report includes a Corporate Governance Statement that contains the information required by article 152 of Law 4548/1920.

b) In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of article 150 and 153 and paragraph 1 (c and d) of article 152 of Law 4548/2018 and the content of the Board of Directors' report is consistent with the accompanying separate and consolidated financial statements for the year ended December 31, 2022.

c) Based on the knowledge and understanding concerning Fourlis Holdings S.A. and its environment, obtained during our audit, we have not identified information included in the Board of Directors' Report that contains a material misstatement.

2. Additional Report to the Audit Committee

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

3. Provision of Non-audit Services

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

Non-audit services provided by us to the Company and its subsidiaries during the year ended December 31, 2022, are disclosed in note 6 of the separate and consolidated financial statements.

4. Appointment of the Auditor

We were firstly appointed as auditors of the Company by the General Assembly on June 11, 2010. Our appointment has been renewed annually by virtue of decisions of the annual general meetings of the shareholders for a continuous period of 13 years.

5. Rules of Procedure

The Company has in place Rules of Procedure, the context of which is in accordance with the provisions of article 14 of Law 4706/2020.

6. Reasonable Assurance report on the European Single Electronic Format [2]

[2] Η ενότητα «Έκθεση Διασφάλισης επί του Ευρωπαϊκού Ενιαίου Ηλεκτρονικού Μορφότυπου Αναφοράς» έχει εφαρμογή μόνο για εταιρείες με κινητές αξίες εισηγμένες σε ρυθμιζόμενη αγορά στην Ελλάδα. Στο εν λόγω υπόδειγμα περιλαμβάνεται συμπέρασμα χωρίς επιφύλαξη - σε περίπτωση που προκύψουν ευρήματα τα οποία οδηγούν σε διαφοροποίηση του συμπεράσματος, η εν λόγω ενότητα πρέπει να διαμορφώνεται κατά περίπτωση με βάση το Παράρτημα Β των κατευθυντήριων οδηγιών του ΣΟΕΛ που εκδόθηκαν την 14/02/2022.

ERNST & YOUNG (HELLAS)
Certified Auditors – Accountants S.A.
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We have examined the digital files of the Company and/or the Group, prepared in accordance with the European Single Electronic Format ("ESEF") as defined in the EU Delegated Regulation 2019/815, as amended by the EU Delegated Regulation 2020/1989 of the European Commission (hereinafter referred to as "the ESEF Regulation"), that comprise an XHTML file (213800V54ASIMZREDX49-2022-12-31-el.xhtml) which includes the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2022, and an XBRL file (213800V54ASIMZREDX49-2022-12-31-el.zip) with the appropriate tagging of the aforementioned consolidated financial statements.

Regulatory Framework

The digital files of the European Single Electronic Format are prepared in accordance with the ESEF Regulation and the Interpretative Communication of the European Commission 2020/C 379/01 dated 10 November 2020, as required by Law 3556/2007 and the relevant communications of the Hellenic Capital Market Commission and the Athens Stock Exchange (hereinafter referred to as the "ESEF Regulatory Framework").

This Framework provides, among others, the following requirements:

- all annual financial reports should be prepared in XHTML format.
- for the consolidated financial statements prepared in accordance with International Financial Reporting Standards, the financial information in the statement of total comprehensive income, the statement of financial position, the statement of changes of equity and the statement of cash flows, as well as the financial information included in the explanatory notes, should be marked-up (XBRL tags), according to the Taxonomy of ESEF (ESEF Taxonomy), as applicable. The technical specifications for ESEF, including the relevant taxonomy, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the ESEF Regulatory Framework provide appropriate criteria for us to express a reasonable assurance conclusion.

Responsibilities of Management and Those Charged With Governance

Management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company for the year ended December 31, 2022, in accordance with the requirements set out in the ESEF Regulatory Framework, and for such internal control as management determines is necessary to enable the preparation of the digital files that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to plan and perform this assurance engagement in accordance with the Decision 214/4/11-02-2022 of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board and the "Guiding instructions to auditors in connection with their assurance engagement on the European Single Electronic Format (ESEF) of public issuers in regulated Greek markets", as issued by the Institute of Certified Public Accountants of Greece on February 14, 2022 (hereinafter referred to as "ESEF Guiding Instructions"), in order to obtain reasonable assurance that the separate and consolidated financial statements prepared by management in accordance with ESEF comply, in all material respects, with the ESEF Regulatory Framework.

Our work was performed in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, and we have fulfilled our other ethical independence responsibilities in accordance with Law 4449/2017 and the EU Regulation 537/2014.

The assurance engagement we performed, in accordance with the International Standard on Assurance Engagements 3000, "Assurance Engagements Other Than an Audit or Review of Historical Financial Information", is limited to the objectives included in the ESEF Guiding Instructions. Reasonable assurance is a high level of assurance, but it is not a guarantee that this reasonable assurance engagement will always detect a material misstatement with respect to non-compliance with the requirements of the ESEF Regulatory Framework when it exists.

Conclusion

Based on the procedures performed and the evidence obtained, we express the conclusion that the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2022, in XHTML file format (213800V54ASIMZREDX49-2022-12-31-el.xhtml), as well as the required XBRL files (213800V54ASIMZREDX49-2022-12-31-el.zip) with relevant tagging on the aforementioned consolidated financial statements, including the explanatory notes, have been prepared, in all material respects, in accordance with the ESEF Regulatory Framework.

Athens, March 21, 2023

The Certified Auditor Accountant

Andreas Hadjidamianou

SOEL R.N. 61391

Ernst & Young (Hellas) Certified Auditors Accountants S.A.

8B Chimarras St., Maroussi

151 25, Greece

Company SOEL R.N. 107

FOURLIS
GROUP OF COMPANIES

Statement of Financial Position (Consolidated and Separate) as at December 31, 2022 and at December 31,2021

(In thousands of Euro, unless otherwise stated)

		Group		Company	
Assets	**Note**	**31/12/2022**	**31/12/2021**	**31/12/2022**	**31/12/2021**
Non-current Assets					
Property plant and equipment	7	73,340	70,404	214	194
Right of use assets	8	133,877	121,064	1,347	1,026
Investment Property		207	207	0	0
Intangible Assets	10	10,191	10,126	138	172
Investments	11	28,351	27,200	93,826	91,489
Long Term receivables	12	4,493	4,789	174	65
Deferred Taxes	26	10,072	7,214	230	230
Total non-current assets		**260,531**	**241,003**	**95,929**	**93,176**
Current assets					
Inventory	13	91,803	79,194	0	0
Income tax receivable		986	324	5	5
Trade receivables	14	4,307	3,882	472	694
Other receivables	15	18,249	18,435	6,133	3,719
Cash & cash equivalent	16	58,399	103,455	504	244
Assets classified as held for sale	9	317,827	228,669	32,025	0
Total current assets		**491,571**	**433,959**	**39,139**	**4,662**
Total Assets		**752,102**	**674,962**	**135,067**	**97,838**
SHAREHOLDERS EQUITY & LIABILITIES					
Shareholders equity					
Share Capital	17	52,132	52,132	52,132	52,132
Share premium reserve		13,940	14,002	14,713	14,713
Reserves	18	33,204	24,311	12,895	12,039
Retained earnings		85,694	86,586	43,689	14,365
Total shareholders equity (a)		**184,971**	**177,031**	**123,429**	**93,249**
Non-controlling interest	1.2	16,115	0	0	0
Total Equity		**201,086**	**177,031**	**123,429**	**93,249**
LIABILITIES					
Non Current Liabilities					
Non - current loans	22	103,820	89,751	36	77
Lease liabilities	23	111,567	104,435	645	781
Employee retirement benefits	20	5,775	7,405	756	914
Deferred Taxes	26	1,240	707	0	0
Other non-current liabilities	24	2,205	363	82	23
Total non current Liabilities		**224,607**	**202,660**	**1,519**	**1,795**
Current Liabilities					
Short term loans for working capital	22	24,999	44,450	0	0
Current portion of non-current loans and borrowings	22	19,650	90,849	0	0
Short term portion of long term lease liabilities	23	31,665	25,422	838	303
Current tax liabilities	26	1,007	1,550	0	0
Accounts payable and other current liabilities	25	103,183	96,453	9,282	2,491
Liability arising from assets held for sale*	9	145,906	36,546	0	0
Total current Liabilities		**326,410**	**295,270**	**10,120**	**2,794**
Total liabilities (d)		**551,016**	**497,931**	**11,639**	**4,589**
Total Equity & Liabilities (c) + (d)		**752,102**	**674,962**	**135,067**	**97,838**

**In there are loans of amount 113 million (note 9)

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

Income Statement (Consolidated) for the period 1/1 to 31/12/2022 and 1/1 to 31/12/2021

(In thousands of Euro, unless otherwise stated)

		Group	
	Note	**1/1-31/12/2022**	**1/1-31/12/2021**
Revenue	5	501,379	439,766
Cost of Goods Sold	5	(275,597)	(246,891)
Gross Profit	5	**225,782**	**192,875**
Other income	5	11,124	15,458
Distribution expenses	5	(176,530)	(154,632)
Administrative expenses	5	(33,614)	(26,596)
Goodwill arising from valuation		(151)	84
Net gain from the fair value adjustment of investment property	5	8,453	729
Other operating expenses	5	(1,316)	(1,045)
Operating Profit		**33,747**	**26,873**
Total finance cost	5	(17,517)	(15,349)
Total finance income	5	1,451	957
Contribution associate companies profit and loss	5	2,325	(402)
Profit before Tax		**20,007**	**12,079**
Tax	26	(242)	(549)
Net Profit (A)		**19,764**	**11,530**
Attributable to :			
Equity holders of the parent		19,165	11,530
Non controlling interest	1.2	599	0
Net Profit (A)		**19,764**	**11,530**
Basic Earningsper Share (in Euro)	27	0.3791	0.2212
Diluted Earnings per Share (in Euro)	27	0.3777	0.2177

Revenue is defined as income from contacts with customers.

*Revenues of 2022 include rental income of an amount of euro 2,240 thousand.

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

FOURLIS
GROUP OF COMPANIES

Statement of Comprehensive Income (Consolidated) for the period 1/1 to 31/12/2022 and 1/1 to 31/12/2021

(In thousands of Euro, unless otherwise stated)

		Group	
	Note	**1/1 -31/12/2022**	**1/1 -31/12/2021**
Net Profit (A)		**19,764**	**11,530**
Other comprehensive income/(loss)			
Other comprehensive income transferred to the income statement			
Foreign currency translation from foreign operations	21,26	1,156	(625)
Effective portion of changes in fair value of cash flow hedges		6,951	138
Total Other comprehensive income transferred to the income statement		**8,107**	**(487)**
Other comprehensive income not transferred to the income statement			
Actuarial (losses) / gains on defined benefit pension plan	20,26	1,236	(206)
Total Other comprehensive income not transferred to the income statement		**1,236**	**(206)**
Comprehensive (Losses) / Income after Tax (B)		**9,344**	**(693)**
Total Comprehensive (Losses) / income after tax (A) + (B)		**29,108**	**10,838**
Attributable to:			
Equity holders of the parent		27,965	10,838
Non controlling interest	1.2	1,142	0
Total Comprehensive (Losses) / Income after tax (A) + (B)		**29,108**	**10,838**

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

Income Statement (Separate) for the period 1/1 to 31/12/2022 and 1/1 to 31/12/2021

(In thousands of Euro, unless otherwise stated)

		Company	
	Note	1/1 -31/12/2022	1/1 -31/12/2021
Revenue		4,764	4,464
Cost of Goods Sold	6	(4,687)	(4,456)
Gross Profit		**77**	**8**
Other income	6	2,221	1,640
Administrative expenses	6	(4,607)	(3,242)
Depreciation/Amortisation (Administration)		(669)	(434)
Other operating expenses		(21)	(7)
Operating Loss		**(2,999)**	**(2,034)**
Total finance cost		(43)	(54)
Dividends	19	38,056	6,500
Profit before Tax		**35,014**	**4,412**
Tax	26	25	(1)
Net Profit (A)		**35,039**	**4,411**

Revenue is defined as income from contacts with customers.

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

FOURLIS
GROUP OF COMPANIES

Statement of Comprehensive Income (Separate) for the period 1/1 to 31/12/2022 and 1/1 to 31/12/2021

(In thousands of Euro, unless otherwise stated)

		Company	
	Note	**1/1 -31/12/2022**	**1/1 -31/12/2021**
Net Profit (A)		**35,039**	**4,411**
Other comprehensive (loss)/ income			
Other comprehensive income not transferred to the income statement			
Actuarial (losses) / gains on defined benefit pension plan	20,26	87	(13)
Total other comprehensive income not transferred to the income statement		**87**	**(13)**
Comprehensive (losses)/income after Tax (B)		**87**	**(13)**
Total comprehensive income/(losses) after tax (A) + (B)		**35,126**	**4,398**
Attributable to :			
Equity holders of the parent		35,126	4,398
Total comprehensive income/(losses) after Tax (A) + (B)		**35,126**	**4,398**

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

Statement of Changes in Equity (Consolidated) for the period 1/1 to 31/12/2022 and 1/1 to 31/12/2021

(In thousands of Euro, unless otherwise stated)

	Note	Share Capital	Share premium reserves	Reserves	Revaluation Reserves	Foreign exchange diff. from Statement of Financial Position transl. reserves	Retained earnings / (Accumulated losses)	Total (a)	Non controlling interest (b)	Total Equity
Balance at 1.1.2021		**52,092**	**14,025**	**37,003**	**722**	**(10,341)**	**75,261**	**168,762**	**0**	**168,762**
Total comprehensive income/(loss) for the period										
Profit		0	0	0	0	0	11,530	11,530	0	11,530
Foreign currency translation from foreign operations		0	0	0	0	(625)	0	(625)	0	(625)
Effective portion of changes in fair value of cash flow hedges		0	0	138	0	0	0	138	0	138
Actuarial (losses) gains on defined benefit pension plan		0	0	0	0	0	(206)	(206)	0	(206)
Total comprehensive income/(loss)		**0**	**0**	**138**	**0**	**(625)**	**(206)**	**(693)**	**0**	**(693)**
Total comprehensive income/(loss) after taxes		**0**	**0**	**138**	**0**	**(625)**	**11,325**	**10,838**	**0**	**10,838**
Transactions with shareholders recorded directly in equity										
Share Capital Increase		40	89	0	0	0	0	129	0	129
SOP Reserve		0	0	464	0	0	0	464	0	464
Reserves		0	0	69	0	0	(69)	0	0	0
Net Income directly booked in the statement movement in Equity		0	(111)	0	0	0	69	(42)	0	(42)
Sales/(Purchases) of own shares		0	0	(3,119)	0	0	0	(3,119)	0	(3,119)
Total transactions with shareholders		**40**	**(22)**	**(2,586)**	**0**	**0**	**1**	**(2,568)**	**0**	**(2,568)**
Balance at 31.12.2021		**52,132**	**14,002**	**34,554**	**722**	**(10,966)**	**86,586**	**177,031**	**0**	**177,031**
Balance at 1.1.2022		**52,132**	**14,002**	**34,554**	**722**	**(10,966)**	**86,586**	**177,031**	**0**	**177,031**
Total comprehensive income/(loss) for the period										
Profit		0	0	0	0	0	19,165	19,165	599	19,764
Foreign exchange differences		0	0	0	0	1,156	0	1,156	0	1,156
Effective portion of changes in fair value of cash flow hedges	18, 26	0	0	6,408	0	0	0	6,408	544	6,951
Actuarial (losses) gains on defined benefit pension plan	20, 26	0	0	0	0	0	1,236	1,236	0	1,236
Total comprehensive income/(loss)		**0**	**0**	**6,408**	**0**	**1,156**	**1,236**	**8,800**	**544**	**9,344**
Total comprehensive income/(loss) after taxes		**0**	**0**	**6,408**	**0**	**1,156**	**20,402**	**27,965**	**1,142**	**29,108**
Transactions with shareholders, recorded directly in equity										
Share Capital Increase	17	0	(62)	0	0	0	0	(62)	0	(62)
SOP Reserve	20	0	0	2,066	0	0	0	2,066	33	2,100
Reserves		0	0	336	0	0	(15,275)	(14,939)	14,939	(0)
Net Income directly booked in the statement movement in Equity		0	0	0	0	0	(15)	(15)	0	(15)
Stock Buy Back	18	0	0	(1,072)	0	0	0	(1,072)	0	(1,072)
Equity Holders	19	0	0	0	0	0	(6,004)	(6,004)	0	(6,004)
Total transactions with shareholders		**0**	**(62)**	**1,330**	**0**	**0**	**(21,294)**	**(20,026)**	**14,973**	**(5,053)**
Balance at 31.12.2022		**52,132**	**13,940**	**42,292**	**722**	**(9,810)**	**85,694**	**184,971**	**16,115**	**201,086**

The accompanying notes are an integral part of the Financial Statements

FOURLIS
GROUP OF COMPANIES

Statement of Changes in Equity (Separate) for the period 1/1 to 31/12/2022 and 1/1 to 31/12/2021

(In thousands of Euro, unless otherwise stated)

	Note	Share Capital	Share premium reserves	Reserves	Retained earnings / (Accumulated losses)	Total Equity
Balance at 1.1.2021		**52,092**	**14,625**	**14,694**	**9,967**	**91,378**
Total comprehensive income/(loss) for the period						
Profit		0	0	0	4,411	4,411
Actuarial (losses) gains on defined benefit pension plan		0	0	0	(13)	(13)
Total comprehensive (loss) / income		**0**	**0**	**0**	**(13)**	**(13)**
Total comprehensive income/(loss) after taxes		**0**	**0**	**0**	**4,398**	**4,398**
Transactions with shareholders recorded directly in equity						
Share Capital Increase		40	89	0	0	129
SOP Reserve		0	0	465	0	465
Net Income directly booked in the statement movement in Equity		0	(1)	0	0	(1)
Sales/(Purchases) of own shares		0	0	(3,119)	0	(3,119)
Total transactions with shareholders		**40**	**88**	**(2,655)**	**0**	**(2,527)**
Balance at 31.12.2021		**52,132**	**14,713**	**12,039**	**14,365**	**93,249**
Balance at 1.1.2022		**52,132**	**14,713**	**12,039**	**14,365**	**93,249**
Total comprehensive income/(loss) for the period						
Profit		0	0	0	35,039	35,039
Actuarial (losses) gains on defined benefit pension plan	20, 26	0	0	0	87	87
Total comprehensive (loss) / income		**0**	**0**	**0**	**87**	**87**
Total comprehensive income/(loss) after taxes		**0**	**0**	**0**	**35,126**	**35,126**
Transactions with shareholders, recorded directly in equity						
SOP Reserve	20	0	0	1,707	0	1,707
Reserves		0	0	221	(221)	0
Stock Buy Back		0	0	(1,072)	0	(1,072)
Equity Holders		0	0	0	(5,582)	(5,582)
Total transactions with shareholders		**0**	**0**	**855**	**(5,802)**	**(4,947)**
Balance at 31.12.2022		**52,132**	**14,713**	**12,895**	**43,689**	**123,429**

The accompanying notes are an integral part of Financial Statements.

Statement of Cash Flows (Consolidated and Separate) for the period 1/1 to 31/12/2022 and 1/1 to 31/12/2021

(In thousands of Euro, unless otherwise stated)

	Note	Group 1/1 - 31/12/2022	Group 1/1 - 31/12/2021	Company 1/1 - 31/12/2022	Company 1/1 - 31/12/2021
Operating Activities					
(Loss)/Profit before taxes		**20,007**	**12,079**	**35,014**	**4,412**
Adjustments for					
Depreciation / Amortization*	6	25,333	29,318	669	434
Provisions		2,091	784	325	138
Foreign exchange differences		838	554	0	0
Results (Income, expenses, profit and loss) from investment activity		(1,433)	111	(38,056)	(6,500)
Interest Expense		15,442	13,869	43	54
Plus/less adj for changes in working capital related to the operating activities					
(Increase) / decrease in inventory		(17,386)	10,548	0	0
(Increase) / decrease in trade and other receivables		(8,913)	(7,375)	450	160
Increase / (decrease) in liabilities (excluding banks)		17,690	(3,414)	6,847	955
Less					
Interest paid and interest on leases		(15,235)	(13,905)	(43)	(54)
Income taxes paid		(4,459)	(2,060)	0	0
Net cash generated from operations (a)		**33,976**	**40,509**	**5,249**	**(402)**
Investing Activities					
Purchase or Share capital increase of subsidiaries and related companies	9,11	0	(17,395)	(1,025)	(10,000)
Purchase of tangible and intangible fixed assets	7,10	(19,375)	(27,304)	(128)	(74)
Proceeds from disposal of tangible and intangible assets		158	31	0	0
Addition of assets	9	(49,121)	(5,868)		0
Proceeds from the sale of other investments	9	15,000	0	0	0
Interest Received		246	24	0	0
Proceeds from dividends		0	0	3,306	13,450
Loans provided to subsidiaries and associates	9	(2,326)	0	0	0
Total (outflow) / inflow from investing activities (b)		**(55,418)**	**(50,513)**	**2,153**	**3,376**
Financing Activities					
Payments for purchase of own shares		(1,072)	(3,119)	(1,072)	(3,119)
Inflow from share capital increase		0	131	0	129
Outflow from share capital increase		(51)	(7)	0	0
Proceeds from issued loans	22	236,778	88,907	0	0
Repayment of loans	22	(234,378)	(70,981)	(41)	0
Repayment of leasing liabilities	23	(18,885)	(16,783)	(450)	(289)
Dividends paid		(6,001)	0	(5,579)	0
Total inflow / (outflow) from financing activities (c)		**(23,609)**	**(1,852)**	**(7,142)**	**(3,279)**
Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)		**(45,051)**	**(11,856)**	**260**	**(306)**
Cash and cash equivalents at the beginning of the period		103,455	115,440	244	550
Effect of exchange equivalents at the beginning of the period		(4)	(130)	0	0
Closing balance, cash and cash equivalents		**58,399**	**103,455**	**504**	**244**

The accompanying notes are an integral part of Financial Statements.

Notes to the annual financial statements (consolidated and separate) as of Dec 31, 2022 and for the year then ended

1. Corporate information

1.1 General Information

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

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

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

The Company has been listed on the Main Market of the Athens Stock Exchange since April 1988.

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

The composition of the Board of Directors of the Company on 31/12/2022 was as follows:

1. Vassilis St. Fourlis, Chairman, executive member
2. Dafni A. Fourlis, Vice Chairman, executive member
3. David A. Watson, Independent Vice Chairman, Independent Non-Executive Member, Chairman of the Nomination and Remuneration Committee
4. Apostolos D. Petalas, CEO, executive member
5. Lyda St. Fourlis, Director, Executive Member, Director of Social Responsibility and Sustainable Development.
6. Nikolaos Lavidas, Director, Independent non-executive member, Member of the Nomination and Remuneration Committee
7. Maria S. Georgalou , Director, independent non-executive member, member of the Audit Committee.
8. Stavroula A. Kampouridou, Director, Indipendent non-executive member, Member of the Audit Committee.
9. Stylianos M. Stefanou, Director, Independent non-executive member, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee.

The number of employed human resources of the Group on 31/12/2022 was 4,116 people and on 31/12/2021 4,010 people. Respectively, the human resources of the Company was 116 people on 31/12/2022 and 106 people was on 31/12/2021.

1.2 Activities

The Company's activities are the investment in domestic and foreign companies of all types, regardless their objectives and type.

The Company FOURLIS HOLDINGS SA also provides general administration, financial management and information technology services. The centralization of Group support services for the Group Companies in Greece, mainly in the areas of financial planning and controlling, HR, IT, treasury, social responsibility, corporate governance, regulatory compliance, risk management, personal data protection and sustainable development was implemented, aiming to gain benefits from synergies and to organize central coordination of decision making and implementing. Centralized services are provided according to arm's length principle from FOURLIS HOLDINGS S.A. to the Group companies.

The direct and indirect subsidiaries and affiliates of the Group, included in the Financial Statements are the following:

Direct subsidiaries	Parent	Location	% Holding
HOUSEMARKET SA	FOURLIS HOLDINGS SA	Greece	100
INTERSPORT ATHLETICS SA	FOURLIS HOLDINGS SA	Greece	100
GENCO TRADE SRL	FOURLIS HOLDINGS SA	Romania	1.57
SNEAKERS SA	FOURLIS HOLDINGS SA	Greece	100
WELLNESS SA	FOURLIS HOLDINGS SA	Greece	100
TRADE ESTATES REIC	FOURLIS HOLDINGS SA	Greece	15.32
Indirect subsidiaries			
HOUSE MARKET BULGARIA EAD	HOUSEMARKET SA	Bulgaria	100
HM HOUSEMARKET (CYPRUS) LTD	HOUSEMARKET SA	Cyprus	100
TRADE LOGISTICS SA	HOUSEMARKET SA	Greece	100
WYLDES LIMITED LTD	HOUSEMARKET SA	Cyprus	100
RENTIS SA	TRADE ESTATES R.E.I.C	Greece	91.89
TRADE ESTATES CYPRUS LTD	H.M. ESTATES CYPRUS LTD	Cyprus	91.89
TRADE ESTATES BULGARIA EAD	TRADE ESTATES R.E.I.C	Bulgaria	91.89
H.M. ESTATES CYPRUS LTD	TRADE ESTATES R.E.I.C	Cyprus	91.89
GENCO TRADE SRL	INTERSPORT ATHLETICS SA	Romania	98.43
GENCO BULGARIA EOOD	INTERSPORT ATHLETICS SA	Bulgaria	100
INTERSPORT ATHLETICS (CYPRUS) LTD	INTERSPORT ATHLETICS SA	Cyprus	100
INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş	INTERSPORT ATHLETICS SA	Turkey	100
TRADE ESTATES R.E.I.C.	HOUSEMARKET S.A.	Greece	43.22
TRADE ESTATES R.E.I.C.	HOUSE MARKET BULGARIA EAD	Greece	16.96
TRADE ESTATES R.E.I.C.	HM HOUSEMARKET (CYPRUS) LTD	Greece	9.94
TRADE ESTATES R.E.I.C.	TRADE LOGISTICS SA	Greece	6.45
BERSENCO SA	TRADE ESTATES REIC	Greece	91.89
ΚΤΗΜΑΤΟΔΟΜΗ SA	TRADE ESTATES REIC	Greece	91.89
VOLYRENCO SA	TRADE ESTATES REIC	Greece	91.89

Affiliates

MANTENKO SA	TRADE ESTATES R.E.I.C	Greece	50
POLIKENCO SA	TRADE ESTATES R.E.I.C	Greece	50
VYNER LTD	WYLDES LIMITED LTD	Cyprus	50
SW SOFIA MALL ENTERPRISES LTD	WYLDES LIMITED LTD	Cyprus	50
SEVAS TEN SA	TRADE ESTATES R.E.I.C.	Greece	50
RETS CONSTRUCTIONS SA	TRADE ESTATES R.E.I.C	Greece	50

In July 2022 the subsidiary company TRADE LOGISTICS sold shares of TRADE ESTATES R.E.I.C. representing 8.11% of its share capital to AUTOHELLAS ATEE for 15 million. At the same time, AUTOHELLAS ATEC acquired the right to participate in an increase in the share capital of TRADE ESTATES REIC, with a contribution in kind which was originally dated 12/31/2022. Until 31/12/2022 AUTOHELLAS SA had not exercised its right which was extended until the end of April. After the completion of the aforementioned actions, if AUTOHELLAS ATEC exercises its rights, will own approximately 12% of the share capital of TRADE ESTATES REIC, while the rest will belong to Fourlis Group through its subsidiaries.

The recognition of the amount of the non-controlling interest in July 2022 was determined as follows: The net assets of the company TRADE ESTATES AEEAP amounted to an amount of Euro 187,459 thousand. In Equity, in the non-controlling interest account, an amount of Euro 15,203 thousand (187,459 x8.11%), of which an amount of Euro 264 thousand related to a cash flow hedging derivative (forward interest rate swap).

The amount of the above reserve was increased by an amount of Euro 599 thousand (7,838 x 8.11%) which came from the results of use of the company TRADE ESTATES AEEAP for the period July - December 2022, also with an amount of Euro 280 thousand which concerns a cash hedging derivative flows (forward interest rate swap) for the same period of time and with an amount of 33 thousand regarding stock options. In the statement of comprehensive income, the amounts derived from the operating results and the cash flow hedging derivative (forward interest rate swap) have been shown.

On 30/12/2022 the Group announced a sale agreement of the retail trading "The Athlete's Foot (TAF)" in Greece and the transaction was completed at the end of February 2023.

On 26/1/2023 the Group announced a sale agreement of “Intersport” activity in Turkey.

In the period from 1/1/2021 to 31/12/2022, the following changes of share capital in the parent company took place:

FOURLIS HOLDINGS S.A.:

In the context of implementation of the Stock Option Plan which was approved and established by the resolution of the Extraordinary General Assembly of the shareholders on 27/9/2013 (Stock Option Plan – hereinafter referred to as "the Program"), within the year 2021, 39,943 options were exercised (hereinafter referred to as "the Options"). Following the resolution of the Board of Directors on 20/12/2021 (relevant minutes of the BoD with number 430/20.12.2021), the exercise of the aforementioned options by the corresponding beneficiaries of the Program was certified upon payment of the exercise price of the new shares.

It is noted that the underlying price of the shares to which the remaining stock options correspond, was initially determined at the amount of Euro three and forty cents (euro 3.40) per share, which was the stock closing price of the share on the date of the resolution of the General Assembly for the Program (SOP) (27/9/2013). Already, the resolutions dated 20/11/2017, 19/11/2018 and 18/11/2019 of the BoD (relevant minutes of the BoD with number 389/20.11.2017, 399/19.11.2018 and 407/18.11.2019 accordingly) resulted to the readjustment of the historical share price of the Company and therefore the implemented exercise price of stock options of the Program (SOP) is deemed to amount to εuro three and 0.2226 cents (euro 3.2226) per share.

Following the certification of the payment of the exercise price of the Stock Options by their beneficiaries, namely of the total amount of euro 128,720.33, 39.943 new ordinary registered shares were issued and delivered to the corresponding beneficiaries of the Program, of nominal value euro 1.00 per share, whereas the share capital of the Company increased by the amount of euro 39,943.00 which corresponds to the nominal value of the new shares. Moreover, following the exercise of the aforementioned Options by payment of exercise price of these options, namely euro 3.2226 per share according to the aforementioned, the share premium, of the total amount of euro 88,777.33, was transferred to the account "Share Premium reserve".

The aforementioned change was registered to the General Commercial Registry (GCR) on 11/1/2022 (Code Registration Number 2773271), when the increase of the share capital was also realized. Respectively, the announcement no. 1043/11.01.2022 of the Directorate for Companies of the Ministry of Development and Investments was issued.

Following these changes, the share capital of the Company now amounts to euro 52,131,944.00 divided into 52,131,944 shares of a nominal value of euro 1.00 per share, totally paid.

Apart from the above, no other changes were made in the share capital of FOURLIS HOLDINGS SA in the year 2022.

2. Basis of presentation of the Financial Statements

2.1 Basis of preparation

The accompanying Financial Statements consist of the separate financial statements of the parent

Company and the consolidated financial statements of the Group and have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The Board of Directors approved the accompanying financial statements for the year ended on December 31 2022, on March 20, 2023. These financial statements are subject to the approval of the General Assembly of the Company's shareholders.

The accompanying separate and consolidated financial statements have been prepared on the historical cost basis, except for certain data of Assets and Liabilities (investment properties, financial hedging instruments, investments/financial assets available for sale) that have been measured at fair value, and assuming that the Company and its subsidiaries will continue as a going concern.

Management examined the impact of energy crisis up to the date of approval of these Consolidated and Separate Financial Statements and concluded that going concern assessment is the appropriate basis for their preparation. Reaching this conclusion, Management revised its plan taking into account the effects of the energy, health crisis and the financial results of the year 2022 (refer to Note 4). The Management monitors closely the developments and is ready to take all the necessary measures to deal with any consequences in its operational activities from both the geopolitical developments and the energy crisis.

Regarding the developments in Ukraine, the Group declares that it has no subsidiaries, parent or affiliated companies based in Russia or Ukraine, nor significant transactions with affiliated parties from Russia or Ukraine. The Group also states that it has no significant customers or suppliers or subcontractors or partners from Russia or Ukraine, nor does it maintain warehouses with goods in Russia or Ukraine. The Group states that it does not maintain accounts or have loans with Russian Banks. The Management monitors closely the developments and is ready to take all the necessary measures to deal with any consequences in its operational activities.

The Management concluded that the Group is able to fulfill all its obligations on time, at least for a period of 12 months from the Balance Sheet date and that there are no significant uncertainties that may call into question its ability to operate on the going concern principle. The Financial Statements are presented in thousands of euros, unless otherwise stated and differences in amounts are due to rounding. Certain amounts of the previous year have been adjusted to reflect their nature (from expenses included in the cost of sales to distribution expenses and administrative expenses with a corresponding adjustment for depreciation/impairment).

More specifically, last year's amounts included in the cost of sales of the subsidiary TRADE LOGISTICS S.A have been adjusted to become similar and comparable to the corresponding amounts of the current period and to be reflected, depending on their nature, in the distribution expenses and administrative expenses. A corresponding adjustment was made for depreciation/impairment.

In addition, last year's amounts have been adjusted to better reflect changes in the way expenses are allocated between the Group's operating segments. More specifically, the expenses of the subsidiary TRADE LOGISTICS SA of the previous period have been adjusted to become similar and comparable to the corresponding amounts of the current period regarding the way of apportioning the expenses of the operating segments where the supply chain services are provided.

The Turkish economy was designated as hyperinflationary from June 2022. As a result, IAS 29 "Financial Reporting in Hyperinflationary Economies" has been applied to the Group subsidiary INTERSPORT ATLETIK, which functional currency is the Turkish Lira, and prepares financial statements based on a historical cost approach. IAS 29 requires to report the results of the Group's operation in Turkey, as if this was highly inflationary as of 1 January 2022. Specifically, IAS 29 requires: – Adjustment of historical cost of the non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the end of the reporting date; – Non-adjustment of the monetary assets and liabilities, as they are already expressed in the measuring unit current at the end of the reporting period; – Adjustment of the income statement for inflation and its translation with the closing exchange rate instead of an average rate; and – Recognition of gain or loss on net monetary position in profit or loss in order to reflect the impact of inflation and exchange rate movement on holding monetary assets and liabilities in local currency. The result of the application of IAS 29 for the subsidiary in Turkey is a loss of EUR 800 thousand which is reflected in the Income Statement item "Total financial expenses", an increase in assets held for sale amounting to EUR 500 thousand and an increase in reserves accumulated exchange losses by an amount of 1.3 million euros.

The Group announced the agreement to sell the "Intersport" activity in Turkey. The agreement provides for the sale of all the shares of the subsidiary company Intersport Atletik Mağazacılık ve Dış Ticaret Anonim Şirketi, licensor of the brand "Intersport" and "The Athlete's Foot" in Turkey, which operates a network of 12 stores. The buyer is the Eren Perakende ve Tekstil Anonim Şirketi Group. The transaction is based on an Enterprise Value (EV) of approximately euro 1.5 million euros while it is provided for in the sale and purchase agreement (SPA), the final price will be determined based on the audited financial statements of the year 2022. At the signing of the contract for the sale and purchase of the shares, 83% of the price was paid, i.e. approximately euro 1.25 million, while the rest will be paid in 2 years from the signing of the contract. This transaction's expenses amount to euro 166 thousand. The sales of the activity in Turkey in 2022 amounted to euro 12.8 million, with 350 thousand Losses before Taxes (PBT). The sale of Atletik in 2023 is expected to have a positive net effect of approximately euro 0.5 million.

The sale of the subsidiary Intersport Atletik in 2023 brings a profit of approximately 0.5 million. It is also mentioned that accumulated exchange losses that occurred during the time the Group held the investment, amounting to approximately 4.5 million euros, are already reflected in the equity of the subsidiary.

2.2. Significant accounting judgments and estimates

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

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

Estimates:

- **Deferred Tax assets:** deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward unused tax losses can be utilized. The recognition of deferred tax assets requires significant judgments and estimates to be made in relation to the future activities and prospects of the Group companies and as to the level and timing of future taxable profits. Additional details are included in Notes 3.21 and 26 of the Financial Statements.
- **Fair Values of investment properties:** the Group recognizes its investment properties at fair values as determined by independent valuation experts. The fair values of investment properties are assessed on an annual basis. The fair value of investment property is determined by real estate valuation experts using recognized valuation techniques and the principles of IFRS 13 Fair Value Measurement. Investment property is measured based on estimates prepared by independent real estate valuation experts, except where such values cannot be reliably determined The significant methods and assumptions used by valuation expert s in estimating the fair value of investment property are set out in Note 9. Assets includes investment properties amounting to euro 111 million (2021: euro 37 million) and a profit of euro 8.4 million (2021: euro 0.7 thousand)
- **Impairment test of investments in subsidiaries:** at each reporting date, the Parent Company examines whether there are impairment indicators in relation to its investments in subsidiaries. Such assessment requires management to make significant judgements with respect to the existence of internal or external factors and the extent to which they affect the recoverable amount of these investments. If impairment indicators exist, the Company determines the recoverable amount of these investments. The determination of the recoverable amount requires estimates to be made with respect to the expected future cash flows of the investment, the business plans of the subsidiaries, and the determination of the applicable discount and growth rates. Additional details regarding the impairment test for investments in subsidiaries are included in Note 11 of Financial Statements.
- **Impairment test of property, plant and equipment, right of use assets and assets held for sale:** property, plant and equipment is constantly tested in order to define if there are indications

which show that its book value is not recoverable*. The Group considers, for impairment* test purposes, that (a) each store basically is a cash flow generating unit while, (b) per case, assets or group of assets classified as held for sale may consist a cash flow generating unit (CGU). In cases that property, plant and equipment is part of CGU and there are impairment value indications that the recoverable amount of the CGU is determined as the higher amount between value in use and fair value. Value in use is calculated by implementing the cash flow discount method, taking into consideration Management's estimations (business plans 5-7 years) and any contingent impairment is determined by the comparison of book value and value in use. Fair value is calculated from independent valuation experts according to commonly accepted valuation principles. The loss-making operating result of stores was considered as indication of possible impairment and wherever there was existence of such indication, an impairment test was implemented. The impairment test did not show any impairment losses. Additional details regarding the impairment test for property plant and equipment are included in Note 7 of the Financial Statements.

- **Useful lives of property plant and equipment:** Management makes estimates when determining the useful lives of depreciable assets. Such estimates are periodically reviewed. The useful lives estimated and applied are discussed in Note 3.7 and 3.9.
- **Post - retirement benefits to personnel:** post - retirement obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of a discount rate, future salary increases, disability rates, mortality rates and termination rates. Due to the complexity of the valuation and the basic assumptions included therein, a defined benefit obligation is highly sensitive to changes in these assumptions. Actuarial gains and losses that result from the difference among the actuarial assumptions are recognized in Statement of Comprehensive Income. Such actuarial assumptions are periodically reviewed by Management. In May 2021, the International Accounting Standards Board (IASB) accepted IAS 19 Interpretation of Employees' Benefits by the International Financial Reporting Interpretations Committee distribution of benefits in the years of service of employees (Attributing Benefit to Periods of Service). This interpretation did not have a significant impact on our financial statements, given that the Group applies Article 8 N. 3198/1955. Additional details are included in Note 20.1.
- **Share-based Payments:** Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 20.2 of the Financial Statements.
- **Provisions for slow moving inventory:** Inventory turnover ratio is tested regularly and provisions are made for unmoved, slow moving, obsolete inventory which will be written-off within the next period. Estimations are also made for seasonality of inventory and estimation for future

sale price as well as for inventory count differences which are presented in Note 13 of Financial Statements.

- **Revenue from contracts with customers:** The Group estimates the fair value of non-redeemed points by using historical data and by assessing exercise possibility.

Judgments:

- **Right of use assets:** On the beginning date of the leasing period, a right of use asset and a liability are recognized by calculating present value of leases which remain unpaid, discounted with leasing interest rate (interest rate which would be accepted by the lessee in order to be loaned all necessary funds with similar terms). The Group determines the leasing duration as the contractual leasing duration, including the period which is covered by a) the right to extend leasing if it is almost sure that it will be exercised, or b) the right to terminate the contract if it is almost sure that it will not be exercised. The Group implements a single discount rate at each leasing category with similar characteristics (as leasing with similar duration, assets and economic environment). Afterwards, the asset is measured at cost less depreciation and any impairment losses while, the liability is measured by increasing book value with interest expenses on the liability and by decreasing book value with leases payments. Further details are provided in Notes 8 and 23.
- **Assets held for sale:** The Group classifies an asset or a group of assets as held for sale when the following conditions are met: the asset (or group of assets) is available and in condition for direct sale and the sale is very likely to take place within 12 months since its classification date as held for sale. Right at the moment before their classification as assets held for sale, these assets are tested for impairment based on IAS 36. Assets which have been classified as held for sale are measured at the lower price between book value and fair value minus all sale costs. Any impairment loss is recognized in statement of comprehensive income. Impairment test of assets classified as held for sale took place entirely for assets described in Note 9, as a cash generating unit, due to the fact that it was considered that the sale will only take place as a whole and not each one asset separately and the sale criteria based on IFRS 15 are met.

  On 31/12/2022 the criteria for the classification of assets held for sale under IFRS 5 continue to be met, given that:

  - the COVID 19 pandemic (unexpected event on 31/12/2019) created delays of about one and a half years in the negotiation procedures as well as in the necessary actions of transfer of the said properties to TRADE ESTATES R.E.I.C., with the result that its operation was approved by 12 July 2021
  - their net book value will be recovered primarily from the sale and not from their continued use,
  - the assets are available for immediate sale in their current condition,
  - There is a commitment of the Management and a program is underway that includes a share capital increase of TRADE ESTATES REIC through the Athens Stock Exchange as well as private placements before the listing on the Athens Stock Exchange, with the final result that the

Group's participation drops to 50%. Management monitors and will continue to monitor the correct classification of the specific assets as held for sale in each reporting period.

- Moreover, on 31/12/2022 the Group classified assets related to the subsidiaries INTERSPORT ATLETIK (INTERSPORT and TAF stores in Turkey) and Sneakers Market S.A. (TAF stores in Greece) which worth 703 thousand and 3,755 thousand euros respectively in the category held for sale because on this date all criteria are met regarding their classification based on IFRS 5. Before classification time, as defined by provisions of IAS 36, an impairment test was made at these specific assets before their classification as assets held for sale and no impairment loss arisen. At the date of their classification as held for sale and in accordance with the requirements of IFRS 5, depreciation on the specific assets was stopped.

- **Provisions for impaired receivables:** provisions of impaired receivables are based on the historical data of receivables and take into consideration the expected credit risk. The analysis of impaired receivables of Statement of Financial Position is included in Note 14 of Financial Statements.
- Regarding trade receivables, the Group applies the simplified approach to calculate ECL credit losses. Therefore, the Group does not monitor changes in credit risk, but recognizes a loss rate based on the lifetime ECL in each reporting period. The Group has prepared a forecast table based on historical credit loss experience, adjusted with future factors appropriate to the debtors and the economic environment.

2.3 Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Group and Company as of 1 January 2022.

- **IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements 2018-2020 (Amendments)**
  The amendments are effective for annual periods beginning on or after 1 January 2022 with earlier application permitted. The IASB has issued narrow-scope amendments to the IFRS Standards as follows:
  - **IFRS 3 Business Combinations (Amendments)** update a reference in IFRS 3 to the previous version of the IASB's Conceptual Framework for Financial Reporting to the current version issued in 2018 without significantly changing the accounting requirements for business combinations.
  - **IAS 16 Property, Plant and Equipment (Amendments)** prohibit a company from deducting from the cost of property, plant and equipment any proceeds from the sale of items produced while bringing the asset to the location and condition necessary for it be capable of operating in the manner intended by management. Instead, a company recognizes such sales proceeds and related cost in profit or loss.
  - **IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendments)** specify which costs a company includes in determining the cost of fulfilling a contract for the purpose of assessing whether a contract is onerous. The amendments clarify, the costs that relate directly

to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to the contract activities.

- **Annual Improvements 2018-2020** make minor amendments to **IFRS 1 First-time Adoption of International Financial Reporting Standards**, **IFRS 9 Financial Instruments**, **IAS 41 Agriculture** and the Illustrative Examples accompanying **IFRS 16 Leases**

- **IFRS 16 Leases-Covid 19 Related Rent Concessions beyond 30 June 2021 (Amendment)**

The Amendment applies to annual reporting periods beginning on or after 1 April 2021, with earlier application permitted, including in financial statements not yet authorized for issue at the date the amendment is issued. In March 2021, the Board amended the conditions of the practical expedient in IFRS 16 that provides relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met.

Standards that have been issued but do not apply in the current accounting period and the Company and the Group has not adopted earlier.

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

The Amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures. The Management of the Group and the Company examines the impact that this amendment has on the financial statements.

• IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments)

The amendments become effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors. The Management of the Group and the Company examines the impact that this amendment has on the financial statements.

• IAS 12 Income taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)

The amendments are effective for annual periods beginning on or after January 1, 2023 with earlier application permitted. The amendments narrow the scope of and provide further clarity on the initial recognition exception under IAS 12 and specify how companies should account for deferred tax related to assets and liabilities arising from a single transaction, such as leases and decommissioning obligations. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement, having considered the applicable tax law, whether such deductions are attributable for tax purposes to the liability or to the related asset component. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal. The Management of the Group and the Company examines the impact that this amendment has on the financial statements.

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period. The amendments have not yet been endorsed by the EU. The Management of the Group and the Company examines the impact that this amendment has on the financial statements.

- **IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendments)**

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. The amendments are intended to improve the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction in IFRS 16, while it does not change the accounting for leases unrelated to sale and leaseback transactions. In particular, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use it retains. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, being the beginning of the annual reporting period in which an entity first applied IFRS 16. The amendments have not yet been endorsed by the EU. The Management of the Group and the Company examines the impact that this amendment has on the financial statements.

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. The Management of the Group and the Company examines the impact that this amendment has on the financial statements.

3. Summary of significant accounting policies

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

3.1. Basis of Consolidation

Consolidated Financial Statements comprise of the financial statements of the parent Company and all subsidiaries controlled by the Company. Control exists when the parent company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The subsidiaries' financial statements are prepared as of the same reporting date and using the same accounting policies as the parent company. Intra - group transactions (including investments in related companies), balances and unrealized gains are eliminated. Subsidiaries are fully consolidated from the date that gains control and cease to be consolidated from the date that control is transferred out of the Group. Any losses are attributed to the non - controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, is accounted for as an equity transaction. The financial results of subsidiaries, that are acquired or sold within the year, are included in the consolidated statement of comprehensive income from or up to the date of acquisition or sale, respectively.

3.2. Business Combinations and Goodwill

Business Combination is a transaction or another event during which an acquirer takes over control of one or more businesses. A Business is a combination of activities and assets that can be leaded and managed in order to return profits directly to its owners.

If the acquired assets do not compose a business, the transaction or any other fact are accounted as an acquisition of an asset and the acquisition cost is allocated among assets and liabilities based on the relative fair values during the acquisition date.

Business Combination is accounted for using acquisition method. The cost of acquisition of a subsidiary is the fair value of the assets contributed, the shares issued and the liabilities assumed at the transaction date, plus the amount of any non - controlling interest in the acquiree. For each business combination, the acquirer measures the non - controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree’s identifiable net asset. Acquisition costs are expensed when incurred.

If the cost of acquisition is less than the fair values of the net identifiable assets acquired, the difference is recorded directly to the income statement.

Goodwill arising from subsidiaries’ acquisitions is recorded as an intangible asset. Goodwill is not amortized but at least annually is subject to impairment test. As a result, after initial recognition, goodwill is measured at cost, less any impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each cash generating unit that is expected to benefit from the combination. The impairment test is performed by comparing the recoverable amount of the cash generating unit to its carrying value including the allocated goodwill. The recoverable amount is the higher of the fair value less costs to sell and the value in use. The value in use is determined via a discounted cash flow analysis. Impairment losses relating to goodwill cannot be reversed in future periods.

Gains or losses arising from the disposal of subsidiaries are determined after taking into account the goodwill allocated to the disposed unit.

3.3 Investments in subsidiaries

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

3.4 Investments in associates

Associates are those entities, in which the Group has significant influence but which are neither a subsidiary nor a joint venture of the Group. A percentage holding from 20% to 50% implies significant influence. Such percentage holding indicates that company is an associate. Investments in associates are consolidated using the equity method, according to which they are presented in the Statement of Financial Position at cost, adjusted to subsequent changes in the Group's share in the net assets of the associate and taking into account any impairments. Goodwill arising upon the acquisition of associates is included in the value of investment, while any negative goodwill is recorded in the income statement upon acquisition.

The Group’s share in the gains or losses of associates after acquisition is recognized in the Income Statement, while post - acquisition movements in reserves are recognized directly in reserves.

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

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

3.5 Segment information

The Board of Directors of the Company is the chief operating decision maker and monitors internal financial reporting information in order to evaluate the performance of the Company and the Group and to take decisions about resource allocation.

Management has defined its segments based on these internal reports according to IFRS 8. The operating segments are defined as those business segments where the Group is active and on which the internal information system of the Group is based.

For the categorization by business segment, the following has been taken into account:

- the nature of products and services,
- Quantitative limitations, required by IFRS 8.

According to the aforementioned, the Group presents information by operating segment as follows (Note 5):

- Retail Trading of Home Furniture and Household Goods (IKEA stores).
- Retail Trading of Sporting Goods (INTERSPORT and TAF stores).

The Retail Trading of Home Furniture and Household Goods (IKEA Stores) also includes investments in real estate through the Group's subsidiary under the name TRADE ESTATES REIC, which was established in July 2021, the date on which it acquired the Group's properties through a contribution of the specific sector.

3.6 Foreign currency translation

(a) Functional currency and reporting currency

The companies of the Group maintain their books in the currency of the financial environment in which each company operates (functional currency). The consolidated financial statements are presented in Euro’s which is the functional currency of the parent Company.

(b) Transactions and balances

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

(c) Foreign Group Companies

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using the functional currency. The translation of the financial statements of the Group's companies which use a different functional currency from the parent company is performed as follows:

- Assets and liabilities are translated to Euro using the foreign exchange rate ruling at the date of the Statement of Financial Position.
- Equity is translated using the foreign exchange rates valid on the date they arose.
- Income and expenses are translated using the average foreign exchange rate of the period and on an annual basis according to the average foreign exchange rate of the last twelve (12) months.
- The resulting foreign exchange differences (gains/losses) are recognized in other comprehensive income and in Foreign Exchange differences from Statement of Financial Position translation Reserve. When subsidiaries operating in foreign countries are sold, accumulated foreign exchange differences existing in the Foreign Exchange differences from Statement of Financial Position translation Reserve are recognized in income statement as gains or losses from investments sales.

Goodwill and adjustments to fair values upon an acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the closing rate of the date of the Statement of Financial Position and foreign exchange differences are recognized in equity.

3.7 Property, plant and equipment

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

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

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

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

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

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

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

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

3.8 Investment property

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

3.9 Intangible assets

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

- **Royalties**

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

- **Software - Other intangible assets**

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

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

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

3.10 Impairment of non - financial assets except Goodwill

Property, plant and equipment is constantly tested in order to define if there are indications which show that its book value exceeds their recoverable value. The Group considers, for impairment test purposes, that each store is a cash generating unit (CGU). In cases where property, plant and equipment is part of CGU, such as a store and there are impairment indications which could lead to the conclusion that its book value exceeds their recoverable value, the recoverable amount of the CGU is determined by the calculation of value in use. Value in use is calculated by implementing the cash flow discount method, taking into consideration Management's estimations as presented in business plans of timeline 5-7 years. Any contingent impairment is determined as the excess amount of book value compared to value in use and is registered in income statement. The loss-making operating result of stores was considered as indication of possible impairment and wherever there was existence of such indication, an impairment test was implemented.

The carrying amounts of all Group's assets are reviewed for possible impairment when there is indication that the book value can't be recovered i.e. when the book value is higher than the recoverable amount from their use or sale.

The recoverable value is the greater of the fair value less costs to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre - tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable value is less than the carrying value, then the net book value is reduced to the recoverable value.

Impairment losses are expensed as incurred in the Income Statement, except if the asset has been revalued, then the impairment loss reduces the related revaluation reserve. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exists of have decreased. If such indication exists, the Group estimates the asset's recoverable amount. When in a subsequent period, the impairment loss should be reversed; the carrying value of the asset is increased to the level of the revised estimation of recoverable amount. The new net book value should not exceed the net book value that would have been determined if the impairment losses had not been accounted in previous periods.

3.11 Current / Non-current assets and liabilities: classification

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

An asset is classified as current when:

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled within the next operation year
- It is mainly maintained for trading purposes
- It is clarified that it will be settled within 12 months after the reference period.

There is no unconditional right to postpone the solution of a liability for at least 12 months after the reference period.

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

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

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

3.12 Financial instruments – initial recognition and measurement

IFRS 9 Financial Instruments

Classification and measurement of financial assets:

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

Other financial assets are classified and subsequently measured as follows:

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

3.13 Impairment of financial assets

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

Assets carried at amortized cost

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

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

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

Trade receivables (Note 14)

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

3.14 Inventory

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

3.15 Trade receivables

Trade receivables are recognized initially at fair value and they are subsequently valuated at the amortized cost by using the effective interest rate method, less provision for impairment.

When there is evidence of impairment of receivables, the carrying value is reduced to its recoverable amount, which is the present value of expected future cash flows discounted at the initial effective interest rate. Then, the interest is calculated at the same rate on the impaired (new book) value.

3.16 Cash and cash equivalent

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

3.17 Assets held for sale and discontinued operation

Assets held for sale and discontinued operation are valued at the lower price between carrying amount and fair value less costs to sell.

Any possible fair value increase in a subsequent valuation is registered in Income Statement but for amounts not bigger than the initially registered impairment loss. Since the date on which an asset is classified as held for sale, this asset is no longer depreciated or amortized. Before their classification, it was tested if the specific assets compose a single cash generating unit and then an impairment test took place. Assets of Note 9, compose a CGU mainly because altogether have been contributed on 12/7/2021 in TRADE ESTATES R.E.I.C..

Assets held for sale are classified as such, provided that their carrying value will be mainly recovered through sale rather than through continuing use. This condition is considered valid only when the sale is highly probable and the asset is available for immediate sale at its current condition. In order for the sale to be very possible, the management must have a plan for the sale of the asset (or the group of assets) and must be committed to this, while an active plan has been initiated so as to find a buyer and complete the program. Moreover, active efforts must be done in order to sell the asset (or group of assets) in a reasonable price compared to its current fair value. Also, the Management must have proceeded its actions for the sale at such point so as to be expected to be completed either based on stipulated by contractual time commitment or within a year from classification date. For assets measured at fair value, such as investment properties, the measurement provisions of IFRS 5 do not apply and continue to be measured at fair value.

A discontinued operation is an integral part of a financial entity that either has been sold or has been classified as held for sale and:

a) represents a separate major part of business operations or a geographical area of operations,
b) is part of a single, coordinated divestment program of a great part of operations or a geographical area of operations or
c) is a subsidiary acquired exclusively with the prospect to be resold.

3.18 Share Capital

Direct costs incurred for increases in share capital are recorded, net of related income taxes, against the share premium reserve. The cost of treasury shares net of any related income tax, is recorded as a reduction of equity, until these shares are sold or cancelled. Any gain or loss on sale of treasury shares, net of direct transaction costs and any related income tax, is recorded as a reserve account under equity.

3.19 Loans

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

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

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

3.20 Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments to mitigate the risk arising from fluctuations in interest rates (Note 22). Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value. Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to the income statement of the current year.

The effective part of hedges that qualify for hedge accounting is recognized directly to equity if it is related to cash flow hedges while the ineffective part is charged to the consolidated income statement, while the non - effective part is recognized in the statement of comprehensive income. If the hedge is related to effective fair value hedges, the gain or loss from re-measuring the derivative hedging instrument at fair value is recognized in profit or loss and the gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is also recognized in profit or loss.

Under cash flow hedge accounting, when the hedged firm commitment results in the recognition of non - financial asset or a non - financial liability, then, at the time the asset or liability is recognized the associated gains or losses that had previously been recognized in equity are included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability. For all other cash flow hedges, the gains or losses that are recognized in equity are transferred to the income statement in the same year in which the hedged firm commitment affects the Statement of Comprehensive Income.

The requirements regarding hedge accounting have improved hedging instruments accounting through risk management measures implemented by the Group and therefore, the number of hedge relationships, which meet the criteria for the implementation of hedge accounting, is expected to increase. On the date of the initial implementation, all Group's current hedge relationships would be recognized as ongoing hedge relationships. Following the implementation of IFRS 9, the Group recognizes changes in time value of stock options as deferred amount at a new reserve "hedge accounting" within the Group's equity. Deferred amounts are recognized against relevant the hedge transaction when it occurs. However, since the amounts were insubstantial, no change occurred at the comparative basis.

3.21 Current and Deferred Tax

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

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

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

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

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

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

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

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

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

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

The tax rates in the countries that the Group operates for the year 2022 are presented below:

Country	**% Income Tax/ Deferred Tax**
Greece	22.0%
Romania	16.0%
Cyprus	12.5%
Bulgaria	10.0%
Turkey	22.0%

The following applies to the subsidiaries companies of the Group TRADE ESTATES REIC, KTIMATODOMI SA, BERSENCO SA, VOLYRENCO SA and RENTIS SA: according to article 31 par. 3 of Law 2778/1999, as in force, they are not subject to income tax but are taxed based on the fair value of its investments and of its available. So the IAS 12 standard is not applied.

3.22 Employee Benefits

Employee benefits are:

a) Short term benefits

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

b) Post - retirement benefits

Companies of the Group pay retirement compensation to their employees. Such compensation varies in relation to the employees' years of service and salary payable at the time of retirement and is accounted for as a defined benefit plan. Post - retirement obligations are calculated at the present value of future employee benefits accrued as at the end of the reporting period, based on the benefits to be earned over their expected labor life. The above mentioned obligations are calculated based on actuarial valuation methods and are determined using the Projected Unit Method. Net costs of the period are included in the attached statement of comprehensive income and consist of the present value of the employee benefits that were accrued during the current year, the interest derived from the employee benefit obligation and the actuarial gains and losses which are recognised in full in the period in which they occur in the comprehensive income and they are not transferred in income statement in next periods. Full Yield Curve method is used for the definition of the discount interest rate in the calculation of the present value of the employee benefits. The Group applies article 8 par. A of Law 3198/1955.

c) State insurance programs

The employees of the Greek subsidiaries of the Group are covered, in terms of insurance programs, mainly through the Social Insurance Institution (EFKA) the largest Social Security Organization of the private sector, which supplies pension and medical coverage. Every employee is obliged to participate partially, through his salary, in the costs of the insurance program, while the remaining cost is covered by the Group. Upon retirement, the pension fund is responsible to cover the obligation of pensions and retirement benefits to the employees. As a consequence the Group does not have any other legal or future obligation to cover future employee benefits according to this pension program. This program is considered and accounted for as a defined contribution plan whereby the accrued social security contributions are recorded as an expense in the financial period in which they are incurred.

d) Private insurance programs

Every full time employee of the Group belonging to the management team, according to the internal company policy, is covered by a private insurance pension and other benefits program. The Group covers, the contract defined fees, while the financial management of the program is performed by the Insurance Firm. This program is considered and accounted for as a defined contribution plan whereby the accrued cost of the insurance fees is recorded as expense in the period in which they are incurred.

e) Stock option plan (IFRS 2)

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

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

A basic condition for participation in the Stock Options plan is the salaried working relationship of executives with the Company or its subsidiaries and affiliates. The cost of equity settled transactions is measured by reference to the fair values at the date in which they are granted and is recognized as an expense over the period from grant date to maturity date of the options with a concurrent increase in equity. In the separate financial statements of the Company, the cost of the benefits concerning the executives of the subsidiaries is recognized as an increase in the participation in subsidiaries, while for the company's staff, the cost of the benefits is recognized as an expense in the results of the year.

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

3.23 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, it is recognized as other non-current liabilities and amortized over the expected useful life of the related asset. Such amortization is presented in other income in Statement of Comprehensive Income.

3.24 Contingent liabilities and Provisions

Provisions are recognized when the Group has a present legal, contractual or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the present value of the expense expected to be required to settle the liability.

Contingent liabilities are not recognized in the Financial Statements but are disclosed unless there is a probability of financial outflow of resources that embodying economic benefits.

Contingent receivables are not recognized in the Financial Statements but are disclosed if the inflow of economic benefits is probable.

3.25 Revenue and expense recognition

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

The recognition of revenue is accounted for as follows:

- *Sales of goods and revenue from contracts with customers:* Sales of goods are recognized when the Group invoices and delivers the goods to the customers and the goods are accepted by them. Retail sales are through cash payments or through credit cards. In these cases the income recorded is the amount received by the customer.

  IFRS 15 establishes a 5-step model implemented for income arising from a contract with a customer (with limited exceptions), regardless the type of income transaction or segment. The standard applies also for the recognition and measurement of income statement from the sale of non-financial assets which are not included in the ordinary operation of the Group (e.g. sales of tangible or intangible assets). It requires that entities must allocate the transaction price from contracts to distinctive promises, namely execution liabilities, based on standalone selling prices, according to five-step model. Afterwards, the income is recognized when the entity satisfies execution liabilities, namely when it transfers goods or services which are determined in the contract at the customer.

  The standard is based on the principle that the income is recognized when control of a product or service is transferred to the customer. The Group operates in retail trading of furniture and household goods and sporting goods. According to IFRS 15, Revenue from contracts with customers, the Group recognizes revenue when control of the products is transferred, being when the products are delivered to the customer. Therefore, the adoption of IFRS 15 did not have an impact at the time of the revenue recognition. Net sales revenue is measured at fair value of the amount received. Net sales revenue exclude amounts collected by third parties such as value added taxes, as these are not included in the transaction price.

  However, future discounts related to customer loyalty programs of the Group's companies create a right which must be recognized when exercised or expired, only if it is considered substantial and the customer would not acquire it if the initial transaction was not implemented. The Group provides discounts to its customers based on the points gathered from transactions made by using the customer loyalty program card. All these discounts are settled within 18 to 24 months depending on the program. According to the requirements of the standard, the Group estimates that these discounts represent substantial right for customers, create obligation for execution and therefore part of the income of each transaction which corresponds to this right will be recognized when exercised (fulfilment of obligation) or expired. IFRS 15 neither excludes nor defines a specific methodology for the estimation of the price of the point gathered as long as the estimation composes a reliable reflection of the price at which the Group would provide separately this product to the customer.

- *Provision of services:* The income from provision of services is recorded in the period in which the services are provided, based on the stage of completion of the provided service.

- *Interest income:* Interest income is recognized proportionally in time and by using the effective interest rate.
- *Dividends:* Dividends considered income when the right to receive them is established. The aforementioned right is established after the decision of the General Assembly (ordinary or extraordinary). Expenses recognized in the statement of comprehensive income as accrued
- *Advertising costs:* Advertising costs registered as incur in financial results and are included in distribution expenses.
- *Borrowing costs:* Underwriters costs, legal and other direct costs incurred during the issue of long term loans are deducted from the loan balances and are recorded to the statement of comprehensive income based on the effective interest rate method over the duration of the loan. Borrowing cost is recognized as an expense during the issue period, except of the case that Group capitalizes borrowing costs according to IAS 23.
- *Credit Card Expenses*: Credit card expenses registered at distribution expenses.

3.26 Leases

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

- *Group as a Lessor:* Income from operating leasing is recognized as income on a straight - line basis over the lease term.
- *Group as a Lessee:* In more details, on the beginning date of the leasing period, a right of use asset and a liability are recognized by calculating present value of leases which remain unpaid, discounted with leasing interest rate (interest rate which would be accepted by the lessee in order to be loaned all necessary funds with similar terms). The Group determines the leasing duration as the contractual leasing duration, including the period which is covered by a) the right to extend leasing if it is almost sure that it will be exercised, or b) the right to terminate the contract if it is almost sure that it will not be exercised. The Group implements a single discount rate at each leasing category with similar characteristics (as leasing with similar duration, assets and economic environment). Afterwards, the asset is measured at cost less depreciation and any impairment losses while, the liability is measured by increasing book value with interest expenses on the liability and by decreasing book value with leases payments.

3.27 Offsetting of financial assets and liabilities

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

3.28 Derecognition of financial assets and liabilities

Financial Assets

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

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

Where the Group or the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's or Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group or Company could be required to repay.

Financial liabilities

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

3.29 Earnings/Losses per share

The basic and diluted earnings per share are calculated by dividing net profits after taxes with the weighted average number of shares of each period/ year.

The weighted average number of shares arises by summing the outstanding shares into which the share capital is divided and the rights that can be contingently exercised and are owned by the company and subtracting the shares buy back.

4. Financial Risk Management

Risk management is handled by the Finance Department, which operates according to specific rules set by the Board of Directors.

The Group has adopted the "Enterprise Risk Management" (ERM) methodology which facilitates and enables the organization to identify, evaluate and manage risks through a structured approach. The methodology is based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) ERM, which provides guidance on how to integrate ERM practices and outlines the principles of their implementation. In this context, 100 risks were identified and evaluated which were recorded in the Risk Register of the Company.

More specifically, the risk categories are: Profitability and Liquidity, Reputation and Ethics, Society and People, Regulatory Compliance, Strategy, Customers, Health and Safety, Growth and Competition, Technology and Functions. The most important risks that have been identified for the Group are:

- Risk related to the category Society and People: The possibility of facing difficulties in attracting, developing (including training) and retaining the required skills and talents (including new skills in digital technologies) and the relative impact on the Group's performance.
- Risk related to Profitability and Liquidity: The probability of failure to clearly define the strategy and to align it with the business objectives and the relevant effects on the Group's development.
- Risk related to the Strategy category: The possibility of inefficient liquidity management, as well as the unclear liquidation strategy and the related effects on the Group's profits and liquidity.
- Risk related to the Strategy category: The possibility of misalignment of the business strategy with the ESG obligations (Environmental, Social and Corporate Governance) and the expectations of the corporate governance and the relevant effects on the financial results and the reputation of the Group.
- Risk related to the Strategy category: The possibility of failure to adopt state-of-the-art technology / align the IT strategy with the business strategy and new business models as well as the relative impact on the Group's reputation and revenue.
- Risk related to the category Development and Competition: The possibility of the emergence of new competitors (e-shop or physical stores) and the relative impact on the loss of market share.
- Risk related to the category Development and Competition: The possibility of entering international digital markets (marketplaces) and the relative impact on the loss of market share.
- Risk related to the Technology category: The possibility of high cost of information systems platforms and the impact on the Group's profits.
- Risk related to the Technology category: The possibility of attack in cyber attack and the relative impact on the profits, performance and reputation of the Group.
- Risk related to the category Operations: The possibility of mismanagement of inventories and the relevant effects on the Group's performance and income.

The Board of Directors provides written instructions and guidelines for general risk management as well as specific instructions for the management of specific risks, such as foreign exchange risk and interest rate risk.

a) Financial risk management

The Group is exposed to financial risks such as foreign exchange risk, interest rate risk and liquidity risk. The Finance Department identifies, assesses and hedges the financial risks in cooperation with the Group's subsidiaries.

Foreign Exchange Risk:

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

Interest rate risk/liquidity:

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

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

Property price and lease risk

The Group is exposed to property price and lease risks as regards of the possibility of a decrease in the commercial value of the real estate and/or leases, which may come from developments in the real estate market in which it operates, the general conditions of the Greek and international macroeconomic environment, from the characteristics of the Company's portfolio real estate and from events concerning the Company's existing tenants.

To reduce property price risk, the Group carefully selects properties that are located in excellent position and promoted in commercial areas so as to reduce its exposure to this risk. It seeks to enter into long-term operating lease contracts, with tenants of high credibility, in which are foreseen annual adjustments of the lease related to the Consumer Price Index, while in case of negative inflation there is no negative impact on of the lease.

Risks due to the energy crisis and inflationary pressures

The Group carefully monitors the news and developments regarding the energy crisis and the inflationary pressures, in order to adjust in the special conditions arising. It complies with the official instructions of the competent authorities for the operation of its physical stores and headquarters in the countries in which it operates. It harmonizes with the current legislation and continues its commercial transactions in physical stores according to the instructions.

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

The Group continues the strictly selected investments in both retail segments in which it operates.

Regarding the developments in Ukraine, the Group declares that it has no subsidiaries, parent or affiliated companies based in Russia or Ukraine, nor significant transactions with affiliated parties from Russia or Ukraine. The Group also states that it has no significant customers or suppliers or subcontractors or partners from Russia or Ukraine, nor does it maintain warehouses with goods in Russia or Ukraine. The Group states that it does not maintain accounts or have loans with Russian Banks.

Non-financial risks:

In addition to the financial risks, the Group also focuses on non-financial risks related to specific issues, which have been identified as essential in the context of sustainable development. These issues concern the full compliance with the legislation and the implementation of corporate governance policies, human resources, the environmental impact of the companies' activity, the supply chain, and the evolution of the companies in the market in which they operate. Risk management presupposes the definition of objective goals based on which the most important events that can affect the Group are identified, the relevant risks are assessed and a decision is made.

b) Significant Pending Court Cases/Legal Issues

There are no litigations or legal issues that might have a material impact on the Company and the Group's Annual Condensed Financial Statements for the period 1/1 - 31/12/2022.

5. Segment Information

The Group is active on the following two operating segments:

- Retail Trading of Home Furniture and Households Goods (IKEA stores).
- Retail Trading of Sporting Goods (INTERSPORT and TAF stores).

The Retail Trading of Home Furniture and Household Goods (IKEA Stores) also includes investments in real estate through the Group's subsidiary under the name TRADE ESTATES REIC, which was established in July 2021, the date on which it acquired the Group's properties through a contribution of the specific sector.

The main financial interest is concentrated on the business classification of the Group's activities, where the various economic environments constitute different risks and rewards. The Group's activities comprise mainly one geographical area, that of the wider European region, primarily in Greece along with countries of Southeastern Europe (Romania, Bulgaria, Cyprus and Turkey).

The Group's sales revenue in 2022 arise 58% from activities in Greece (58% in 2021) with the remaining 42% arising from the other countries of Southeastern Europe (42% in 2021) which is analyzed as follows: 16% from Bulgaria (2021: 16%), 14% from Cyprus (2021: 14%), 9% from Romania (2021: 10%) and 3% from Turkey (2021: 2%). Revenue of the Company concern intrasegment transactions and are eliminated at the Consolidated Financial Statements.

Historically, the consumers' demand for the Group products increases during the last four months of the year.

Group results by operating segment for the year 2022 are analysed below:

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
Revenue	317,558	184,257	4,764	(5,201)	501,379
Cost of Goods Sold	(178,122)	(97,473)	(4,687)	4,685	(275,597)
Gross Profit	**139,436**	**86,784**	**77**	**(516)**	**225,782**
Other income	9,130	1,862	2,221	(2,088)	11,124
Distribution expenses	(105,158)	(73,241)	0	1,868	(176,530)
Administrative expenses	(19,453)	(9,192)	(5,276)	307	(33,614)
Goodwill arising from valuation	0	(151)	0	0	(151)
Net gain from the fair value adjustment of investment property	8,453	0	0	0	8,453
Other operating expenses	(848)	(446)	(21)	0	(1,316)
Operating Profit / (Loss)	**31,560**	**5,615**	**(2,999)**	**(429)**	**33,747**
Total finance income	307	1,144	0	0	1,451
Total finance cost	(10,344)	(7,128)	(43)	(2)	(17,517)
Contribution associate companies profit and loss	2,325	0	0	0	2,325
Dividends	0	0	38,056	(38,056)	0
Profit / (Loss) before Tax	**23,849**	**(369)**	**35,014**	**(38,487)**	**20,007**
Depreciation / Amortisation	4,410	20,382	669	(128)	25,333

Certain amounts of the previous year have been adjusted to reflect better the changes in the way expenses are allocated between the Group's operational segments. More specifically, prior year's amounts included in the cost of sales of the subsidiary TRADE LOGISTICS S.A regarding storage services have been adjusted from the cost of sales (amount euro 5,179 thousand) to distribution expenses (amount euro 4,979 thousand) and administrative expenses (amount euro 200 thousand) to be consistent with similar companies display.

Respectively, the results of the operating segments during the year ended December 31, 2021 for the Group are analyzed in the table below:

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
Revenue	273,375	166,577	4,464	(4,650)	439,766
Cost of Goods Sold	(157,550)	(89,341)	(4,456)	4,456	(246,891)
Gross Profit	**115,825**	**77,236**	**8**	**(194)**	**192,875**
Other income	11,289	4,329	1,640	(1,800)	15,458
Distribution expenses	(90,686)	(65,308)	0	1,362	(154,632)
Administrative expenses	(16,145)	(7,401)	(3,676)	626	(26,596)
Goodwill arising from valuation	0	84	0	0	84
Net gain from the fair value adjustment of investment property	729	0	0	0	729
Other operating expenses	(538)	(480)	(7)	(21)	(1,045)
Operating Profit / (Loss)	**20,475**	**8,460**	**(2,034)**	**(27)**	**26,873**
Total finance income	5	953	0	0	957
Total finance cost	(7,978)	(7,351)	(54)	33	(15,349)
Contribution associate companies profit and loss	(402)	0	0	0	(402)
Dividends	0	0	6,500	(6,500)	0
Profit / (Loss) before Tax	**12,099**	**2,062**	**4,412**	**(6,494)**	**12,079**
Depreciation / Amortisation	10,930	18,091	434	(137)	29,318

The differences in the operating segments and the affected lines, as well as the adjusted amounts of the year 2021, are analyzed in the table below:

	Retail Home Furnishings	Retail Sporting Goods	Elim - Cons Entries	Fourlis Group
Revenue	0	0	0	0
Cost of Goods Sold	(3,335)	(1,845)	0	(5,179)
Gross Profit	**(3,335)**	**(1,845)**	**0**	**(5,179)**
Other income	59	(59)	0	0
Distribution expenses	3,327	1,653	0	4,979
Administrative expenses	104	(320)	417	200
Other operating expenses	(17)	17	0	0
Operating Profit / (Loss)	**137**	**(555)**	**417**	**0**
Total finance cost	(152)	1	151	0
Profit / (Loss) before Tax	**(14)**	**(554)**	**568**	**0**
Depreciation / Amortisation	70	346	(416)	0

In addition, the administrative expenses of 2021 have increased by the amount of euro 729 thousand which refers to revaluation gains of investment properties to fair values amounting to euro 84 thousand and is presented in a new line in the Income Statement gain/(losses) from valuations.

Respectively, the structure of assets and liabilities as at 31 December 2022 and 31 December 2021 in the above operating segments is analyzed as follows:

	Retail Home Furnishings 31/12/2022	Retail Sporting Goods 31/12/2022	Fourlis Holdings SA 31/12/2022	Elim - Cons Entries 31/12/2022	Fourlis Group 31/12/2022
Property plant and equipment	46,716	26,119	214	292	73,340
Right of use assets	77,822	66,117	1,347	(11,409)	133,877
Other Non-current Assets	49,182	3,226	94,368	(93,462)	53,314
Total non-current assets	**173,720**	**95,462**	**95,929**	**(104,579)**	**260,531**
Assets classified as held for sale	300,186	17,641	32,025	(32,025)	317,827
Total Assets	**576,987**	**190,166**	**135,067**	**(150,117)**	**752,102**
Non - current loans	70,080	33,704	36	0	103,820
Lease liabilities	63,918	58,776	645	(11,771)	111,567
Other Non-current Liabilities	7,635	751	837	(3)	9,220
Total non current Liabilities	**141,633**	**93,230**	**1,519**	**(11,775)**	**224,607**
Liability arising from assets held for sale	133,223	12,683	0	0	145,906
Total liabilities	**390,834**	**173,561**	**11,639**	**(25,017)**	**551,016**

	Retail Home Furnishings 31/12/2021	Retail Sporting Goods 31/12/2021	Fourlis Holdings SA 31/12/2021	Elim - Cons Entries 31/12/2021	Fourlis Group 31/12/2021
Property plant and equipment	46,917	23,294	194	0	70,404
Right of use assets	62,796	70,730	1,026	(13,488)	121,064
Other Non-current Assets	41,869	7,200	91,956	(91,489)	49,535
Total non-current assets	**151,581**	**101,224**	**93,176**	**(104,977)**	**241,003**
Assets classified as held for sale	228,889	0	0	(220)	228,669
Total Assets	**476,873**	**210,176**	**97,838**	**(109,924)**	**674,962**
Non - current loans	89,551	123	77	0	89,751
Lease liabilities	54,110	63,197	781	(13,653)	104,435
Other Non-current Liabilities	6,408	1,130	937	0	8,475
Total non current Liabilities	**150,068**	**64,450**	**1,795**	**(13,653)**	**202,660**
Liability arising from assets held for sale	36,546	0	0	0	36,546
Total liabilities	**313,787**	**197,838**	**4,589**	**(18,284)**	**497,931**

It is noted that the consolidation entries column includes transactions between the parent company and operating segments of the Group.

6. Analysis of expenses and other operating income

(a) The expenses are presented in the financial statements as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Distribution expenses	143,754	126,256	0	0
Administrative expenses	32,755	24,842	4,607	3,242
Depreciation/Amortisation (Distribution)	32,776	28,376	0	0
Depreciation/Amortisation (Administration)	1,010	1,671	669	434
Expenses embedded on cost of sales	0	0	4,687	4,456
Net gain/loss from fair value adj. of invest propery	(8,453)	(729)	0	0
Other operating expenses	1,316	1,045	21	7
Total	**203,158**	**181,460**	**9,984**	**8,139**

Certain amounts of the previous year have been adjusted to reflect their nature (from expenses included in the cost of sales to distribution expenses and administrative expenses with a corresponding adjustment for depreciation/impairment).More specifically, last year's amounts included in the cost of sales of the subsidiary TRADE LOGISTICS S.A have been adjusted to become similar and comparable to the corresponding amounts of the current period and to be reflected, depending on their nature, in the distribution expenses and administrative expenses. A corresponding adjustment was made for depreciation/impairment.

The main categories of expenses are analyzed below:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Payroll Expenses	78,795	69,767	6,117	5,386
Third party services	54,633	45,633	1,277	727
Taxes-duties	3,277	2,212	3	2
Depreciation/Amortisation/Net gain/loss from fair value adj. of invest propery	25,333	29,318	669	434
Other operating expenses	36,870	31,056	1,918	1,591
Credit Card fees	4,250	3,474	0	0
Total	**203,158**	**181,460**	**9,984**	**8,139**

The main categories of operating expenses are analyzed below:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Staff fees and expenses	78,795	69,767	1,615	1,096
Third party expenses	22,531	19,740	709	263
Third party services	27,002	21,356	475	394
Taxes - duties	3,277	2,212	3	2
Other expenses and depreciation/ Net gain from fair value adj. of invest propery	70,237	67,340	2,476	1,921
Total	**201,843**	**180,415**	**5,276**	**3,676**

For the year ended 31/12/2022, the other expenses of the Company include Auditors fees amounting to euro 3 thousand relating to services beyond financial statements audit (excluding services of regular control and issuance of tax certificate, which amount to euro 41 thousand). Therefore, the percentage of non-audit services in relation to the audit services provided by the statutory auditor is 7%.

Payroll expenses are analyzed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Salaries and wages	61,320	56,132	4,401	4,026
Social security contributions	11,139	9,547	785	729
Miscellaneous grants	6,336	4,088	931	630
Total	**78,795**	**69,767**	**6,117**	**5,386**

(b) Other operating income is analyzed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Revenue from prior year and non-use of provisions	978	471	82	40
Fixed Assets Gain	33	5	0	0
Other income	10,113	14,982	2,139	1,600
Total	**11,124**	**15,458**	**2,221**	**1,640**

The other income of the year 2022 includes an amount of euro 2,553 thousand (2021: 2,235 thousand) which mainly concern income from orders delivery charges, rents receivable and Group's Utilities, customer services euro 4,382 thousand (2021: 4,454 thousand) and photovoltaic income amounting to euro 344 thousand (2021: 332 thousand). Also included revenues from lease discounts and VAT refunds due to COVID-19 amounting to euro 231 thousand (2021: 6,318 thousand) and other income 2,603 (2021: 1,643).

In addition, the Company's other income of the year 2022 includes euro 1,555 thousand (2021: euro 1,285 thousand) due to income from invoicing software to subsidiaries, income from subleasing property and occupancy expenses to subsidiaries euro 315 thousand (2021: euro 192 thousand) and income from invoicing travels euro 39 thousand (2021: euro 10 thousand) under the context of provision of administrative services.

(c) Net Financial Results are analyzed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Interest - expenses	(7,794)	(6,880)	0	0
Foreign exchange differences (expense) -realized-	(1,891)	(1,480)	0	0
Interest of lease liabilities	(6,415)	(5,758)	(41)	(51)
Other financial expenses	(1,417)	(1,231)	(2)	(3)
Total finance cost	**(17,517)**	**(15,349)**	**(43)**	**(54)**
Interest and related income	246	24	0	0
Foreign exchange differences (income) -realized-	1,018	933	0	0
Other financial income	186	0	0	0
Total finance income	**1,451**	**957**	**0**	**0**

The differentiation in the foreign exchange differences are due to the activity of the subsidiary in Turkey and is result of the implementation of IAS29 (euro 800 thousand).

(d) Consolidated financial statements include, through equity method, the associated companies VYNER LTD and SW SOFIA MALL ENTERPRISES LTD, MANTENKO SA, POLIKENCO SA, SEVAS TEN SA. and RETS SA.

7. Property, plant and equipment

Property, plant and equipment for the Group are analyzed as follows:

	Group					
	Buildings and installations	**Machinery /Installations**	**Vehicles**	**Furniture**	**Assets under construction**	**Total**
Net book value at 31.12.2021	35,362	3,822	913	15,533	14,775	70,404
1.1 - 31.12.2022						
Additions	6,314	2,303	155	6,801	770	16,343
Other changes in acquisition cost	(395)	7,160	19	(1,284)	(9,063)	(3,564)
Classification of assets held for sale Acquisition cost	(2,072)	0	0	(1,680)	0	(3,752)
Depreciation/ amortization	(5,342)	(1,854)	(213)	(4,601)	0	(12,010)
Other changes in depreciation	1,193	437	5	1,844	0	3,478
Classification of assets held for sale Depreciation	1,351	0	0	1,089	0	2,440
Acquisition cost at 31.12.2022	**92,478**	**21,904**	**5,885**	**67,170**	**6,482**	**193,919**
Accumulated depreciation at 31.12.2022	**(56,067)**	**(10,037)**	**(5,007)**	**(49,468)**	**0**	**(120,579)**
Net book value at 31.12.2022	**36,412**	**11,867**	**878**	**17,702**	**6,482**	**73,340**

Group

	Buildings and installations	Machinery /Installations	Vehicles	Furniture	Assets under construction	Total
Net book value at 31.12.2020	33,793	4,005	870	14,613	3,609	56,890
1.1 - 31.12.2021						
Additions	6,668	727	236	5,051	11,539	24,221
Other changes in acquisition cost	(1,251)	(305)	(25)	(1,608)	(374)	(3,563)
Depreciation/ amortization	(5,035)	(904)	(190)	(3,926)	0	(10,056)
Other changes in depreciation	1,187	298	23	1,404	0	2,912
Acquisition cost at 31.12.2021	**88,631**	**12,441**	**5,712**	**63,333**	**14,775**	**184,892**
Accumulated depreciation at 31.12.2021	**(53,270)**	**(8,619)**	**(4,799)**	**(47,800)**	**0**	**(114,488)**
Net book value at 31.12.2021	**35,362**	**3,822**	**913**	**15,533**	**14,775**	**70,404**

Additions in the Property, Plant and Equipment for the period refer to construction and purchase of equipment for retail stores (new and existing) regarding segments of home furniture and household goods and sporting goods.

In sporting goods segment, on 12/4/2022 one (1) new INTERSPORT Store in Korinthos and on 19/12/2022 one (1) new INTERSPORT Store in Drama started operating.

Most considerable additions in property, plant and equipment in the year 2022 refer to:

a) Property, plant and buildings installations of amount euro 1.8 million for IKEA Stores and euro 3.3 million for INTERSPORT and TAF Stores.

b) Machinery – installations, furniture and miscellaneous equipment of amount euro 2.3 million for IKEA Stores and euro 4 million for INTERSPORT and TAF Stores.

c) Machinery of the subsidiary TRADE LOGISTICS SA of amount euro 2.3 million, property, plant and buildings installations of amount euro 1.8 million.

Other changes in acquisition cost include foreign exchange differences on foreign subsidiaries assets arising from foreign exchange difference resulting from the conversion of the exchange rates of amount euro 2 th., write-offs of amount euro 3,003 th. and sales of fixed assets euro 72 thousand as well as the transfer of an amount of fixed assets under construction, to other categories of fixed assets mainly concerns a completed investment of machinery in subsidiary TRADE LOGISTICS SA. Moreover, the other changes in depreciation include foreign exchange differences on foreign subsidiaries assets arising from foreign exchange difference resulting from the conversion of the exchange rates of amount euro 2 thousand, write-offs amounting to euro 3,023 thousand and sales of fixed assets amounting to euro 70 thousand.

Depreciation/Amortization of Property, Plant and Equipment for the year 2022 amounted to euro 12,010 thousand (2021: euro 10,056 th.). Total depreciation/amortization of property, plant and equipment and intangible assets of amount euro 14,193 th. (2021: euro 12,082 th.) which are registered in distribution expenses by euro 11,734 th. (2021: euro 9,848 th.) and in administrative expenses by euro 2,459 th. (2021: euro 2,234 th.).

On 31/12/2022, the Group examined the value of property, plant and equipment of its stores (Cash Generating Units) and an impairment test was implemented and no impairment loss occurred.

Net book value of property, plant and equipment regarding IKEA and INTERSPORT stores amounts to euro 57,023 thousand (2021 amount of euro 55,233 thousand).

For the Company property, plant and equipment for the years 2022 and 2021 are the following:

	Company			
	Buildings and installations	**Furniture**	**Assets under construction**	**Total**
Net book value at 31.12.2021	71	123	0	194
1.1 - 31.12.2022				
Additions	9	83	0	91
Depreciation/ amortization	(22)	(49)	0	(71)
Acquisition cost at 31.12.2022	**322**	**495**	**0**	**818**
Accumulated depreciation at 31.12.2022	**(265)**	**(339)**	**0**	**(604)**
Net book value at 31.12.2022	**57**	**156**	**0**	**214**

	Company			
	Buildings and installations	**Furniture**	**Assets under construction**	**Total**
Net book value at 31.12.2020	90	128	0	218
1.1 - 31.12.2021				
Additions	1	36	0	37
Depreciation/ amortization	(20)	(41)	0	(62)
Acquisition cost at 31.12.2021	**314**	**413**	**0**	**727**
Accumulated depreciation at 31.12.2021	**(243)**	**(290)**	**0**	**(533)**
Net book value at 31.12.2021	**71**	**123**	**0**	**194**

8. Right of use assets

Right of use assets of the Group for the years 2022 and 2021 are analysed as follows:

	Leasing Buildings	Group Leasing Machinery /Installations	Leasing Vehicles	Total
Net book value at 31.12.2021	**119,820**	**21**	**1,223**	**121,064**
Other changes				
Additions	40,637	5	874	41,516
Other changes in acquisition cost	(2,284)	0	(21)	(2,305)
Classification of assets held for sale	(9,694)	0	(113)	(9,807)
Depreciation/ amortization	(19,196)	(20)	(526)	(19,742)
Other changes in depreciation	687	0	8	694
Classification of assets held for sale Αποσβεσμένα	2,418	0	39	2,457
Acquisition cost at 31.12.2022	**199,477**	**63**	**2,993**	**202,533**
Accumulated depreciation at 31.12.2022	**(67,090)**	**(56)**	**(1,509)**	**(68,655)**
Net book value at 31.12.2022	**132,387**	**7**	**1,484**	**133,877**

	Leasing Buildings	Group Leasing Machinery /Installations	Leasing Vehicles	Total
Net book value at 31.12.2020	**121,960**	**40**	**1,316**	**123,317**
Other changes				
Additions	16,385	0	364	16,749
Other changes in acquisition cost	(2,960)	0	(129)	(3,089)
Depreciation/ amortization	(17,624)	(19)	(453)	(18,096)
Other changes in depreciation	2,058	0	125	2,183
Acquisition cost at 31.12.2021	**170,818**	**58**	**2,252**	**173,128**
Accumulated depreciation at 31.12.2021	**(50,998)**	**(37)**	**(1,030)**	**(52,065)**
Net book value at 31.12.2021	**119,820**	**21**	**1,223**	**121,064**

Additions of right to use assets of the period relate to changes in existing contracts due to an increase in the price and duration of the lease in the stores for retail stores of the home furniture amounting to euro 23 million and for the sporting goods segment of euro 17 million.

In sporting goods segment, on 12/4/2022 one (1) new INTERSPORT Store in Korinthos and on 19/12/2022 one (1) new INTERSPORT Store in Drama started operating.

On 31/12/2022, the Group examined the value of right to use assets of its stores (Cash Generating Units) and an impairment test was implemented. No impairment loss occurred.

Right of use assets of the Company for the years 2022 and 2021 are analysed as follows

	Leasing Buildings	Company Leasing Vehicles	Total
Net book value at 31.12.2021	**802**	**224**	**1,026**
Other changes			
Additions	1,375	181	1,556
Other changes in acquisition cost	(705)	(2)	(707)
Depreciation/ amortization	(449)	(80)	(529)
Acquisition cost at 31.12.2022	**2,178**	**526**	**2,704**
Accumulated depreciation at 31.12.2022	**(1,153)**	**(204)**	**(1,357)**
Net book value at 31.12.2022	**1,024**	**323**	**1,347**

	Leasing Buildings	Company Leasing Vehicles	Total
Net book value at 31.12.2020	**1,037**	**212**	**1,250**
Other changes			
Additions	0	77	77
Depreciation/ amortization	(235)	(65)	(300)
Acquisition cost at 31.12.2021	**1,507**	**347**	**1,855**
Accumulated depreciation at 31.12.2021	**(705)**	**(124)**	**(828)**
Net book value at 31.12.2021	**802**	**224**	**1,026**

9. Assets held for sale

The Group continues to exploit new investing opportunities regarding the establishment of a company "TRADE ESTATES REAL ESTATE INVESTMENT COMPANY SA (REIC)", for its operation as a) a Real Estate Investment Company according to the provisions of L. 2778/1999 and b) an internally managed Alternative Investments Fund Manager ("AIFM") according to the provisions of L. 4209/2013. Under the same context, the actions of the Group for the establishment of companies operating in real estate management in Cyprus and Bulgaria (TRADE ESTATES CYPRUS LTD, H.M. ESTATES CYPRUS LTD, TRADE ESTATES BULGARIA EAD) and for the strategic plan of TRADE ESTATES R.E.I.C. which includes an increase in the share capital of TRADE ESTATES REIC through the Athens Stock Exchange as well as private placements prior to the listing on the Athens Stock Exchange, with the final result that the Group's shareholding drops to 50%.

Therefore, on 31/12/2019 the Group classified its assets related to TRADE ESTATES R.E.I.C. of amount euro 176.1 mil. as held for sale because on this date all criteria are met regarding their classification based on IFRS 5. Before classification time, as defined by provisions of IAS 36, an impairment test was made at these specific assets before their classification as assets held for sale and no impairment loss arisen. At the date of their classification as held for sale and in accordance with the requirements of IFRS 5, depreciation on the specific assets was stopped. If they were not classified as held for sale, the net depreciation of these assets would be approximately euro 3.4 million for the year 2022 and euro 3.4 million respectively for the year 2021, which will decrease net profits of the corresponding periods.

The assets that have been classified for sale constitute a single cash generating unit (CGU) since all of them were contributed on 12/7/2021 to TRADE ESTATES R.E.I.C. and the approval received to TRADE ESTATES REIC from the Hellenic Capital Market Commission for operating license was implemented. These assets were measured at the lowest value between book value and fair value minus the sale expenses occurred.

Assets held for sale include:

- IKEA Store in Thessaloniki (mostly Group owner-occupied),
- IKEA Store in Ioannina (mostly Group owner-occupied),
- IKEA Store in Nicosia, Cyprus (Group owner-occupied),
- IKEA Store in Sofia, Bulgaria (Group owner-occupied),
- Real Estate company RENTIS owner of the shopping center in Piraeus Street, Athens,
- Logistics center in Schimatari (Group owner-occupied),
- Logistics center in Inofyta (Group owner-occupied),
- Property in the subsidiary BERSENCO SA in Piraeus Street in Athens,
- Property in the subsidiary VOLYRENCO SA in Chalandri..
- Investment in the Real Estate company MANTENKO SA owner of a property in Heraklion, Creta
- Investment in the Real Estate company POLIKENCO SA owner of a property in Patras,
- Investment in the Real Estate company SEVAS TEN SA owner of a property in Spata,
- Property of the retail park in Thessaloniki of 100% of the share capital of the subsidiary company KTIMATODOMI SA. The cost of participation amounted to 37,254 eur thousand and the company's net assets were 36,989 thousand euros, while the difference of 265 thousand euros increased the value of its property.
- Investment of 50% of the share capital of the real estate management company RETS CONSTRUCTIONS SA with a property in Elefsina. The cost of participation amounted to euro 2,055 thousand while the revaluation of 2022 increased the value of the investment by the amount of euro

962 thousand.

The Group's investments in real estate are measured at fair value and are classified at level 3.

The measurement of fair value of investment property at the contribution date as well as at 31/12/2022 was carried out in February 2023 by valuation experts, namely the company "SAVILLS HELLAS LTD" in accordance with the provisions of Law 2778/1999.

According to certified real estate valuation experts of "SAVILLS HELLAS LTD", at the date of the assessment there was sufficient volume of transactions and benchmarks to base their estimates.

The data used and analyzed in the valuation assessment (leases/sale prices, yields) come from various sources and recent data of the Greek real estate market and from the general financial information and are based on the current conditions adjusted to reflect the general economic trends and the characteristics of the specific property on the date of the assessment.

However, they point out that while the volatile economic environment due to geopolitical risks arising from the war in Ukraine combined with problems facing the supply chain which have led to revaluation of the cost of goods, energy and services, affects globally the markets to some extent and creates inflationary pressures, they note that, at the assessment date, the real estate markets are mostly operating normally showing satisfactory activity, with several transactions taking place which lead to a sufficient volume of comparative data and therefore help to support their decisions regarding the formation of opinions on the value of real estate. The country's public debt is improving but still remain higher than other European economies. Greek banks have resolved important issues related to non-performing loans (NPLs) which until now created significant management and potential risk issues. Recognizing the potential for market conditions to move rapidly in response to changes due to geopolitical risks arising from the conflict in Ukraine along with supply disruptions, the energy crisis and inflationary pressures, as well as possible threats of a new wave of Covid-19, the importance of the valuation date is highlighted.

The assessment resulted in a net profit from the readjustment of real estate investments to fair value in the amount of euro 8,453 thousand for the Group.

On 31/12/2022 the criteria for the classification of assets held for sale under IFRS 5 continue to be met, given that:

• net book value will be recovered primarily from the sale and not from their continued use,

• assets are available for immediate sale in their current condition,

• there is Management’s commitment and a program in progress that includes a share capital increase through the Athens Stock Exchange as well as a private placement prior to the listing on the Athens Stock Exchange, with the final result that the Group's shareholding drops to 50%. More specifically, regarding the private placement, on 20/7/2022, the Company FOURLIS HOLDINGS SA announced signed an agreement for the sale of shares of 8.11% of TRADE ESTATES REIC to AUTOHELLAS ATEC. At the same time, AUTOHELLAS ATEC acquired the right to participate in an increase in the share capital of TRADE ESTATES REIC, with a contribution in kind. Until 31/12/2022 AUTOHELLAS SA had not exercised its right. After the completion of the aforementioned actions, if AUTOHELLAS ATEC exercises its rights, will own approximately 12% of the share capital of TRADE ESTATES REIC, while the rest will belong to Fourlis Group through the company and its subsidiaries. Management monitors and will continue to monitor the correct classification of the specific assets as held for sale in each reporting period.

Moreover, on 31/12/2022 the Group classified assets related to the subsidiaries INTERSPORT ATLETIK (INTERSPORT and TAF stores in Turkey) and Sneakers Market S.A. (TAF stores in Greece) which worth 703 thousand and 3,755 thousand euros respectively in the category held for sale because on this date all criteria are met regarding their classification based on IFRS 5. Before classification time, as defined by provisions of IAS 36, an impairment test was made at these specific assets before their classification as assets held for sale and no impairment loss arisen. At the date of their classification as held for sale and in accordance with the requirements of IFRS 5, depreciation on the specific assets was stopped.

The Group announced on 26/1/2023 the agreement to sell the "Intersport" activity in Turkey. The agreement provides for the sale of all the shares of the subsidiary company Intersport Atletik Mağazacılık ve Dış Ticaret Anonim Şirketi, licensor of the brand "Intersport" and "The Athlete's Foot" in Turkey, which operates a network of 12 stores. The buyer is the Eren Perakende ve Tekstil Anonim Şirketi Group. The transaction price was set at approximately euro 1.5 million, whereas as provided in the purchase and sale agreement (SPA), the final price will be determined according to the audited financial statements of the year 2022.. At the signing of the contract for the sale and purchase of the shares, 83% of the price was paid, i.e. approximately euro 1.25 million, while the rest will be paid in 2 years from the signing of the contract. The expenses of the transaction amount to euro 166 thousand. The sales of the activity in Turkey in 2022 amounted to euro 12.8 million, and the Profits before Taxes (PBT) amounted to euro 453 thousand. The gain from the sale of Atletik in 2023 amounts approximately to euro 0,5 million. It is also, mentioned that accumulated losses that occurred during the time that the Group held the investment, amounting to approximately euro 4.5 million, are already reflected in the equity of the subsidiary.

On 30/12/2022 the Group announced the sale agreement of the retail trading "The Athlete's Foot (TAF)" in Greece. The agreement provides for the sale of total shares of the subsidiary company Sneakers Market SA, which has the right to use the trademark "The Athlete's Foot" and operates a network of 14 stores in Greece. The acquiring company is TAF Global Holding AG, a subsidiary of Arklyz Group AG, which has acquired the rights to the trademark "The Athlete's Foot" worldwide. The price of the transaction amounts to euro 4.1 million, which was finalized with the closing of the transaction at the end of February 2023.

In particular, the subsidiary company Sneakers Market S.A. came from the Partial Split by the absorption of the segment "trade of sports goods, designed both for daily use and exercise, which appears today under the brand name TAF-THE ATHLETE'S FOOT" of company "INTERSPORT ATHLETICS SA in accordance with the provisions of paragraph 2 of article 56, the provisions of articles 58-73 and articles 83-87 of Law 4601/2019, the provisions of Law 4548/ 2018, Article 54 of Law 4172/2013 and Article 61 of Law 4438/2016 as applicable. The aforementioned partial split was completed with its registration in the General Commercial Register (GCR) on 5/7/2022 with Registration Code Number 2903747.

As a consequence of the split, the share capital of Sneakers Market SA increased by the amount of five million five hundred seventy thousand seven hundred euros (euro 5,570,700). The increase in the share capital was carried out by issuing five million five hundred seventy thousand seven hundred (5,570,700) shares, with a nominal value of one euro (euro 1.00) per share, which were taken over in total by the sole shareholder of the splitted, the company " FOURLIS HOLDINGS SA".

Assets and liabilities which are included in category held for sale on 31/12/2022 and 31/12/2021 respectively are as follows:

	GROUP					
	31/12/2022				31/12/2021	
ASSETS	**TRADE ESTATES GROUP**	**INTERSPORT ATLETİK**	**SNEAKERS SA**	**TOTAL**	**TRADE ESTATES GROUP**	**TOTAL**
PROPERTIES	277,054	1,867	7,692	286,613	218,173	218,173
INVESTMENT IN PROPERTIES	11,143	0	0	11,143	6,896	6,896
LONG TERM RECEIVABLES	8,782	287,0	261,0	9,330	3,600	3,600
OTHER RECEIVABLES	3,207	2,658	4,876	10,741	0	0
TOTAL ASSETS	**300,186**	**5,312**	**12,829**	**317,827**	**228,669**	**228,669**
LIABILITIES						

NON-CURRENT LOANS	(111,283)	0	0	(111,283)	(11,100)	(11,100)
LEASE LIABILITIES	(14,263)	(749)	(5,626)	(20,638)	(14,627)	(14,627)
OTHER NON-CURRENT LIABILITIES	(5,280)	(66)	(26)	(5,372)	(5,262)	(5,262)
TOTAL NON-CURRENT LIABILITIES	**(130,826)**	**(815)**	**(5,652)**	**(137,293)**	**(30,989)**	**(30,989)**
SHORT TERM LOANS FOR WORKING CAPITAL	(2,033)	(1)	0	(2,034)	0	0
CURRENT PORTION OF NON-CURRENT LOANS AND BORROWINGS	0	0	0	0	(2,700)	(2,700)
SHORT TERM PORTION OF LONG TERM LEASE LIABILITIES	(364)	(378)	(856)	(1,599)	(357)	(357)
ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES	0	(2,415)	(2,565)	(4,980)	(2,500)	(2,500)
TOTAL CURRENT LIABILITIES	**(2,398)**	**(2,794)**	**(3,422)**	**(8,613)**	**(5,557)**	**(5,557)**
TOTAL LIABILITIES	**(133,223)**	**(3,609)**	**(9,074)**	**(145,906)**	**(36,546)**	**(36,546)**
NET ASSETS	**166,962**	**1,203**	**3,755**	**171,921**	**192,123**	**192,123**

Regarding the Company's assets and liabilities which are included in category held for sale on 31/12/2022 (31/12/2021:0) are as follows:

- The direct investment in the trade of sports goods company, designed both for daily use and exercise, which appears today under the brand name TAF-THE ATHLETE'S FOOT Sneakers Market SA with a percentage of 100% on the amount of euro 25 thousand.
- The direct investment in the company TRADE ESTATES REIC with a percentage of 15.32% on the amount of euro 32,000 thousand.

Changes in the value of assets held for sale within the period 1/1 - 31/12/2022 include:

a) Investment in property of the company KTIMATODOMI SA amounting to euro 56.2 million,
b) Investment in property of the company VOLYRENCO SA amounting to euro 8.8 million,
c) additions and goodwill of the asset of the subsidiary company Bersenco SA amounting to euro 10.5 million,
d) the undervalue of the asset of the subsidiary company RENTIS REAL ESTATE INVESTMENTS SA amounting to euro 1.4 million
e) Investment of 50% in the real estate management company RETS CONSTRUCTIONS SA with an asset in Elefsina amounting to euro 3.0 million,
f) Participation on increases of share capital of the affiliate companies POLIKENCO SA, MANTENKO SA and SEVAS SA amounting to euro 0.5 million, 0.2 million and 0.5 respectively.

g) The reduction of the advance payment for the acquisition of KTIMATODOMI SA amounting to euro 3.6 million.

h) The increase in the long-term receivable regarding a loan granted by TRADE ESTATES REIC to its affiliate RETS CONSTRUCTION SA. More specifically, on 13/5/2022 the company RETS CONSTRACTION SA issued a program of a Common Bond Loan Coverage Agreement of up to the amount of Euro 10,283,000 for the issue of up to 10,283,000 common nominal bonds, with a nominal value of one euro (1.00) per bond, covered by the Company TRADE ESTATES REIC as the initial bond holder. The above bond loan has a duration of seven (7) years from the date of issuance of the first bond, i.e. from 13/5/2022.

   The nominal value of the bonds will be repaid in series according to the repayment schedule. It is pointed out that no collateral and/or guarantees have been provided to secure the bond loan. The amount of the loan paid by TRADE ESTATES REIC on 31/12/2022 amounts to euro 2.3 million

i) the increase in the long-term receivables regarding the recognition of the valuation of the subsidiary company TRADE ESTATES REIC forward interest rate swap with a nominal value of euro 75 million (forward interest rate swap with cap) on the basis of which it will pay a fixed interest rate of 0.88% and receive a variable interest rate 3-month Euribor and 0.50% (interest rate cap). Hedged cash flows are the 3-monthly interest payments on a bond issue that will begin to be hedged for interest rate risk after 28/2/2023, with the first interest payment (which will be part of the hedge) occurring on 31/3/2023 and the last one on 31/3/2028. The transaction took place on 24/2/2022 with a zero price. The hedging relationship (using a future cash flow derivative) was assessed as sufficiently effective (using for the purpose of measuring hedge ineffectiveness a derivative with terms related to the critical terms of the hedged item - this is usually referred to as a "hypothetical derivative"). The hedge ratio was 1:1. The Company will reassess the hedge ratio at the end of each reporting period as part of the hedge effectiveness review.

   The valuation of the interest rate swap contract (forward interest rate swap with cap) amounted to an amount of euro 7 million on 31/12/2022. The non-current financial items include an amount of euro 5 million and the current amount of euro 2 million. The cash flow compensation reserve amounted to 6.8 million. It was recorded in equity in the Reserves column and will be transferred to the results in proportion to future interest payments, while an amount 0.2 million was recorded in the results of the year in the account of financial income. The financial assets also include a loss of euro 0.5 million from the initial recognition (day 1 loss) of the above interest rate swap contract which will be transferred to the results in proportion to the future interest payments. The valuation techniques applied to measure the fair value of this derivative employ the use of observable market inputs and include exchange models that use present value calculations. The interest rate swap is classified in Level 2 of the fair value measurement hierarchy. There were no transfers between Tiers 1, 2 or 3 within 2022.

j) The increase in the long-term receivables regarding costs of the issuance of a bond loan of the subsidiary TRADE ESTATES REIC in the amount of euro 1.2 million.

k) The addition of the following loans of the subsidiaries TRADE ESTATES REIC, as follows:

31/12/2022		Amount in thousand of euro	Issuing Date	Duration
TRADE ESTATES REIC	Bond	44,905	21/2/2022	2 years from the date of issue
	Bond	68,411	14/06/2022	7,5 years from the date of issue (euro 2,033 thousand payable next year)
Total		**113,316**		

31/12/2021		Amount in thousand of euro	Issuing Date	Duration
TRADE ESTATES BULGARIA EAD	Bilateral	13,800	5/12/2019	5 years from the date of issue (euro 2,700 thousand payable next year)
Total		**13,800**		

The subsidiary company TRADE ESTATES REIC has issued a bond loan of euro 150,000 thousand with a twelve-year duration. The purpose of the above loan is to repay the balance of the company's existing issue and to finance its investment plans. The loan contains restrictive conditions and no disbursement has been made on 31/12/2022.

The repayment period of non - current loans varies between 1 to 7 years and the average weighted interest rate of the Group's non - current loans was 2.92% during the period 1/1 – 31/12/2022 (12/7 – 31/12/2021: 2.38%). Some of the loans contain restrictive covenants. On 31/12/2022 the subsidiaries was in compliance with the terms of its loans.

l) The reduction of the non-current liability to pay the price for the direct participation in the company BERSENCO SA in the amount of euro 1 million and the reduction of the short-term liability related to its property, amounting to euro 2.5 million

Associated companies MANTENKO SA, POLIKENCO SA , SEVAS TEN SA and RETS CONSTRUCTIONS SA are included in the consolidated financial statements of the Group through the application of equity method, the amount of which in "assets held for sale" of the Group on 31/12/2022 was euro 11,143 th. (2021: euro 6,896 th.).

The financial information of MANTENKO SA is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2022	Greece	6,871	47	0	120	50.00%
2021	Greece	6,306	3	0	(279)	50.00%

The financial information of POLIKENCO SA is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2022	Greece	5,077	6	0	107	50.00%
2021	Greece	4,052	0	0	(63)	50.00%

The financial information of SEVAS TEN SA is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2022	Greece	4,506	128	0	239	50.00%
2021	Greece	3,510	72	0	156	50.00%

The financial information of RETS CONSTRUCTIONS SA is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2022	Greece	9,520	3,486	0	(185)	50.00%
2021	Greece	4,539	2,042	0	(37)	50.00%

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In the cash flow statement, the amount in addition of assets, concerns the acquisition of subsidiary KTIMATODOMI SA in the amount of euro 33.8 million reduced by the amount of cash and cash equivalents of the subsidiary at the time of the acquisition of the amount of euro 2.6 million, the acquisition of related company RETS CONSTRUCTIONS SA amounting to euro 2 million, additions to the property of the subsidiary BERSENCO SA amounting to euro 5.8 million, the acquisition of the subsidiary VOLYRENCO SA amounting to euro 6.4 million, the participation in share capital increases in the related companies MANTENKO SA, POLIKENCO SA and SEVAS TEN SA amounting to euro 1 million, advances for the acquisition of investment properties of the subsidiary TRADE ESTATES REIC amounting to Euro 0.3 million, the amount of cash and cash equivalents of the subsidiary Sneakers Market SA upon its classification as a held for sale asset amounting to euro 1.9 million and the amount of cash and cash equivalents of the subsidiary INTERSPORT ATLETIK upon its classification as a held for sale asset amounting to euro 0.4 million.

10. Intangible assets

Intangible assets are analyzed as follows:

	Group			
	Royalties	**Software**	**Miscellaneous**	**Total**
Net book value at 31.12.2021	3,241	6,762	123	10,126
1.1 - 31.12.2022				
Additions	111	2,795	125	3,032
Other changes in acquisition cost	0	(268)	(140)	(408)
Classification of assets held for sale Αξία κτήσης	0	(814)	(535)	(1,349)
Depreciation/ amortization	(278)	(1,844)	(61)	(2,183)
Other changes in depreciation	0	78	(57)	21
Classification of assets held for sale Αποσβεσμένα	0	235	717	952
Acquisition cost at 31.12.2022	**8,983**	**21,583**	**572**	**31,138**
Accumulated depreciation at 31.12.2022	**(5,909)**	**(14,638)**	**(400)**	**(20,947)**
Net book value at 31.12.2022	**3,074**	**6,945**	**172**	**10,191**

	Group			
	Royalties	**Software**	**Miscellaneous**	**Total**
Net book value at 31.12.2020	3,519	5,193	235	8,947
1.1 - 31.12.2021				
Additions	0	3,330	0	3,330
Other changes in acquisition cost	0	(283)	(419)	(702)
Depreciation/ amortization	(278)	(1,594)	(71)	(1,942)
Other changes in depreciation	0	116	378	494
Acquisition cost at 31.12.2021	**8,872**	**19,869**	**1,122**	**29,863**
Accumulated depreciation at 31.12.2021	**(5,631)**	**(13,107)**	**(999)**	**(19,737)**
Net book value at 31.12.2021	**3,241**	**6,762**	**123**	**10,126**

Royalties include the use of brand names (IKEA). Other changes in acquisition cost as well as other depreciation changes regard foreign exchange differences. Additions in intangible assets are related to software licenses.

Depreciation of intangible assets of the Group for the year 2022, amounted to euro 2,183 thousand (2021: euro 1,942 thousand).

On 31/12/2022, the Group examined the value of intangible assets of its stores (Cash Generating Units), an impairment test was implemented and no impairment loss occurred.

Intangible assets for the Company for the year 2022 are as follows:

	Company		
	Software	**Miscellaneous**	**Total**
Net book value at 31.12.2021	110	61	172
1.1 - 31.12.2022			
Additions	36	0	36
Depreciation/ amortization	(50)	(19)	(70)
Acquisition cost at 31.12.2022	**697**	**129**	**827**
Accumulated depreciation at 31.12.2022	**(601)**	**(87)**	**(688)**
Net book value at 31.12.2022	**96**	**42**	**138**

	Company		
	Software	**Miscellaneous**	**Total**
Net book value at31.12.2020	126	81	207
1.1 - 31.12.2020			
Additions	37	0	37
Depreciation/ amortization	(53)	(19)	(72)
Acquisition cost at 31.12.2021	**661**	**129**	**790**
Accumulated depreciation at 31.12.2021	**(551)**	**(68)**	**(619)**
Net book value at 31.12.2021	**110**	**61**	**172**

11. Investments in subsidiaries and associates

Investments of the Company are analyzed as follows:

	COUNTRY	**COMPANY**			
		% SHAREHOLDING 2022	**31/12/2022**	**% SHAREHOLDING 2021**	**31/12/2021**
SUBSIDIARIES					
GENCO TRADE SRL	Romania	1.57%	367	1.57%	367
HOUSEMARKET SA	Greece	100%	61,956	100%	61,956
INTERSPORT ATHLETICS SA	Greece	100%	25,664	100%	25,664
WELLNESS MARKET SA	Greece	100%	1,000		-

	COUNTRY	COMPANY			
		% SHAREHOLDING 2022	31/12/2022	% SHAREHOLDING 2021	31/12/2021
SUBSIDIARIES					
STOCK OPTION			4,839		3,503
TOTAL			**93,826**		**91,489**

On 31/12/2022, an impairment test was carried out on the subsidiaries taking for granted the subsidiaries had operating profits and no impairment loss occurred.

Associated companies VYNER LTD and SW SOFIA MALL ENTERPRISES LTD are included in the consolidated financial statements of the Group through the application of equity method, the amount of which in "investment in subsidiaries and associates" of the Group on 31/12/2022 was euro 28,351 th. (2021: euro 27,200 th.). After applying the equity method, a profit of an amount of euro 1,151 thousand (2021: loss amounting to euro 285 thousand)) with a corresponding reduction in the value of the Investment in Subsidiaries and Associates.

The consolidated financial information of VYNER LTD is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2022	Cyprus	150,217	88,973	12,926	2,331	50.00%
2021	Cyprus	150,009	91,117	9,945	(562)	50.00%

The consolidated financial information of SW SOFIA MALL ENTERPRISES LTD is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2022	Cyprus	122,359	85,891	12,926	(781)	50.00%
2021	Cyprus	66	188	0	(39)	50.00%

In relation to the associated company SW SOFIA MALL ENTERPRISES LTD, we note that regarding IAS 28, if the investor's share in an associate's losses equals or exceeds the book value of the investment, the investor no longer recognizes his share in further losses. The proportion in equity of the company, at the end of the current year amounts to euro 1,151 thousand and of the previous year amount of euro 285 thousand.

12. Long Term Receivables

Long Term Receivables are analysed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Guarantees given to Property Lease Holders	4,170	4,173	174	65
Guarantees given to third party	190	151	0	0
Other Guarantees given	46	31	0	0
Other Long term claims	88	434	0	0
Total	**4,493**	**4,789**	**174**	**65**

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

13. Inventory

Inventory is analyzed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Inventory	92,384	79,611	0	0
Advances for purchases of merchandise	(581)	(417)	0	0
Total	**91,803**	**79,194**	**0**	**0**

From the total inventory amounting to euro 91,803 thousand in 2022, the inventory in the retail trading of home furniture and households goods segment is of amount euro 41,103 thousand and in the retail trading of sporting goods segment is of amount euro 50,381 thousand. The inventory cost of the Group which was recorded as an expense under cost of goods sold amounts to euro 275,597 thousand (2021: euro 246,891 thousand). The inventory value that was written off within the financial year was euro 2,243 thousand (2021: euro 1,670 thousand). Within the current period impairment provisions of amount euro 527 thousand (2021: euro 1,027 thousand) were made for unmoved, slow moving and obsolete inventory that will be written off within the next year. The total provision for inventory on 31/12/2022 for the Group amounts to euro 4,169 th. (31/12/2021: euro 3,660 th.).

14. Trade receivables

Trade receivables are analyzed as follows:

	Group		Company	
	31/12/2022	**31/12/2021**	**31/12/2022**	**31/12/2021**
Trade receivables	12,003	11,600	472	694
Cheques receivables	18	18	0	0
Bad Debt Provisions	(7,714)	(7,735)	0	0
Total	**4,307**	**3,882**	**472**	**694**

The above balance is formed by numerous customers and there is not a single customer with a significant balance in the Group.

As at December 31, 2022 and 2021 the ageing of trade receivables is analyzed as follows:

	Total	**Not due trade receivables**	**Overdue trade receivables**
31/12/2022	**4,307**	2,990	1,317
31/12/2021	**3,882**	2,570	1,312

Not due receivables not impaired include amounts resulting from goods sale and other receivables of amount euro 2,960 th. (2021: euro 1,424 th.), leasing and occupancy invoicing euro 704 th. (2021: euro 70 th.), from e-shop sales euro 1 th. (2021: euro 273 th.), electricity invoicing to Renewable Energy Sources and Guarantees of Origin (DAPEEP SA) euro 512 th. (2021: euro 12 th.), from provision of administrative services to associated company euro 130 th. (2021: euro 91 th.).

For the Company, total receivables which amount to euro 472 th. (2021: 694 th.) is not due and is related to shared business services.

15. Other receivables

Other receivables are analyzed as follows:

	Group		Company	
	31/12/2022	**31/12/2021**	**31/12/2022**	**31/12/2021**
Debited VAT	2,658	1,874	0	0
Credit Cards receivable	6,076	6,243	0	0
Accruals	3,363	2,946	72	235
Suppliers advances	1,410	969	0	0
Other debtors	4,743	6,402	6,061	3,485
Total	**18,249**	**18,435**	**6,133**	**3,719**

On 31/12/2022, other debtors include mainly the amount of euro 559 th. for credit cards discounting program of a subsidiary through factoring (2021: euro 204 th.), euro 1,271 th. for municipal taxes receivables (2021: euro 1,059 th.), euro 8 th. for pledged deposit accounts (2021: euro 8 th.) and euro

578 th. for purchases in transit (2021: euro 250 th.).

For the Company for the year 2022, other debtors include receivables from subsidiary regarding dividend of amount euro 6,000 th. (2021: 3,200 th.).

The difference in VAT receivable is due to Group's subsidiary investment program VAT.

16. Cash

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

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Cash in hand	2,160	2,016	2	4
Bank Deposits	56,239	101,439	502	240
Total	**58,399**	**103,455**	**504**	**244**

The decrease in cash is due to the investment program. The temporary unallocated amounts of the Group's companies are invested in short-term deposits in euro. The average weighted deposit interest rate for the year 2022 is 0.10% (2021: 0.01%).

17. Share Capital

On 31/12/2022 the share capital amounted to euro 52,131,944.00 divided into 52,131,944 shares of nominal value euro 1.00 per share (Note 1). On 31/12/2021 the share capital amounted to euro 52,131,944.00 divided into 52,131,944 shares of nominal value euro 1.00 per share.

Evolution and coverage of share capital of the Company for the year 2022 are analyzed as follows:

Date of General Assembly	Government Gazette No.	Amount of increase		Amount of decrease	New shares total	Shares total	Share Capital after the increase/decrease	Nominal value per share
		Cash Payments	By capitalization of reserves-goodwill assets Difference of share premium account	By decreae of nominal value of the share and capital return with cash payment to shareholders				
21/12/2020	2448494/13.01.21	-	9.880.942,59	-	-	52.004.961	52.004.961,00	1
28/12/2020	2450940/15.01.21	87.040,00	-	-	87.040	52.092.001	52.092.001,00	1
20/12/2021	2773271/11.01.22	39.943,00	-	-	39.943	52.131.944	52.131.944,00	1
					Total	**52.131.944**	**52.131.944,00**	**1**

18. Reserves

The reserves are analyzed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Statutory Reserves	20,391	20,116	6,907	6,686
Revaluation Reserves	722	722	0	0
Foreign exchange diff. from Statement of Financial Position transl. reserves	(11,110)	(10,966)	0	0
Extraordinary /Taxfree Reserves	16,367	16,306	6,970	6,970
Purchase of own shares	(6,331)	(5,259)	(6,331)	(5,259)
SOP Reserve	5,574	3,508	5,349	3,642
IRS Reserve	6,290	(118)	0	0
Total	**31,904**	**24,311**	**12,895**	**12,039**

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

Extraordinary / Tax-free Reserves: The Group has Extraordinary/Tax-free Reserves of amount euro 16,367 thousand (2021: euro 16,306 thousand), which was mainly derived from disposal of shares listed in Athens Stock Exchange, dividends, interests and income from bad debt provision of L. 3296/04. In case of distribution or capitalisation, the reserves will be taxed with the official tax rate declared by article 71B of L.4172/2013 (Note 26).

Foreign Exchange Differences from subsidiaries accounts conversion: This reserve is comprised from the foreign exchange differences arising from the retranslation of the financial statements of Subsidiaries which have a different functional currency from the parent company.

Cash Flow Hedging reserve: The hedging reserve comprises of the effective portion of the cumulative net change in the fair value of cash flow hedging instruments (IRS) (Note 22).

SOP Reserves: This reserve is created with the General Assembly approval of the SOP for employees of the Company and Group. After the exercise of the options or waive of beneficiaries, the remaining amount of the reserve can be transferred to Retained Earnings.

Revaluation Reserves: This reserve is created from revaluation on land and buildings. According to Greek

Law, revaluation reserves cannot be distributed to shareholders.

Share Buy Back: For Share Buy Back see see Note 28.

19. Dividends

The Shareholders Ordinary General Assembly held on 17/6/2022 propose a dividend distribution of eleven euro cents (euro 0.11) per share, without calculating any dividend on the number of own shares held by the company on 23/5/2022 (the date of the invitation of the General Assembly). The amount of the dividend that will be finally paid is the gross amount of euro 0.110199 per share, after being increased by the dividend corresponding to the same shares acquired between 23/5/2022 (the date of the invitation of the General Assembly) and 30/6/2022 (dividend cut-off date). The dividend paid on Wednesday 6/7/2022 and amount to euro 5,582 million. The Company registered the income from dividends from subsidiaries amounting to euro 38,056 million during 2022, out of which the amount of euro 32,000 million pertains to a dividend given in the form of shares of the subsidiary TRADE ESTATES REIC by the subsidiary HOUSEMARKET SA. At the Annual General Assembly of shareholders for the year 2022 scheduled to take place on 16/6/2023, the distribution of a dividend of approximately euro 0.11 per share will be proposed.

20. Employee retirement benefits

20.1 Liabilities due to termination of service

The obligation of employee compensation due to termination of service (Law 2112/20, 4093/12 for Greek Companies, Bulgarian Labor Law for Bulgarian Companies and Labor Law 1475 for Turkish Company) appears in the Financial Statements in compliance with IAS 19 and is based on an actuarial study elaborated by AON Hewitt on December 31st,2022. In May 2021, the International Accounting Standards Board (IASB) accepted IAS 19 Interpretation of Employees' Benefits by the International Financial Reporting Interpretations Committee (IASB) concerning the Attributing Benefit to Periods of Service. This interpretation did not have a significant impact on our financial statements given that the Group applies Article 8 para of Law 3198 / 1955. As a result, the Group is obliged to pay 50% of the legal compensation to those who voluntarily leave work after completed 15 years of working experience (see Note 2.2).

Basic assumptions of the actuarial study for Greece are the following:

Greek Companies	2022	2021
Average annual payroll increase	3.00%	1.00%
Discount interest rate	3.80%	1.03%
Inflation	2.50%	1.00%
Plan duration (years)	13.1	15.1

In case of an average annual payroll increase by 0.50% (namely 3.50%), the amount of liabilities due to termination of service of Greek companies would increase from 5.79% to 13.88%. In case of a discount rate increase by 0.50%, the amount of liabilities due to termination of service of Greek companies would decrease from 5.25% to 11.86%.

Bulgarian Companies	2022	2021
Average annual payroll increase	3.90%	3.60%
Discount interest rate	3.76%	1.30%
Inflation	2.40%	2.10%
Plan duration (years)	20-26	21-26

In case of an average annual payroll increase by 0.50% (namely 4.40%), the amount of liabilities due to termination of service of Bulgarian companies would increase from 10.00% to 13.88%. In case of a discount rate increase by 0.50% (namely 4.26%), the amount of liabilities due to termination of service of Bulgarian companies would decrease from 8.9% to 11.83%.

Turkish Company	2022	2021
Average annual payroll increase	25.00%	25.50%
Discount interest rate	45.00%	23.20%
Inflation	56.30%	23.50%
Plan duration (years)	23	25

In case of an inflation increase by 0.50% (namely 56.8%), the amount of liabilities due to termination of service would increase by 9% for INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş. In case of a discount rate increase by 0.50% (namely 50%), the amount of liabilities due to termination of service would decrease by 8.3% for INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş. In the analysis of sensitivity of Turkey, a reference is made to the inflation rate and not to annual payroll increase because salaries in Turkey have reached the maximum salary (plafond) and an increase/decrease of inflation will affect the maximum salary.

The expense derived from the compensation to employees due to retirement, that was recorded in the Income Statement is analyzed as follows:

	Group		Company	
	31/12/2022	**31/12/2021**	**31/12/2022**	**31/12/2021**
Service Cost	418	435	23	27
Interest Cost	78	43	9	5
Cost reduction/settlement/termination service	193	(14)	(77)	15
Total amount allocated in Income statement	**689**	**464**	**(46)**	**46**
Balance of liability at the beginning	**7,405**	**7,214**	**914**	**868**
Compensation due to retirement	689	464	(46)	46
Paid amounts	(655)	(469)	0	(16)
Actuarial gains/losses	(1,554)	231	(112)	16
Foreign exchange difference	(17)	(35)	0	0
Classification of assets held for sale	(92)	0	0	0
Balance of liability in the end	**5,775**	**7,405**	**756**	**914**

Amounts in Actuarial gains/losses regarding employee retirement defined benefits programs appear in Statement of Comprehensive Income.

20.2 Share based payments

The Ordinary General Assembly of the Company of June 16, 2017, under the context of Stock Option Plan, approved the disposal of 2,566,520 stock options and the authorization to the Board of Directors regarding the settlement of procedures and details. The program will be implemented in four waves, with a maturity period of five years per wave. Options should be exercised within five years since their maturity date. In case that, after the grant some of the options remain undisposed, those options will be cancelled. The underlying price of each wave is the closing stock price on the day of General Assembly's resolution regarding the approval of the program. On 20/11/2017, 19/11/2018, 19/11/2019 and 24/11/2020 the board of Directors granted 641,630 Stock Options for each series.

On 24/11/2020 the Board of Directors granted 641,630 Options, which constitute the fourth of the four series under concession. The offering price of the shares to which the granted options correspond is determined at the amount of euros 5.5637 per share which is the closing price of the share (adjusted with the reduction of the share capital that took place after the day of the General Assembly).

The options of the wave mentioned above are granted within five years as follows:

Vesting Date	No of Options
31/12/2020	128,326
31/12/2021	128,326
31/12/2022	128,326
31/12/2023	128,326
31/12/2024	128,326

The fair value of options has been calculated based on the simulation of the Company's share price assuming that the price will develop to the "Binomial Pricing" model. Fair value per option and vesting date has been defined based on model 5 Bermudan option as follows:

Vesting Date	Value per Option €
31/12/2020	0.507
31/12/2021	0.601
31/12/2022	0.683
31/12/2023	0.755
31/12/2024	0.818

The variables upon which the data above were calculated are as follows:

Variable	Value
Exercise Price	€ 5.56
Grant Date	24/11/2020
Stock Volatility	38.8%
Dividend Yield	2.111%
Attrition Rate	0%
Risk Free Rate	0.575%

In the period 1/1-31/12/2022, beneficiaries resigned from the exercise of 9,133 stock options (2021: 5,042) which had been granted by the Board of Directors on 20/11/2017, beneficiaries of 12,164 stock options (2021: 8,538) which had been granted by the Board of Directors on 19/11/2018, beneficiaries of 6,976 stock options (2021: 10,487) which had been granted by the Board of Directors on 19/11/2019 as well as beneficiaries of 4,403 stock options (2021: 12,132) which had been granted by the Board on 24/11/2020.

The Extraordinary General Assembly of the Company of July 22, 2021, in the framework of the Stock Options Program, approved the allocation of a maximum of 1,600,000 shares of one share, ie 3.07% of the number of shares on the ATHEX and the authorization to the Board of procedural issues and details. The underline price of the above shares is the nominal value of the share on the day of the Program decision of the General Meeting. The program will be implemented in one serie. The duration of the Program is until the year 2028, meaning that the options that will be granted to the beneficiaries of the Program with a grant date on 22/11/2021, can be exercised from 24/11/2024 to 15/12/2028.

Variable	Value
Exercise Price	€ 4.295
Grant Date	22/11/2021
Stock Volatility	27.11%
Dividend Yield	2.101%
Attrition Rate	0%
Risk Free Rate	0%

In the period 1/1-31/12/2022 an amount of euro 2,1 million (2021: euro 465 thousand) was recorded as an expense in the consolidated results.kk

Moreover, the Ordinary General Assembly of the Company's shareholders held on 30/6/2022 decided to establish a Program for the free distribution of common registered voting shares to executive members of the Board of Directors and to Managerial and other selected Executives of the Company.

In more detail:

The Ordinary General Assembly of the subsidiary Company's shareholders approved a one-time reward program for listing the Company's shares for trading on the organized (regulated) market of the Athens Stock Exchange.

This Program includes executive members of the Board of Directors and Managerial and other selected Executives of the Company (hereinafter the "Beneficiaries"), in the form of the free distribution of common registered voting shares to the Beneficiaries, through the capitalization of the Company's reserves in accordance with the provisions of article 114 Law 4548/2018 as currently in force, as a one-time reward for listing its shares for trading on the organized (regulated) market of the Athens Stock Exchange. The Board of Directors, after the completion of the listing of the Company's shares for trading on the organized (regulated) market of the Athens Stock Exchange and after receiving a relevant license from the Capital Market Commission, if required under the current legislation, will make available new shares free of charge to the Beneficiaries, the number of which will be equal to 1% of the Company's shares as they will have been formed after the listing of the Company in the Athens Stock Exchange and before the decision of their free grant to the Beneficiaries. The period 1/1 - 31/12/2022, the amount of euro 392 thousand was registered as an expense in the consolidated results and its calculation was based on assumptions of euro 2.35 per share and 1,105,732 number of shares.

The same Ordinary General Meeting of the subsidiary Company's shareholders approved a four-year Long-Term Reward Program for executive members of the Board of Directors, Managers and other selected Executives of the Company (hereinafter "Beneficiaries"), in the form of granting free common registered voting shares to the Beneficiaries for the achievement of specific goals and once the listing of the Company's shares for trading on the organized (arranged) market of the Athens Stock Exchange is completed. Because the number of shares in question will be determined by the Board of Directors and since the goals of the Program have been achieved, it is currently not possible to determine the fair value of the rights to free distribution of shares and therefore there was no impact on the financial statements of 31/12/2022.

20.3 Benefit contributions under the private insurance program

During the year 2022, the amount of defined benefit contributions under the private insurance program that was recorded as an expense by the parent Company totaled at euro 342 thousand (2021: euro 331 thousand) while the respective amount recorded as an expense by the Group amounted to euro 836 thousand (2021: euro 794 thousand).

21. Financial Instruments and Risk Management Policies

21.1 Credit Risk

Exposure to Credit Risk

The maximum exposure to credit risk at the date of the Statement of Financial Position, without taking into consideration any hedging or insurance strategies, was as follows:

	Book Value	
	31/12/2022	**31/12/2021**
€000s		
Trade receivables	4,307	3,882
Other Debtors	9,515	10,318
Credit Cards receivable	6,076	6,243
Cash and cash equivalent	58,399	103,455
Total	**78,297**	**123,898**

The maximum exposure to credit risk on trade receivables of the Group without taking into consideration any hedging or insurance strategies at the date of the Statement of Financial Position, per geographic segment was as follows:

	Book value			
	Greece		Southeastern Europe Countries	
	31/12/2022	**31/12/2021**	**31/12/2022**	**31/12/2021**
€000s				
Trade receivables	3,765	3,289	542	593
Other Debtors	7,904	8,593	1,611	1,725
Credit Cards receivable	2,953	2,062	3,123	4,181
Cash and cash equivalent	36,728	72,128	21,672	31,327
Total	**51,351**	**86,072**	**26,946**	**37,826**

The maximum exposure to credit risk at the date of the Statement of Financial Position, per customer type was:

	Book Value	
	31/12/2022	**31/12/2021**
€000s		
Wholesale trade customers	3,765	2,880
Retail trade customers	542	1,003

21.2 Liquidity Risk

Liquidity risk is retained at low levels by maintaining adequate bank credit lines and significant cash and cash equivalents which on 31/12/2022 amounted to euro 58 million for the Group vs euro 103 million on 31/12/2021.

The contractual loan dues including interest payments, excluding the net - off agreements, are as per paragraph Borrowings, while for Accounts Payable and Other Liabilities have a contractual maturity of less than 12 months.

	Immediate termination	3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
31/12/2022						
Credit lines	0	10,000	5,010	0	0	15,010
Short-term loans	0	0	9,989	0	0	9,989
Long-term loans	0	2,430	19,254	143,328	71,775	236,787
Total	**0**	**12,430**	**34,253**	**143,328**	**71,775**	**261,785**
31/12/2021						
Credit lines	10,000	30,500	3,198	0	0	43,698
Short-term loans	0	0	752	0	0	752
Long-term loans	7,422	4,460	92,764	80,997	8,958	194,600
Total	**17,422**	**34,960**	**96,714**	**80,997**	**8,958**	**239,050**

The table above include bond loans for the year 2022 of the company TRADE ESTATES REIC amounting to euro 113,316 thousand (euro 2,033 thousand payable in forthcoming period) which was reclassified (note 9)

The table above includes the syndicated loan of the company TRADE ESTATES BULGARIA EAD of amount euro 13,800 th. with issuing date 5/12/2019 and duration 5 years since the issuing date (euro 2,700 th. payable in forthcoming period) which was reclassified (Note 9).

21.3 Foreign Exchange Risk

Foreign exchange risk exposure

The Group is exposed to foreign exchange risk arising from its transactions in foreign currencies (RON, USD, TRY, SEK). The Group, in order to minimize the foreign exchange risk, in certain cases pre - purchases foreign currencies.

The Group has investments in companies overseas, the net assets of which are exposed to foreign exchange risk. This type of foreign exchange risk (translation risk) arises due to the operations in Romania (RON), Bulgaria (BGN) and Turkey (TRY). The Management has managed to reduce foreign exchange risk, given the strong capital structure of the companies and to decrease borrowings in currencies other than the local.

More particularly, approximately 90% of GENCO TRADE SRL loans, which is located in Romania, are in local currency (RON) in an effort to avoid the exchange difference charges resulting from RON devaluating vs. the Euro. In Bulgaria the local currency is pegged to the Euro (EUR/ BGN = 1.95583) a fact which can not guarantee that economic problems and consequences of the global crisis on Bulgaria, will not increase the risk that this conversion ratio will remain constant. In Turkey, the financing for commercial activity is in local currency, while for investments is in euro.

	(Trade creditors and other libilities) (Foreign currency in thousands euros)	
	31/12/2022	**31/12/2021**
USD	382	(115)
GBP	0	0
CHF	0	0
SEK	174	42
RON	3,422	3,271
TRY	0	19,248
BGN	0	0
Euro	11,685	13,923

Sensitivity Analysis

A Euro revaluation of 10% at December 31, vs the below currencies would increase (decrease) the Net Equity and the Operating Results as per the amounts indicated at the below summary. It is assumed that the other variables (Interest Rates) would remain constant. The analysis was performed in a similar manner for 2022.

Impact in €000s	Net Equity	Operating Result
Dec 31 , 2022		
USD	38.2	38.2
SEK	17.4	17.4
RON	344.2	344.2
TOTAL	**399.6**	**399.6**
Dec 31 , 2021		
USD	(11.5)	(11.5)
SEK	4.2	4.2
RON	372.1	372.1
TRY	1,924,8	1,924,8
TOTAL	**2,289.6**	**2,289.6**

A Euro devaluation of 10% at December 31 vs the aforementioned currencies would have an equal but opposite impact in comparison to the ones presented above, based on the assumption that all the other variables would remain constant.

The exchange rates of foreign currencies used for the conduction of the financial statements of the year 2022, are presented at the table below:

Financial Position	**31/12/2022**
TRY - Turkish Lira	19.9649
BGN - Bulgarian Lev	1.95583
RON - Romanian New Leu	4.9495
Profit and Loss	**1/1/2022 - 31/12/2022**
TRY - Turkish Lira	17.4087945525
BGN - Bulgarian Lev	1.95583
RON - Romanian New Leu	4.9313128405

21.4 Interest Rate Fluctuation Exposure

Profile

The Group is subject to cash flow risks which in the case of possible variable interest rates fluctuation, may affect positively or negatively the cash inflows or outflows related to the Group's assets or liabilities. Despite of the fact that we believe that in an environment of prolonged global slowdown, the risk of rising interest rates remains low, the group has entered into Interest Rate Swap (IRS) contracts effectively converting part of the loans from floating to fixed interest rate for a period of 3 to 5 years.

The profile of Group's loan liabilities at the date of the Statement of Financial Position is analysed in paragraph Borrowings.

Sensitivity Analysis of fair value for financial instruments with a variable interest rate

A 1% fluctuation of the Group's borrowing rate at December 31, would increase (decrease) equally the Net Equity and the Operating Results by euro 2,618.15 thousand for the year 2022 and euro 2,390.34

thousand for the year 2021.

Sensitivity Analysis of fair value for financial instruments with a fixed interest rate

No such Instruments (Assets/Liabilities) valued at fair value through income statement exist for the Company.

21.5 Fair value of financial instruments

There is not any difference between the fair value and the carrying amounts of the financial instruments of assets and liabilities (i.e. trade and other receivables, cash and cash equivalents, trade and other payables, derivative financial instruments, borrowings and finance leases). The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between two market participants at the valuation date. The fair values of the financial instruments as of 31 December 2022 represent management's best estimate. In cases that there is not available data, or if data is limited in market activity, the fair value measurement reflects the Group's own judgments about the assumptions according to the available information.

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

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

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

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

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

21.6 Capital Management

The primary objective of the Group's capital management is to ensure and maintain strong credit ratings and healthy capital ratios in order to support the investment projects and maximizing the return of invested capital for the shareholders.

The Group monitors its capital management through the use of a gearing ratio - net debt divided by equity plus net debt - where net debt includes interest bearing loans and borrowings minus cash. The Group's strategic objective is to maintain the above ratio between 30% and 45%. On 31/12/2022 the ratio stood at 31% (2021: 41%).

22. Borrowings

Borrowings on 31/12/2022 and 31/12/2021 are analyzed as follows:

	Group	
	31/12/2022	**31/12/2021**
Non - current loans	**123,470**	**180,600**
Current portion of non-current loans and borrowings	19,650	90,849
Non - current loans	103,820	89,751
Short term loans for working capital	24,999	44,450
Total loans and borrowings	**148,469**	**225,050**

On 31/12/2022 the Company had non-current loan liabilities amounted euro 36 th. (2021: euro 77 th).

The repayment period of non - current loans varies between 1 to 7 years and the average weighted interest rate of the Group's non - current loans was 2.64 % during the period 1/1 – 31/12/2022 (1/1 – 31/12/2021: 2.31%). The average weighted interest rate of the Group's total loans was 3.69% during the period 1/1 – 31/12/2022 (1/1 – 31/12/2021: 3.61%). Repayments and proceeds of loans of the current period amounted to euro 234,378 thousand (2021: euro 70,981 thousand) and euro 236,778 thousand (2021: euro 88,907 thousand) respectively. Non - current loans, including their part which is payable within 12 months, cover mainly the Group's growth needs and are analyzed in bond, syndicated and other non - current loans as follows for 31/12/2022 and 31/12/2021 respectively:

31/12/2022		Amount	Issuing Date	Duration
FOURLIS HOLDINGS SA	Refundable down payment	36	16/6/2020	5 years from the issuing date
		36		
TRADE LOGISTICS SA	Refundable down payment	53	16/6/2020	5 years from the issuing date
		53		
HOUSE MARKET BULGARIA EAD	Syndicated	6,160	11/7/2016	9 years from the issuing date (€ 1,959 th. payable forthcoming period)
		6,160		
INTERSPORT SA	Bond	28,834	21/2/2022	8 years from the issuing date (€ 976 th. payable forthcoming period)
	Bond	13,930	17/7/2020	4 years from the issuing date (€ 3,951 th. payable forthcoming period)
	Refundable down payment	38	31/07/2020	5 years from the issuing date
		42,803		
HOUSEMARKET SA	Bond	39,770	30/09/2021	3 years from the issuing date
	Bond	13,926	17/7/2020	4 years from the issuing date (€ 3,951 th. payable forthcoming period)
	Bond	15,750	31/7/2020	4 years from the issuing date (€3,842 th. payable forthcoming period)
	Bond	4,934	24/9/2020	3 years from the issuing date (€ 4,972 th. Payable forthcoming period)
		74,418		
Total		**123,470**		

31/12/2021		Amount	Issuing Date	Duration
FOURLIS HOLDINGS SA	Refundable down payment	77	16/6/2020	5 years from the issuing date
		77		
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	7,038	23/4/2019	5.5 years from the issuing date (€2.168 th. payable forthcoming period)
		7,038		
TRADE LOGISTICS SA	Bond	4,450	8/3/2017	5 years from the issuing date (€4,450 th. payable forthcoming period)
	Bond	8,958	5/3/2021	7.5 years from the issuing date
	Refundable down payment	113	16/6/2020	5 years from the issuing date
		13,521		
HOUSE MARKET BULGARIA EAD	Syndicated	8,131	11/7/2016	9 years from the issuing date (€2,000 th. payable forthcoming period)
		8,131		
INTERSPORT SA	Bond	22,443	28/7/2017	5 years from the issuing date (€22,443th. payable forthcoming period)
	Bond	14,987	23/7/2020	2 years from the issuing date (€14,987th. payable forthcoming period
	Bond	20,061	17/7/2020	4 years from the issuing date (€4,134 th. payable forthcoming period)
	Bond	9,932	21/12/2020	2 years from the issuing date (€9,932 th. payable forthcoming period)
	Refundable down payment	123	31/07/2020	5 years from the issuing date
		67,546		

HOUSEMARKET SA	Bond	39,700	30/09/2021	3 years from the issuing date
	Bond	20,061	17/7/2020	4 years from the issuing date (€6,135 th. payable forthcoming period)
	Bond	19,592	31/7/2020	4 years from the issuing date (€3,842 th. payable forthcoming period)
	Bond	4,934	24/9/2020	3 years from the issuing date
		84,287		
Total		**180,600**		

In the current period, interest rate swap hedging products continue to exist, with the aim of covering subsidiaries against the risk of interest rate increases in the interbank market.

The terms of the compensation are as follows:

- Seven-year interest rate risk hedging financial product (IRS) through a fixed/floating interest rate swap for an amount of euro 8.6 million negative fair value for HOUSE MARKET BULGARIA EAD on 31/12/2022 an amount of euro 48 thousand (31/12/2021: euro 51 thousand). The result of the valuation has been entered in the statement of comprehensive income.

Non–current loans include loans with a guarantee of 80% of their value from the Hellenic Development Bank with the financing of the Hellenic State and the European Union:

- Bond loan issued on 16/7/2020 by NATIONAL BANK for the subsidiary HOUSEMARKET SA of euro 14 million with maturity on 30/6/2024.
- Bond loan issued on 29/7/2020 by EUROBANK for the subsidiary HOUSEMARKET SA of euro 16 million with maturity on 31/7/2024.
- Bond loan issued on 22/9/2020 by PIRAEUS BANK for the subsidiary HOUSEMARKET SA of euro 5 million with maturity on 24/9/2023.
- Bond loan issued on 22/9/2021 by PIRAEUS BANK for the subsidiary HOUSEMARKET SA of euro 40 million with maturity on 30/9/2024

Current portion of non-current loans and borrowings includes:

- Part of the bond loan issued on 16/7/2020 by the NATIONAL BANK corresponding to an amount of euro 4 million for the subsidiary INTERSPORT S.A with maturity on 30/6/2024 with a total amount of euro 14 million.
- Part of the bond loan issued on 21/12/2022 by the ALPHA BANK corresponding to an amount of euro 1 million for the subsidiary INTERSPORT S.A with maturity on 31/12/2029 with a total amount of euro 29 million.
- Part of bond loan issued by the subsidiary HOUSEMARKET SA by the NATIONAL BANK corresponding to an amount of euro 4 million, with four-year maturity ending on 30/6/2024 with a total amount of euro 14 million.
- Part of bond loan issued by the subsidiary HOUSEMARKET SA by the EUROBANK corresponding to an amount of euro 4 million, with four-year maturity ending on 31/7/2024 with a total amount of euro 16 million.
- The bond loan issued on 22/9/2020 by the PIRAEUS BANK for the subsidiary HOUSEMARKET S.A of euro 5 million.

Short term loans of the Group include current loans and overdraft bank accounts which are used for the Group's working capital needs. During the current period, Interest Rate Swaps or IRSs continue to exist, in order to mitigate the risk of subsidiaries of a sudden increase in interest rates in the interbank market.

Some of Group's loans include loan covenants. On 31/12/2022 the Group was in compliance with its loan terms or had received waiver in their measurements.

The Group, having centralized its capital management, has the ability to directly identify, quantify, manage and hedge, if necessary, its financial risks created by its operational activities so as to be consistent to the changes in the economic environment. The Group continuously observes and budgets its cash flow and acts appropriately in order to ensure open credit lines for covering current capital needs. The Group has adequate open credit lines with domestic and foreign financial institutions in order to cover the needs of the companies in working capital. On 31/12/2022, the open balance of credit lines amounted to euro 158 million (31/12/2021: euro 149 million).

23. Leasing Liabilities

On 31/12/2022, leasing liabilities for the Group and Company are analyzed as follows:

	Lease liabilities			
	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Opening balance	**129,858**	**130,703**	**1,084**	**1,297**
Additions	41,516	17,225	1,556	77
Other changes	(1,662)	(1,062)	(707)	0
Held for Sales	(7,609)	0	0	0
Interest expense on lease liabilities	6,415	5,533	41	51
Repayment of leasing	(25,286)	(22,541)	(491)	(340)
Total	**143,232**	**129,858**	**1,483**	**1,084**

Additions in lease obligations of the period concern changes to existing contracts due to an increase in the price and duration of the lease in the stores and amounted to euro 21.5 million for the household equipment segment and euro 14.8 million for the sporting goods segment.

In particular, in the sporting goods segment, in the period 1/1-31/12/2022, a new INTERSPORT Store in Corinthos and a new store in Drama started operating.

Maturities of leasing liabilities are presented below:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Up to 1 year	31,665	25,422	838	303
Between 1-5 years	20,398	19,451	640	778
More than 5 years	91,169	84,983	5	3
Total	**143,232**	**129,857**	**1,483**	**1,084**

24. Other Non-Current Liabilities

Other Non-Current Liabilities are analyzed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Received Guarantees	1,303	313	82	23
Reserve for IRS	0	51	0	0
Other Long term Liabilities	902	0	0	0
Total	**2,205**	**363**	**82**	**23**

25. Trade and other payables

Trade and other payables are analyzed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Trade payables	70,157	62,591	1,397	338
Accrued expenses	13,432	12,749	973	751
Dividends payable	3	0	3	0
Taxes liability	11,910	10,073	286	383
Customers advances	1,940	3,710	6,369	803
Insurance Organizations	2,901	2,595	213	198
Other payables	2,841	4,736	42	18
Total	**103,183**	**96,453**	**9,282**	**2,491**

Increase in trade payables for the Group during the year 2022, is mainly due to an increase in inventory.

26. Tax

The nominal tax rates in the countries that the Group is operating vary between 10% and 23% for the year 2022, as follows:

Country	Income Tax Rate (31/12/2022)	Income Tax Rate (31/12/2021)
Greece (*)	22.0%	24.0%
Romania	16.0%	16.0%
Bulgaria	10.0%	10.0%
Cyprus	12.5%	12.5%
Turkey	23.0%	25.0%

On 1/1/2022 the tax rate for incomes in Turkey was changed from 25% to 23%.

The parent company and its subsidiaries have not been audited by the tax authorities for the years noted below:

COMPANY	YEARS
FOURLIS HOLDINGS SA	2017-2022 (*)
INTERSPORT ATHLETICS A.E.E	2017 – 2022 (*)
GENCO TRADE SRL	2017 – 2022
GENCO BULGARIA EOOD	2017- 2022
TRADE LOGISTICS A.E.B.E.	2017– 2022 (*)
HOUSEMARKET A.E.	2017 – 2022 (*)
HM HOUSEMARKET (CYPRUS) LTD	2016 – 2022
HOUSE MARKET BULGARIA EAD	2016 – 2022
RENTIS SA	2018 – 2022 (*)
INTERSPORT ATHLETICS (CYPRUS) LTD	2012, 2014-2022
WYLDES LTD	2019-2022

COMPANY	YEARS
INTERSPORT ATLETIK MAGAZACILIK VE DIS TICARET ANONIM SIRKETI	2022
TRADE ESTATES REIC	2021-2022
TRADE ESTATES CYPRUS LTD	2019-2022
TRADE ESTATES BULGARIA EAD	2019-2022
H.M. ESTATES CYPRUS LTD	2019-2022
BERSENCO SA	2021-2022
ΚΤΗΜΑΤΟΔΟΜΗ SA	2021-2022

Assosiate companies have not been audited by the tax authorities for the years noted below:

COMPANY	YEARS
VYNER LTD	2019-2022
SW SOFIA MALL ENTERPRISES LTD	2019-2022
MANTENKO SA	2019-2022
POLIKENCO SA	2020-2022
SEVAS TEN SA	2021-2022
RETS CONSTRUCTIONS SA	2022

(*) For the fiscal years 2011, 2012 and 2013 all companies of the Group located in Greece, have been subjected to tax audit by Certified Audit Accountants in compliance with the provisions of Article 82 par. 5 of Law 2238/1994 and for the fiscal years 2014, 2015, 2016 and 2017 in compliance with the provisions of Article 65 a of Law 4174/2013. The companies received a Tax Compliance Certificate for fiscal years 2011 to 2021 while tax audit for the fiscal year 2022 is in progress. Upon completion of the audit, the Management of the Company and Group does not expect any significant liabilities to occur, other than those recorded in the Financial Statements. The fiscal years until 2016 are closed in the tax authorities about Greek companies. For the subsidiary INTERSPORT ATHLETICS SA, a tax audit is on going for the years 2019 and 2020 for which the subsidiary has a tax certificate and its Management estimates that it will not have a significant impact on its results.

The investment tax that has come from the subsidiary TRADE ESTATES REIC and its subsidiaries in Greece is an amount of euro 413 thousand (2021: euro 93).

From the profits before taxes 31/12/2022 amounting to euro 20,807 thousand of the Group, the relevant income tax amounts to euro 242 thousand (expense) and results:

- an amount of euro 25,475 million concerns profits that are taxed with special provisions of Real Estate Tax and the relevant real estate tax amounts to an amount of euro 413 thousand (expense)
- an amount of euro 4,668 thousand concerns to losses for which a deferred tax of euro 172 thousand

has been recognized (income).

The income tax expense of the year 1/1 - 31/12/2022 compared to the period 1/1 - 31/12/2021 is as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Income tax	**(3,226)**	**(3,251)**	**0**	**0**
Deferred Taxes:				
Differences of fixed assets	(313)	(699)	0	0
Provisions for employee benefits (IAS 19)	(14)	(18)	(10)	7
Effect of changes on tax rates	0	(331)	0	(19)
Differences from the application of IFRS 16	515	528	24	2
Provisions	72	3,491	11	9
Deferred tax from tax loss recognition	2,769	(468)	0	0
Inventory Write Off Provision	(45)	199	0	0
Total Deferred taxes	**2,984**	**2,703**	**25**	**(1)**
Income Tax Expense	**(242)**	**(549)**	**25**	**(1)**

The reconciliation between the nominal tax rate and the effective tax rate is analyzed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Profit Before Taxes	**20,007**	**12,079**	**35,014**	**4,412**
Income tax based on nominal tax rate	(4,401)	(2657)	(7,703)	(971)
Tax rate differences between the group tax rate (Greek rate) and the corporate tax rate	2,026	2,685	0	0
Tax on tax free income	0	119	8,372	1,430
Tax on non deductible expenses	(936)	(877)	(805)	(459)
Income tax difference of previous year	(127)	(407)	0	0
Tax on tax losses	223	(94)	0	0
Tax differences for Real Estate	2,927	883	0	0
Miscellaneous timing differences	45	(200)	160	(1)
Tax in statement of comprehensive income	**(242)**	**(549)**	**25**	**(1)**

Miscellaneous timing differences include the amount of euro 0 th. (31/12/2021: euro 331 th.) for the Group and euro 0 th. (31/12/2021: euro 19 th.) for the Company, regarding the effect of taxes due to change in tax rates.

Deferred taxes on 31/12/2022, which are presented in the Statement of Comprehensive Income and compose income due to defined benefits plans for the Group, amount to euro 319 th. (31/12/2021: euro 26 th.).

Deferred taxes on 31/12/2021 which are presented in the Statement of Comprehensive Income due to defined benefits plans for the Company, amount to euro 425 th. (31/12/2021: euro 4 th.)

Deferred taxes as at 31 December 2022 and 31 December 2021 which appear in Financial Statements are analysed as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Liabilities:				
Depreciation Difference	1,240	713	0	0
Deferred Income tax	0	2	0	0
Provision Expenses	0	(8)	0	0
Total	**1,240**	**707**	**0**	**0**
Assets:				
Depreciation calc. difference	(1,287)	(1,369)	7	7
Employee retirement benefits (IAS 19)	1,207	1,518	184	198
Stock devaluation	632	683	0	0
Provisions	409	322	24	13
Provision for doubtful debts	825	825	0	0
Deferred income tax	5,860	3,251	0	0
Reclass of Revenue account	149	207	(21)	0
Differences from the application of IFRS 16	2,276	1,778	36	13
Total	**10,072**	**7,214**	**230**	**230**

Deferred income taxes result from temporary differences between assets and liabilities tax recognition and financial statements composition.

On 31/12/2022, the Group had accumulated carried forward tax losses in its subsidiaries on part of which a provision was made for deferred tax asset of amount euro 5,976 thousand (31/12/2021: euro 3,251 thousand) as the Management considered that the recognition criteria were met, ending in year 2026 amount of euro 5,976 thousand. For the part of tax losses on which a deferred tax asset has been recognized, the Management estimates that they will be covered against taxable profits before their expiration date.

Given the fact that some of the Group companies have not been audited by the tax authorities for a few years, as mentioned above, based on the approach and interpretation of the tax authorities for the determination of the final tax, it is considered by the Group that adequate provisions for current and future tax audit differences have been made. On 31/12/2022, the cumulative Group's provision for unaudited tax years amounts to euro 94 thousand (euro 94 th. on 31/12/2021) and to euro 0 thousand (euro 0 th. on 31/12/2021) for the Company which is displayed in Income Tax Payable.

27. Earnings/Losses per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares during the period. The weighted average number of shares as at 31 December 2022 is 52,131,944 (31/12/2021: 52,131,944).

	Group	
	31/12/2022	31/12/2021
Profit / (Loss) after tax attributable to owners of the parent	19,764	11,530
Number of issued shares	52,131,944	52,131,944
SOP Impact	1,721,872	1,576,245
Effect from purchase of own shares	(1,530,030)	(737,221)
Weighted average number of shares	**52,323,786**	**52,970,968**
Basic Earnings per Share (in Euro)	0.3791	0.2212
Diluted Earnings per Share (in Euro)	0.3777	0.2177

28. Treasury Shares

The Ordinary General Assembly of the shareholders of the Company "FOURLIS HOLDINGS SA" on 18/6/2021 in accordance with the provisions of article 49 of law 4548/2018, approved acquisition of treasury (own) shares. The maximum number of shares that can be acquired, including the shares previously acquired by the Company and held, will amount to 2,604,600 shares (5% of the paid-up share capital), with a minimum acquisition limit of one euro (euro 1.00) per share and acquisition ceiling of eight euros (euro 8.00) per share.

On 31/12/2022 the Company owns 1,766,702 treasury shares (2021: 1,373,048) , representing 3.3889% of the Company's share capital with an average purchase price of euro 3.583 per share and a total value of euro 6,330,701.63 (31/12/2021: 5,258,516.21).

Commitments and Contingencies

29.1 Commitments

Commitments of the Group on 31/12/2022 are:

- The parent Company has issued letters of guarantee for its subsidiaries guaranteeing liabilities amounting to euro 92.674 th.
- Subsidiary companies have issued letters of guarantee for indirect subsidiaries guaranteeing liabilities amounting to euro 78.818 th.
- The parent Company has contracted as a guarantor with the amount of euro 2,100 th. for future leases and loan liabilities from investment of an associate company.
- A subsidiary company mortgage its property to secure a bond loan amounting to euro 45,372 th.
- The subsidiary company TRADE ESTATES REIC has set up a pledge on 100% of the shares of the subsidiary company KTIMATODOMI SA.
- The subsidiary company TRADE ESTATES REIC has set up a pledge on 100% of the shares of the subsidiary company TRADE ESTATES BULGARIA EAD.

- The subsidiary companies KTIMATODOMI SA and TRADE ESTATES BULGARIA EAD have given guarantee letters to the subsidiary company TRADE ESTATES REIC to secure obligations, amounting to euro 68,818 thousand.
- The subsidiary company TRADE ESTATES REIC has set up a special pledge in favor of a consortium of banks on the dividends deriving from the shares of its subsidiary companies.
- The subsidiary company TRADE ESTATES REIC has set up a first-class lien in favor of a lending bank, on the claims arising from specific bank accounts held by the parent company with the lending bank.
- The subsidiary companies KTIMATODOMI SA and TRADE ESTATES BULGARIA EAD have established pledges in favor of a consortium of banks to secure the obligations of the subsidiary company TRADE ESTATES REIC, on its claims arising from their bank accounts, on rents and all its claims in general, as well as the guarantees receives from lessees, arising from existing and future leases of their properties.
- Referring to the properties of the company KTIMATODOMI SA, the following mortgage notes as of 31/12/2022 which are about to be lifted, as the relevant insured claims have been paid in full:
  - Mortgage, in the amount of euro 12.3 million, under the notarial deed no. 7337/20-12-2017 of the Athens public notary Christina Kezios, in favor of Eurobank Ergasias SA, to secure a bond loan of euro 9.5 million, issued by the company under the name "Trivillage Development Greece S.A.", following the program from 20/12/2017, in which the company "KTIMATODOMI TECHNICAL TOURISM SHIPPING AGRICULTURAL AND COMMERCIAL SOLE SHAREHOLDER SOCIETE ANONYME" in the capacity of guarantor-provider of the mortgage.
  - Mortgage, in the amount of euro 260,000, under the notarial deed no. 7337/20-12-2017 of the Athens public notary Christina Kezios, in favor of Eurobank Ergasias SA, to secure the relevant and ancillary interest rate risk hedging contracts between the Bank Eurobank Ergasias S.A. and the company "Trivillage Development Greece S.A.", as well as the company KTIMATODOMI TECHNICAL TOURISM SHIPPING AGRICULTURAL AND COMMERCIAL SOLE SHAREHOLDER SOCIETE ANONYME", in the capacity of guarantor-provider of the mortgage.
  - Mortgage, in the amount of euro 31.2 million, under the notarial deed no. 7338/20-12-2017 of the Athens public notary Christina Kezios, in favor of Eurobank Ergasias SA, to secure a bond loan of euro 24 million. , published by the company " KTIMATODOMI TECHNICAL TOURISM SHIPPING AGRICULTURAL AND COMMERCIAL SOLE SHAREHOLDER SOCIETE ANONYME ", following the 20/12/2017 program.
  - Mortgage, in the amount of euro 520 thousand, under the notarial deed no. 7338/20-12-2017 of the Athens public notary Christina Kezios, in favor of Eurobank Ergasias SA. to secure the relevant and ancillary interest rate risk hedging contracts between Eurobank Ergasias S.A. and the company "KTIMATODOMI TECHNICAL TOURISM

SHIPPING AGRICULTURAL AND COMMERCIAL SOLE SHAREHOLDER SOCIETE ANONYME ".

In addition to the aforementioned mortage notes, there is:

- Mortgage pre-notification, in the amount of euro 91.0 million, pursuant to decision no. 3486S/2022 of the Athens District Court, in favor of Eurobank SA, to secure a bond loan in the amount of euro 70.0 million, issued by the Company KTIMATODOMI TECHNICAL TOURISM SHIPPING AGRICULTURAL AND COMMERCIAL SOLE SHAREHOLDER SOCIETE ANONYME, following the bond loan program of 14.06.2022, which has been registered in the cadastral books of the Cadastral Office of Thessaloniki, with reference no. 18856/24.06.2022.

It is noted that there are no capital obligations.

29.2 Operating Lease

Group as Lessor

The future leasing contracts of the Group as a lessor are as below:

	Group	
	31/12/2022	31/12/2021
Up to 1 year	13,796	619
Between 1-5 years	55,502	2,852
More than 5 years	75,395	2,139
Total	**144,693**	**5,611**

29.3 Litigation

There are no litigation or arbitration proceedings as well as resolutions of judicial institutions that might have a material impact on the assets of the Group's companies.

30. Related parties

Related parties of the Group include the Company, subsidiary and associated companies, the management and the first line managers and the companies controlled by them. The company provides advice and services all kind of companies in the areas of general management, financial management and IT.

The analysis of the related party receivables and payables as at 31 December 2022 and 2021 are as follows:

		Group		Company	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Receivables from:	HOUSE MARKET SA	0	0	6,000	3,250
	H.M. HOUSE MARKET (CYPRUS) LTD	0	0	28	22
	INTERSPORT SA	0	0	0	184
	INTERSPORT (CYPRUS) LTD	0	0	4	4
	RENTIS SA	0	0	2	1
	GENCO TRADE SRL	0	0	115	9
	GENCO BULGARIA	0	0	6	5
	HOUSE MARKET BULGARIA EAD	0	0	38	34
	WYLDES	0	0	31	15
	INTERSPORT ATLETIK	0	0	33	274
	SNEAKERS MARKET	0	0	2	0
	TRADE LOGISTICS SA	0	0	32	26
	TRADE ESTATES AEEAΠ	0	0	22	11
	TRADE ESTATES CYPRUS LTD	0	0	3	3
	TRADE ESTATES BULGARIA EAD	0	0	5	5
	H.M. ESTATES CYPRUS LTD	0	0	3	3
	BERSENCO SA	0	0	15	0
	WELLNESS GR	0	0	2	0
	TRADE STATUS SA	123	92	123	91
	RECON	2,326	0	0	0
	TOTAL	**2,448**	**92**	**6,464**	**3,937**
Payables to:	HOUSE MARKET SA	0	0	6,369	803
	INTERSPORT SA	0	0	1,227	1
	TRADE ESTATES AEEAΠ	0	0	0	1
	WELLNESS GR	0	0	3	0
	TRADE STATUS SA	0	2	0	0
	SOFIA SOUTH RING MALL AED	5	2	0	0
	TOTAL	**5**	**4**	**7,599**	**805**

Related party transactions as at 31 December 2022 and 2021 are as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Revenue	55	39	4,764	4,464
Other income	23	4	1,837	1,474
Interest income	41	0	0	0
Dividends	0	0	38,056	6,500
Total	**119**	**43**	**44,657**	**12,438**

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Administrative expenses	1	1	10	4
Distribution expenses	192	96	0	96
Total	**193**	**97**	**10**	**101**

Transactions and fees of management members for the years 2022 and 2021 are as follows:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Transactions and fees of management members	3,073	2,649	636	601

There are no other transactions, receivables - liabilities between the Group and the Company with the management. The transactions with related parties are arm's length and include mainly sales and purchases of goods and services under the context of the ordinary operation of the Group.

31. Transactions with Subsidiaries

During financial years 2022 and 2021, between the parent company and its subsidiaries the following transactions occurred:

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Revenue	64,771	56,584	4,709	4,425
Cost of sales	36,917	32,590	0	0
Other income	3,420	3,030	1,821	1,470
Administrative expenses	8,759	6,889	9	4
Distribution expenses	22,505	20,052	0	0
Other operating expenses	11	63	0	0
Dividends	65,894	20,970	38,056	6,500
Interest income	566	0	0	0
Interest expense	566	0	0	0

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Current and non-current receivables	68,121	26,218	6,341	3,847
Inventory	281	281	0	0
Current and non-current liabilities	68,121	26,218	7,599	805

The Group has issued letters of guarantee for its subsidiary and associated companies guaranteeing liabilities. The analysis of such letters of guarantee is disclosed in which appears in Note «Commitments and Contingencies».

32. Significant Changes in Consolidated Data

The most significant and not mentioned in notes changes recorded in the Consolidated and Separate Statement of Financial Position as of 31/12/2022 in comparison with the corresponding data as at 31/12/2021 are the following:

- The decrease in the cash account is due to the investments of the year.

- The increase in trade payables for the Group for the period 2022 is due to the increase in inventory.

33. Subsequent events

There are no other subsequent events as of 31/12/2022 that may significantly affect the financial position and results of the Group other than the following:

- The Group announced on 26/1/2023 the agreement to sell the "Intersport" activity in Turkey. The agreement provides for the sale of all the shares of the subsidiary company Intersport Atletik Mağazacılık ve Dış Ticaret Anonim Şirketi, licensor of the brand "Intersport" and "The Athlete's Foot" in Turkey, which operates a network of 12 stores. The buyer is the Eren Perakende ve Tekstil Anonim Şirketi Group. The transaction price was set at approximately euro 1.5 million, whereas as provided in the purchase and sale agreement (SPA), the final price will be determined according to the audited financial statements of the year 2022.. At the signing of the contract for the sale and purchase of the shares, 83% of the price was paid, i.e. approximately euro 1.25 million, while the rest will be paid in 2 years from the signing of the contract. The expenses of the transaction amount to euro 166 thousand. The sales of the activity in Turkey in 2022 amounted to euro 12.8 million, and the Profits before Taxes (PBT) amounted to euro 453 thousand. The gain from the sale of Atletik in 2023 amounts approximately to euro 0,5 million. It is also, mentioned that accumulated losses that occurred during the time that the Group held the investment, amounting to approximately euro 4.5 million, are already reflected in the equity of the subsidiary.
- Moreover, on 30/12/2022 the Group announced the sale agreement of the retail trading "The Athlete's Foot (TAF)" in Greece. The agreement provides for the sale of total shares of the subsidiary company Sneakers Market SA, which has the right to use the trademark "The Athlete's Foot" and operates a network of 14 stores in Greece. The acquiring company is TAF Global Holding AG, a subsidiary of Arklyz Group AG, which has acquired the rights to the trademark "The Athlete's Foot" worldwide. The price of the transaction amounts to euro 4.1 million, which was finalized with the closing of the transaction at the end of February 2023.

Web site for the publication of the Annual Financial Statements

The Annual Financial Report of the Group (Consolidated and Separate), The Independent Auditors Report and the Board of Directors Report for the year 2022 have been published by uploading on the internet at the web address http://www.fourlis.gr. At the same web address, all Annual Financial Statements, Audit Reports and Board of Directors Reports of the companies which are consolidated and they are not listed and which cumulatively represent a percentage higher than 5% of consolidated revenues or assets or operating results after the deduction of minority shares proportion, are published.