



**AS COMPANY S.A.
GROUP OF COMPANIES**

**INTERIM FINANCIAL REPORT
of the period from 1 January 2022 to
30 June 2022**

According to article 5 of Law 3556/2007

GEMH No. : 57546304000 AMAE : 22949/06/B/90/107
HQ : Municipality of Oreokastro, Thessaloniki

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I. STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS

(in accordance with article 5, paragraph 2 of Law 3556/2007)

We, the members of the Board of Directors of "**AS COMMERCIAL INDUSTRIAL COMPANY OF COMPUTERS AND TOYS S.A.**":

1. Efstratios Andreadis Konstantinos, Chairman of the Board of Directors and Managing Director,
2. Anastasia Andreadou, the genus Angelos Kozlaclides, Vice-Chairman of the Board of Directors,
3. Theodora Koufou of Demetrios, Member of the Board of Directors,

under our above-mentioned positions specifically designated by the Board of Directors of "**AS COMMERCIAL INDUSTRIAL COMPANY OF COMPUTERS AND TOYS S.A.**" (hereinafter referred to as "Company") hereby declare and certify that to the best of our knowledge:

- a) The Condensed Separate and Consolidated Interim Financial Statements of the first semester of 2022, of the Company, as well as the companies that are included in the consolidation and are taken as a whole, which were prepared in accordance with the International Financial Reporting Standards applicable, as adopted by the European Union, present in a true manner the Assets and Liabilities, Equity and results of the six-month period ended 30 June 2022, in accordance with paragraphs 3 to 5 of article 5 of Law 3556/2007.
- b) The Board of Directors' Report on these Financial Statements accurately reflects the information required by paragraph 6 of article 5 of Law 3556/2007, and the relevant decisions of the Stock Exchange Committee.

Thessaloniki, 22 September 2022

Chairman of B.o.D
& Managing Director

Vice-Chairman of B.o.D.

EFSTRATIOS K. ANDREADIS
ID No. AP 235479

ANASTASIA E. ANDREADOU
ID No. AH 181790

Board Member

THEODORA D. KOUFOU
ID No. AN 233404

II. INTERIM REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL PERIOD FROM 1.1 – 30.06.2022

(in accordance with article 5 par. 6 of Law 3556/2007)

Dear Shareholders,

This Board of Directors report has been prepared in accordance with the provisions of article 5 par. 6 of Law 3556/2007 and refers to the Condensed Interim Separate and Consolidated Financial Statements (hereinafter referred to as "Financial Statements") of 30 June 2022 and the six-month period which expired on that date.

This report includes the actual depiction for the period from 1 January 2022 to 30 June 2022, the significant events that took place during the first half of 2022, the description of the main risks and uncertainties, the significant events that took place after the end of the first half of 2022 and until the composition of the present report and finally the material transactions of the "Company and its Group with related parties.

The Interim Condensed Financial Statements (Separate and Consolidated), the Review Report of the Certified Auditor and Company's Board of Directors report can be found on the link: <https://www.ascompany.gr>.

The main point of reference in this report is the consolidated financial data of the Company with reference to the Company's and the Group's individual financial data.

All amounts in this Financial Report are expressed in Euro.

A. FINANCIAL INFORMATION OF THE FIRST SEMESTER OF 2022

In the first half of 2022, the Group presented a significant increase in turnover of +61,97% (4,615 mil. Euros), in comparison to the relative period of 2021, which is mainly attributed to the increase of sales in the Greek market.

The most significant figures of the Company and the Group compared to the corresponding period of 2021 are as follows:

	Group			Company		
	<u>1.1 to</u> <u>30.06.2022</u>	<u>1.1 to</u> <u>30.06.2021</u>	<u>V %</u>	<u>1.1 to</u> <u>30.06.2022</u>	<u>1.01 to</u> <u>30.06.2021</u>	<u>V %</u>
Turnover	12.062.519	7.447.438	61,97%	11.326.990	6.870.646	64,86%
% Gross Profit margin	45,13%	49,43%		41,26%	45,84%	
EBITDA	2.179.844	1.006.092	116,66%	1.779.879	739.220	140,78%
As a % of Sales	18,07%	13,51%		15,71%	10,76%	
Profit before tax	690.722	1.172.044	-41,07%	301.688	923.715	-67,34%
Profit after tax	534.860	953.717	-43,92%	205.412	740.912	-72,28%
Total Inflows / (outflows) from						
Operating Activities	-430.922	1.466.918	129,15%	22.144	1.379.254	-98,41%
Cash & Investments	16.071.836	17.431.430	-7,80%	13.648.704	15.363.503	-11,16%

The gross profit percentage on a Group level shows a decrease compared to the corresponding percentage of 2021 by 4,3 percentage points which is attributed mainly to the currency exchange rates between the US Dollar and the Euro, the gross margin was 45,13% from 49,43% last year.

EBIDTA increased by 1.174 thousand euros with the % of EBIDTA on sales being 18,07% compared to 13,51% in the corresponding period last year.

The results before taxes of the Group marked a significant decrease of € 481 thousand, ie - 41,07%, mainly due to the negative effect of the bonds held in the Company portfolio in relation to the effect for period 2021, while profits after taxes have decreased by -43,92% and amounted to 534,9 thousand Euros.

Net Profit before Tax: The decrease in profitability compared to the previous year for the Group and the Company is presented as follows:

Company (A)

A. Increase in sales volume	1.838.847
B. Decrease in Gross Profit Margin %	-314.194
C. Increase in Operating Costs	-521.300
D. Decrease of Financial Income	-1.657.816
E. Increase in Other Income	37.306
F. Increase in depreciation	-4.870
Total change in Profits before taxes	-622.027
Subsidiaries Activities (B)	140.706
Total Change (A + B)	-481.322

Banking Liabilities: The status of Bank Lending as at 30.06.2022 is depicted below:

	Group			Company		
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>V %</u>	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>V %</u>
Bank Loans and lease liabilities	193.207	227.761		176.273	213.609	
less : Cash & Investments	<u>-16.071.836</u>	<u>-19.408.259</u>		<u>-13.648.704</u>	<u>-16.534.863</u>	
Net Debt	<u>-15.878.629</u>	<u>-19.180.498</u>	-17,2%	<u>-13.472.431</u>	<u>-16.321.255</u>	-17,5%
Equity	32.647.084	33.631.847	-2,9%	30.252.073	31.566.517	-4,2%
Gearing Ratio	-48,64%	-57,03%		-44,53%	-51,70%	

Bank lending in the first half of 2022 is nonexistent for the Company and for the Group, which certifies their sound financial position. There are only liabilities from real estate and car rental due to the application of IFRS. 16.

Working Capital: The comparative figures for the working capital are as follows:

	<u>Group</u>			<u>Company</u>		
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>V %</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>V %</u>
Current assets	34.000.706	30.926.103		30.837.713	28.655.209	
Short-term liabilities	<u>-6.037.361</u>	<u>-3.996.631</u>		<u>-5.793.986</u>	<u>-3.852.548</u>	
Working capital	<u>27.963.345</u>	<u>26.929.472</u>	3,8%	<u>25.043.728</u>	<u>24.802.661</u>	1,0%

The Group's inventories increased compared with those of 30.06.2021 amounting to € 10.6 million representing 27,33% of Total Assets, compared to 12.5% in 30.06.2021. Receivables from customers at Group level decreased by € 2.069 thousand compared with 30.06.2021.

	<u>Group</u>			<u>Company</u>		
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>V%</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>V%</u>
Inventory and Receivables from Customers & Other receivables	17.928.869	13.494.672		17.189.009	13.291.707	
less : Accounts payable and other short term liabilities	<u>-5.924.319</u>	<u>-3.896.138</u>		<u>-5.694.787</u>	<u>-3.757.920</u>	
Net working capital	<u>12.004.550</u>	<u>9.598.534</u>	25,1%	<u>11.494.222</u>	<u>9.533.787</u>	20,6%
% sales	99,5%	128,9%		101,5%	138,8%	

Earnings per share: Earnings per share of the Company based on the weighted number of shares amounted to € 0,0157 compared to € 0,0566 in the previous period, presenting a decrease of 72,27%. The profits per share of the Company's Group based on the weighted number of shares amounted to €0,0409 compared to €0,0729 in the previous period, presenting a decrease of 43,89%.

Capital expenditure: The Company's investments in capital expenditures for the first half of 2022 amount to €322.010.

Research and development costs: In the first half of 2022, the Company incurred expenses that amounted to € 94 thousand compared to € 90 thousand of the corresponding period of 2021.

Key Financial ratios: The key financial ratios for the first semester of 2022 compared to 31.12.2021 and 30.6.2021 are as follows:

Group:

a. Financial Structure ratios	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>31.12.2021</u>
Current Assets / Total Assets	87,4%	85,9%	88,0%
Equity / Total Liabilities	521,8%	653,5%	535,2%
Equity / Fixed Assets	705,6%	654,0%	739,3%
Current Assets / Short Term Liabilities	563,2%	773,8%	603,6%
b. Performance and Efficiency ratios	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>31.12.2021</u>
EBITDA / Turnover	18,1%	13,5%	17,1%
Gross Profit / Turnover	45,1%	49,4%	46,7%
Turnover / Equity	36,9%	23,9%	67,5%

Company

a. Financial Structure ratios	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>31.12.2021</u>
Current Assets / Total Assets	85,0%	83,7%	85,8%
Equity / Total Liabilities	503,3%	641,6%	548,8%
Equity / Fixed Assets	655,5%	623,1%	696,1%
Current Assets / Short Term Liabilities	532,2%	743,8%	604,6%
b. Performance and Efficiency ratios	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>31.12.2021</u>
EBITDA / Turnover	15,7%	10,8%	14,8%
Gross Profit / Turnover	41,3%	45,8%	42,8%
Turnover / Equity	37,4%	23,2%	65,7%

Building facilities: The parent company maintains in Oraioakastro Thessaloniki, in a privately owned space, the offices, the warehouse and a retail store. Also, the Company maintains a leased office and showroom in Attica. In Cyprus and Romania, subsidiaries rent office spaces.

Personnel: The number of staff employed at the end of the first half of 2022 amounted to 74 employees, i.e. 68 employees in the parent company and 6 employees in the subsidiaries. During the corresponding period last year, the Group employed 69 employees, i.e. 63 employees in the Company and 6 employees in the subsidiaries

Structure: The Group structure as of 30.06.2022 is as follows:

<u>Name</u>	<u>Consolidation Method</u>	<u>% Parent</u>
AS COMMERCIAL INDUSTRIAL COMPANY OF COMPUTERS AND TOYS S.A. Ionia str., Oreokastro, 57013, Thessaloniki, Greece		Parent
AS COMPANY CYPRUS LTD 21 Akadimias Str. Aglatzia 2017, Nicosia, Cyprus	Total Consolidation	100%
AS KIDS TOYS S.R.L Calea Bucurestilor – No 3A, Parter Camera P1 Otopeni, Romania	Total Consolidation	100%

In the period ended 30.06.2022, Condensed Interim Financial Statements were prepared including the financial information of the subsidiaries "AS COMPANY CYPRUS LTD" and "AS KIDS TOYS S.R.L." as well as the corresponding period of 2021.

B. IMPORTANT EVENTS ON THE FIRST SEMESTER OF 2022

1. General Meeting of Shareholders decisions

The Annual General Meeting of the Company's Shareholders was slated for the 2nd of June 2022, taking the following decisions:

- a) approved the Separate and Consolidated Annual Financial Statements for the year 1.1.2021 until 31.12.2021 (Management Report in consolidated form for the Company and its Group and the Annual Financial Statements for the Company and its Group, based on Law 4548/2018 and the International Financial Reporting Standards) along the Report of the Certified Auditor).
- b) approved the distribution of dividend for the year 2021, of gross amount of 0,1163 Euros per share. The gross amount was increased by the dividend corresponding to the 60.825 treasury shares held by the Company which are not entitled to a dividend.
- c) approved the overall management of the Board of Directors for the corporate year 1.1.2021–31.12.2021 according to article 108 of Law 4548/2018 and discharged the Auditors for the same year, according to article 117 par. of Law 4548/2018.
- d) The Chairman of the Audit Committee informed the shareholders regarding the annual report of the Audit Committee, in accordance with article 44 par. 1 of Law 4449/2017, which included the description of the sustainable development policy followed by the Company. The Annual Report of the Audit Committee aims to inform the shareholders about the activities of the Audit Committee during the corporate year 1/1/2021 - 31/12/2021 and, therefore, no voting followed.
- e) The non-executive Vice Chairman and independent member of the BoD submitted to the General Meeting the Report of the Independent non-executive members of the BoD to the General Meeting regarding the fiscal year 1.1.2021-31.12.2021. The Report aims to inform the shareholders and, therefore, no voting followed.
- f) the election of a new Board of Directors was unanimously decided, which will govern the Company for the following three years, due to the expiration of the present BoD's term, and the designation of the independent members. Elected as BoD members were Messrs and Mmes, Efstratios Andreadis, Anastasia Andreadou, Apostolos Petalas, Theodora Koufou, Konstantinos Andreadis, Michael Zarkadis, Ioannis Apostolakos and Theofilos Mechteridis. The members of the BoD Messrs. Apostolos Petalas, Michail Zarkadis and Ioannis Apostolakos were designated as independent non-executive members of the Board of Directors. The fulfillment of criteria and requirements provided by the Law and the Suitability Policy of the Company for candidate members of the BoD which were elected, was certified by the Remunerations and Candidate Members Committee and verified by the BoD in their respective sessions, which took place on the 04.05.2022. In the same sessions, the fulfillment of the independency requirements of the designated independent non executive members was verified, pursuant to Law 4706/2020.
- g) submitted the Remunerations Report of the members of the Board of Directors for the corporate year 1.1.2021–31.12.2021, in accordance with article 112 par. 3 of law 4548/2018, which was approved by the General Meeting. It is noted that the relevant voting had merely a advisory character.
- h) approved the remuneration and benefits to the members of the Board of Directors during the corporate year 1.1.2021–31.12.2021.
- i) the shareholders, having the consent of the Remunerations Committee, unanimously approved the Remuneration to be paid during the current year 2022 to the members of the BoD.
- j) elected the Company of Certified Auditors under the name "KPMG Certified Auditors SA" (ID: 114), based in Athens, 3 Stratigou Tombra, PC 15342, Agia Paraskevi, for the audit of

the Financial Statements and the issuance of the tax certificate for the fiscal year of 2022 (1.1.2022-31.12.202).

2. Participation in exhibitions

The different reality and the new conditions that have now emerged globally have imposed drastic changes in exhibitions. Due to the restrictive measures in force in the first quarter of 2022, the Annual Corporate Exhibition in Greece did not take place, nor did the international toy sector exhibitions in Hong Kong and Nuremberg, where AS traditionally participated. The first exhibition with physical participation of our company was in London 17-19 May 2022 Distoy Fair. Our communication with domestic and non-domestic customers, as well as with suppliers is done - where required - remotely, using new technologies and up to date technological equipment.

3. Dividend Distribution Approval for the Fiscal Year 2021.

The Ordinary General Meeting of Shareholders of the company that took place on 02.06.2022 decided to distribute a dividend for the year 2021 of a gross amount of 0,1163285315 euros per share, increased by the dividend corresponding to the 60.825 treasury shares held by the company. According to the current tax provisions (article 64 of law 4172/2013, as amended and in force), 5% tax was withheld from the gross value of the dividend (with the exception or variation of the withholding rate for Shareholders who are subject to special provisions). As a result, the net amount collected by the Shareholders amounted to 0,1105121049 euros per share. Beneficiaries of this dividend were the registered Shareholders of the Company in the files of the Intangible Securities System (ISS) managed by the "Hellenic Central Securities Depository Societe Anonyme" on Thursday, June 23, 2022 (Record Date) while the payment of dividend was made on Tuesday, June 28, 2022 by the paying bank "Piraeus S.A.".

4. Digital Transformation of the Group

As part of its Digital Transformation, the Group has begun investing in new technologies, for this reason it chose SAP Business One as their new ERP. The goal with the implementation of the new ERP is to improve the effectiveness and efficiency of internal processes, to better service our customers, to make quicker and more effective decisions and to support profitable growth. The Go Live date has been set for January 1st 2023. At the same time, the Group in 2022 continues its investment in Digitalization with the creation of a B2B platform that is expected to start its operation by the end of 2022.

C. MAIN RISKS AND UNCERTAINTIES FOR THE SECOND SEMESTER OF 2022

The activities of the Company and the Group are exposed to a number of risks. The main risks are described below:

- Exchange rate risk,
- Interest rate risk,
- Risk from commodity prices fluctuations and dependence for the supply of the goods
- Credit risk and liquidity risk
- Insurance risk
- Other risks

Group's Management aims to limit the potential negative impact of these risks on its financial results and is constantly adapting to the new circumstances so as to maintain its activities unaffected.

Exchange rate

This specific risk relates the exchange rate between euro and other currencies that are related to the sales and purchases of the Company and the Subsidiaries.

The Group carries out a significant part of its imports from China which are invoiced in US dollars (USD). In the first semester of 2022 purchases in US dollar comprised of 70% of total purchases, compared to 72% of the prior period's purchases. The value of imports in dollar (USD) was 216,75% higher than the same period last year.

The Group in the first semester of 2022 did not use financial instruments to reduce its exposure from foreign exchange risk arising from the markets.

Interest rate risk

The Companies of the Group have credit limits in banks, however, due to the significant liquidity, they have not resorted to bank lending in the first half of 2022 and all their working capital needs are financed by own funds.

The Group does not use derivative financial products in order to reduce its exposure to interest rate risk at the date of preparation of the Financial Statement.

The Management estimates that the aforementioned risk is not expected to significantly affect the financial position of the Company and the Group.

Risk from commodity prices fluctuations, transport costs and dependence for the supply of the goods.

Given that most of the toys traded by the Company and the Group are imported from China, any change in trade relations between China and the European Union, or any change in the exchange rate between CNY/USD given that most of the of the Group's purchases are made in USD, as well as the transport costs, may affect positively or negatively, on the one hand, the supply of customers and sales of the Group and on the other the Cost of sales and Profitability.

The Company continuously monitors the financial data of the Chinese toy market by maintaining long lasting relationships with its suppliers. The Company also participates in exhibitions in China with a purpose of setting up preferred suppliers list, with whom it could enter into a business relationship.

Credit risk and liquidity risk

It concerns the risk that the Company or the Group may face if a customer fails to fulfill its contractual obligations. The Group and the Company, in order to reduce their credit risk, apply a rational credit policy, taking into account any market information collected from data banks for the credibility of their customers. The receivables of the Group and the Company derive mainly from wholesale, while a significant part of the receivables derive from large customers. The financial condition of its customers is continuously monitored by the Group and the Company by controlling credit limits provided. If deemed necessary additional collaterals and guarantees are obtained.

Due to the size of the Company's trading circuit at a Group level, the potential credit risk for the Group is currently retained by the Company.

Liquidity risk exists in the event where the Group cannot fulfill its financial obligations. As appears in the financial statements, both at Company and at Group level, the liquidity risk is fully controlled (see working capital ratio).

GROUP

30.06.2022

30.06.2021

Current Assets / Short Term Liabilities	563,2%	773,8%
<u>COMPANY</u>	30.06.2022	30.06.2021
Current Assets / Short Term Liabilities	532,2%	743,8%

As far as the cash flow risk is concerned, it is noted that the Company and the Subsidiary in Cyprus are adequately protected, due to: a) strong cash flows as mentioned, b) the high credit rating with the banking institutions, c) the financial assets of the Company, whose carrying amount in the financial statements does not deviate from their fair value, d) maintaining cash at credible banks with good ratings from international houses e) placing cash to trading investments.

In respect of the subsidiary in Romania, the Company in 30.06.2022 maintained equity of €377.598, while it has secured a bank funding line of €200.000 which has not been yet used.

Due to the seasonality in the Group's products, a rational management of working capital is required because in any other case additional financial costs may burden its results. The Group has sufficient funding lines from Banking Institutions.

Insurance Risk

Given that most of the Group's products are transported from the warehouse of the Company to its customers, the Company should be covered by its exposure to counterparty risk by insuring its products.

For this purpose, the Company carries out insurance policies of its facilities by a consortium of insurance companies, something that gives adequate insurance cover for all the main risks.

The subsidiaries in Romania and Cyprus do not have their own warehouse and the trading of merchandise takes place through the warehouse facilities of the parent Company. The products are insured during their transport, both to the Company's warehouses and until their delivery to the subsidiaries and its corresponding customers.

Other risks

The demand of Company's products is affected by external factors such as economic uncertainty, reduced consumption and consumers preference for low-priced products. In this context, Management has made a selection of quality products with low retail price, which are attractive to consumers.

The Company has proceeded with short-term investments (mainly bonds) having first evaluated the relevant ratings from international firms.

D. PERSPECTIVES FOR THE SECOND SEMESTER 2022

Despite the signs of stabilization of the economic climate, due to the uncertainty caused by the continuation of the covid-19 pandemic, the Russian invasion of the Ukraine and the increase of energy costs, reliable forecasts cannot be made at this point.

Shielding liquidity and achieving profitable results in an unquestionably unpredictable year is still a key goal for Management.

The Group continues its organizational and digital restructuring activities, in order to be ready to face the challenges of the upcoming changes in the market. In particular, emphasis has been placed on the digital footprint of the Group, with a high focus on the dynamic development of its products and customers.

The contribution in the financial figures of the subsidiaries to the total financial figures of the Group is estimated to be positive, expecting higher profitability in comparison to the annual estimates of the previous year.

EBITDA is expected to be increased in comparison to the previous fiscal year while the Profits before Tax will be affected by the depreciation of the securities, whose estimation is improbable given the circumstances. The security depreciation estimate was €-1.513.261 Euros in 30.06.2022 while in 31.08.2022 it was €-1.084.511.

MANAGING THE EFFECTS OF THE COVID-19 PANDEMIC

Since the beginning of the COVID-19 pandemic, the Group's priorities have been and remain to ensure the protection and safety of employees and society, the uninterrupted operation of its business and the uninterrupted availability of its products in the market.

From the beginning of 2020, when COVID-19 began to spread globally, until today, the Group's management, adopting all hygiene protocols, has developed and implemented a plan to mitigate the potential threat of COVID-19 and ensure business continuity. It implemented strict measures to ensure the health of its employees while implementing and maintaining solutions for its employees to work remotely within the current legal framework.

Following all the developments, the Company's Management has additionally focused on the following main points:

- Security of Employees, Partners, Customers and Computer systems.
- The smooth and timely delivery of orders via the Supply Chain
- Retention of operating costs.

Management believes that there is no material uncertainty as to the Group's and the Company's ability to continue as a going concern.

POTENTIAL EFFECTS OF THE ENERGY CRISIS

The global energy crisis that started in 2021 is characterized by the continuing shortage of energy around the world, but also by the rapid increase in energy prices, affecting countries such as the United Kingdom, China and, among others, the European Union. Greece is facing significant price increases in all forms of energy.

The Group is not strongly affected by the energy crisis as energy costs have little impact on its financial results. Nevertheless, the Management is monitoring developments on a daily basis and is ready to take all necessary measures that may be required. The energy crisis may adversely affect the Group's operations or reduce demand for its products.

Either of these developments could have an impact on the 2022 financial results. However, our experience so far in managing the crisis in the fiscal year of 2021 makes us optimistic about achieving the targets set for 2022.

POTENTIAL EFFECTS OF THE RUSSIAN INVASION OF UKRAINE

The Group does not operate in the affected markets, or have a large exposure to commodities affected by the Russian invasion of Ukraine (such as energy or agriculture) and therefore its financials have not been significantly affected for this reason. In any case, because this is an ongoing event, management is monitoring developments and is prepared to take the necessary measures if required by circumstances.

E. CORPORATE SOCIAL RESPONSIBILITY

**Interim Financial Report
of the period from 1 January 2022 to 30 June 2022**

General

Corporate Social Responsibility is of interest to all of us since it reflects the basic principles of the society in which we live in and is fully in line with our company's social conscience. The Company is fully committed to providing high quality products, as the safety and quality of our toys are key principles that govern the operation of the Group. Based on this, the Group's strategy for the future was created, committed to our mission of giving joy and knowledge to children young and old!

In practice, this means that the Company's toys are guaranteed to be safe and of high quality, enabling the next generation to explore the wonder of childhood and fully exploit its potential. The Quality Assurance department is responsible for checking and ensuring that the safety and quality standards of the products are met. We work with externally accredited quality and safety testing laboratories which are internationally recognized. The consumer service department ensures that all requests received are dealt with promptly, always prioritizing the family and its needs around children with toys in mind.

Responsibility for the Society

The Company, through a Corporate Social Responsibility program, carries out actions and initiatives to support vulnerable social groups. In this context, it supported the Vice-Region of Health and Social Solidarity of Central Macedonia in the request for a product donation on the occasion of the World Childhood Cancer Day to cover the needs of the Pediatric Oncology Clinic of the Hippocrates Hospital of Thessaloniki.

At the same time, the Company continues with its sense of responsibility for the community and in the first half of 2022, by making a series of product donations, actively supporting organizations and associations such as "Make a Wish", "Guardian Angel", the SOS Children's Village of Filyro, the YFADI Association for the Disabled, the Panhellenic Association for the prevention and support of children with autism and down syndrome "Power of Life", the Association of Friends of Papageorgiou Hospital "Antirida", as well as many local institutions and social groceries, which through their actions support mainly children and families.

F. ENVIRONMENTAL AND WORK ISSUES

Environmental

The Group does not engage in the processing of the products distributed in the countries where it operates. Also, the operation of the Group's facilities is of low noise. Since it believes that rational environmental management and the protection of the ecosystem is of concern to all of us, it ensures that the products it sells are as environmentally friendly as possible.

The Product Marketing department continues the **Reduce-Remove-Recycle-Materials** strategy decided on in 2021.

Reduce. The volume of paper and plastic parts in packaging is systematically reduced. From the board games category in the first half of 2022, up to 30% of packaging paper was reduced in 23 products out of 67 in total (the reduction was made in recognized brands such as "Over My Head", "Mouth Wide Open", "Hidden Objects", as well as in individual codes such as "Hide in the Bag", "Save the Sheep", etc.). Also from the Art-n-Craft category, the use of paper was reduced in Painting Workshops and Giga block . While in Art cases all plastic /pvc parts were reduced by 30%.

Remove. We systematically remove non-recyclable materials from products and packaging, such as shrink wraps, pvc blisters etc. In 2022 all Easter toy packaging did not use the

plasticization method. As a result 105,000 pcs of boxes will be fully recyclable.

Recycle. We seek and use raw materials from suppliers with recyclable sources and environmental certifications as of FSC. In the first quarter of 2022 we launched our new Shoko skate brand with FSC certified packaging. We continue to include in our range products from Clementoni's "Play for future" range, made from recycled and recyclable materials, showing our commitment to more responsible products in line with sustainable development.

Materials. We prefer and develop products made from natural materials. At the beginning of 2022, new wooden products were added to the premium educational product range Magnet Box and the Art Box range was launched, which has paper as its main material. The Company's aim is to combine its corporate objectives with its broader contribution to sustainable development, while also responding to the needs of consumers. With respect and responsibility towards the environment, it is paving the way for a sustainable future for children and families by creating innovative products and experiences that inspire, entertain and develop children through play.

Employment

AS Company is mainly its people, who daily support its smooth operation and progress. The selection, placement in specific positions, assignment of tasks and the corresponding remuneration are based on the principles of equal treatment and meritocracy. The management of the company in matters of Human Resources and the relations between its employees affect its performance and are therefore an important lever for its long term development.

In this context, the company pays special attention to providing a positive, productive and safe work environment while implementing a recruitment and staffing policy that aims to develop its employees and develop their skills. The key points of its policy are:

- Providing equal recruitment opportunities to external candidates, based on meritocratic criteria, according to the specifications of each position.
- Providing equal development opportunities to its employees to ensure equal opportunities and to fight against discrimination.
- New vacancies are covered either by internal movement - promotion of employees by directly proposing a change of position - promotion to an employee or by new recruitment, without discrimination on any grounds (gender, nationality, religion, political or other opinion, disability, sexual orientation, etc.)
- Implementing a fair remuneration and benefits policy.

The employee profile of the Group, regarding gender, is mixed, as it employs men at 55% and women at 45%. The relations of the Group with its personnel are excellent and no employment issues have arisen. As a result, there are no pending cases relating to employment issues.

Education & Encouragement

The Company's philosophy is "lifelong learning" and its purpose is to maintain well-trained Human Resources, which meets the requirements of its role, to meet the modern market requirements that shape the need for new skills, as well as the possible intra-company changes in the work environment.

Training involves the selection of appropriate programmes, their design, implementation and the maintenance of appropriate evaluation records.

The purpose of training programmes is to enhance the performance of employees, provide them with expertise, improve their knowledge base, deepen and develop their skills and, consequently, contribute to the achievement of corporate objectives.

The first training program for each employee is the on-boarding program, through which newly hired employees are informed about the company's structure, their job position, its

Internal Work and Rules of Operation, its computer systems, and the corporate policies and procedures that apply to them.

The annual training plan for each subsequent year is prepared by the end of the previous year by the Directors/Heads of Departments in collaboration with the Personnel Department. In developing the annual training plan, the following parameters are taken into account:

- The strategic objectives of the Company
- The previous year's trainings, programs, program evaluation and participants
- The training needs of each employee in relation to the individual development of his/her skills and subject matter

Based on the suggestions and needs of all Departments, the Company creates the AS Company's annual training plan which is implemented gradually in the following year.

All programs, internal trainings and trainings by external trainers are evaluated for their effectiveness and are implemented both in person and remotely (e-learning).

In the second quarter of 2022, a training on "VAT and MY DATA" was implemented, which was attended by the executives of the Finance Department.

At the same time, an executive of the Digital & e-Commerce Division attended a quarterly seminar for the acquisition of a Professional Diploma in Digital Marketing, in the context of developing individual skills and acquiring know-how that will be used to further improve the Company's digital operations.

Evaluation

In 2022, the company started, with the assistance of a specialized consultant, the preparation and adoption of an integrated Performance and Development Evaluation System for its employees in order to ensure transparency and labor justice based on measurable objectives and qualitative criteria that will lead to the analysis of each employee's Individual Development Plan and will be linked to rewards, training, promotions and other employee support actions. The process is currently being finalized.

Health & Safety

Creating a safe and healthy work environment is a priority for the Company. Even more so from the outbreak of Covid19. The aim of the Company is the diligent adhering to the Health and Safety Policy which abides by all legislative requirements and internal rules. In the context of the protection of the health and safety of its employees, suppliers, customers and partners, implementing the following:

- Intensive inspections by security technicians in all facilities of the Company (Attiki and Thessaloniki) in relation to the management of health and safety risks. Following every inspection, a Written Evaluation of Professional Risks is prepared.
- The Company provides the services of an occupational physician, based on the requirements of the legislation.
- The Company applies a number of preventive measures regarding the pandemic pursuant to the EODY guidelines, in adherence with the applicable Joint Ministerial Decision.

Respect for Humans

The Company adopts policies aimed at protecting Human Rights in the workplace and as key pillars:

- The Internal Labour Regulation.
- The Internal Rules of Operation.
- The Human Resources Policies

All employees have been informed and accepted electronically, the Human Resources Policies, which are available on the Company's intranet.

In the second quarter of 2022, the Company's Legal Department along with the Human Resources Department conducted a seminar for the Company's managers on the Company's Violence and Harassment at Work Policy & Code of Conduct and Ethical Behavior, which were posted on the Company's intranet with access by all staff.

Business Ethics and Regulatory Compliance

The Company's approach to compliance issues is based on three main pillars: corporate governance, business ethics and fair labour practices.

In this context, the Company applies and has the following in place:

- Rules of Operation
- The Audit Committee.
- Internal Audit Department
- Nomination and Remuneration Committee
- Procedure for informing Senior Management and Internal Audit of any incident of fraud or corruption.

During 2021, the Company's Legal Department completed the drafting of a Code of Conduct and Ethical Behavior, which was approved by the Board of Directors and which specifies the obligations and commitments of the Company and its employees with regard to the principles and rules that must govern every aspect of its operations and the relations between the Company, its employees and all stakeholders, and communicated it to its employees.

Protection of personal data

The Company consistently complies with the European Legislation for the protection of personal data of natural persons.

The Company is committed to protecting the confidentiality and privacy of information provided or collected and complies with applicable legislation on the protection of personal data of visitors, partners, customers, suppliers, current and former, as well as prospective employees. In this context, it has adopted and maintains Policies in compliance with the European Personal Data Protection Regulation (GDPR) and Law 4624/2019, which it has also posted on its intranet.

In the context of the Company's harmonization with the requirements of the GDPR, the Data Protection Officer, in collaboration with the HR and IT Manager, carries out continuous awareness-raising and information actions for the Company's staff regarding the correct processing of personal data managed by the Company.

G. RELATED PARTIES TRANSACTIONS

As related parties within the meaning of IAS 24 are in addition to subsidiaries and affiliates, also directors and members of the Board of Directors. Revenues and expenses, transactions with members of the Board of Directors and Management for the period 1.1.2022 to 30.06.2022 as well as the balances of their receivables and liabilities as of 30.06.2022 are set out in the table below:

	<u>Group</u>		<u>Company</u>	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
a) Revenues	1.073.769	503.767	1.073.769	503.767
b) Receivables	697.068	488.891	697.068	488.891

Interim Financial Report
of the period from 1 January 2022 to 30 June 2022

c) Transactions and Remuneration of Directors and Members of the Board

608.267	534.318	592.832	485.919
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The Company's Revenue and receivables relate to the parent's transactions with the subsidiaries in Cyprus and Romania that took place in the first semester of 2022.

The benefits to the directors and the Company's management are analyzed as follows:

	<u>Group</u>		<u>Company</u>	
<u>Directors Remuneration and Transactions</u>	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Short-term employee benefits				
Salaries	267.157	296.902	267.157	261.938
Social Security cost	50.209	67.495	50.209	63.060
Total	317.366	364.397	317.366	324.998
Remunerations and Transactions of Board Members				
Short – term benefits				
Salaries	220.000	146.160	205.000	137.160
Social Security cost	38.391	23.761	37.956	23.761
Other remuneration	32.510	0	32.510	0
Total	290.901	169.921	275.466	160.921

No loans have been granted to the Board of Director members, or to Directors (and their families). There were no changes in the nature of transactions between the Company and its related persons which could have a material impact on the Company's financial position and performance.

Directors and executive Board Members' remuneration paid during the current period is related to the provision of service provided to the Company while the non-executive members' remuneration related to their position as members of the Board of Directors. The Company, in the context of its usual transactions (customs clearance of goods coming from non-EU countries) and in compliance with the requirements of the Law, cooperates with a customs broker, non-executive member of the Board, paying the respective service fees.

The transactions with related parties are conducted with market terms.

H. INFORMATION REGARDING ACQUIRED OWN SHARES article 49 par. 2 Law 4548/2018

In the context of the implementation of the decision of the Annual General Meeting of the shareholders of 21.6.2019 and the Annual General Meeting of the shareholders of 25.06.2021, which approved the purchase of treasury shares of the Company, up to 5% of the paid-up share capital of the Company, with a minimum purchase price of 0,50 €/share and a maximum purchase price of 4,00 €/share, according to article 49 of the Law. 4548/2018., the Company purchased a total of 60,825 treasury shares of common nominal value, with an average purchase price of €1.956716 per share, representing 0.46339% of the share capital, which it retains.

I. SIGNIFICANT EVENTS AFTER THE END OF THE FIRST SEMESTER OF 2022

The Athens Exchange Listing and Market Operation Committee of the Athens Exchange, at its meeting of 12.7.2022, approved the resignation of the company - Member of the Athens Exchange "EUROBANK EQUITIES MONOPROSOPI S.A.", from the capacity of Special Negotiator on the shares of the company "A.S. COMMERCIAL-industrial company H / I & GAMES S.A.". The last day of the Special Negotiation was set as Friday 29 July 2022.

There are no other events subsequent to the Financial Statements, relating to either the Group or the Company, which are required to be reported under International Financial Reporting Standards.

J. ALTERNATIVE PERFORMANCE MEASURES INDICATORS («EDMA»)

For the analysis of the Company's and the Group's performance, "comparable" figures are used which are calculated by adding-deducting captions presented in the Financial Statements prepared in accordance with the International Financial Reporting Standards.

EBITDA ratio

This ratio results from the deduction of administrative, distribution and research expenses from the gross profit plus other income and depreciation. This ratio provides with useful information for the analysis of the Company's and the Group's operating performance.

The ratio for the corresponding years of 2019, 2020, 2021 and 2022 was as follows:

	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2020</u>	<u>30.06.2019</u>
EBIDTA	2.179.844	1.006.092	984.785	2.329.565
% Sales	18,07%	13,51%	12,31%	21,46%

Leverage Factor Ratio and Clean Debt

This ratio arises from the addition of the items Short-term loan liabilities plus Long-term loan liabilities from which the Cash and cash equivalents and Short-term investments are deducted. The result of these funds is divided by the Equity to calculate the leverage ratio. The Group uses this indicator to assess its liquidity.

The ratio for the corresponding years of 2019,2020,2021 and 2022 was as follows:

	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2020</u>	<u>30.06.2019</u>
% net debt/equity	-49,23%	-55,85%	-49,99%	-43,34%
Net debt	-16.071.836	-17.431.430	-15.481.338	-12.688.629

Net Working Capital Ratio

This ratio results from the addition of the Reserves, the Demands from Clients and Other Asset Elements minus the Commercial and Other Short-Term Liabilities. The Group uses this ratio to assess its liquidity, not taking into account the available cash and large value investments.

AS COMMERCIAL INDUSTRIAL COMPANY OF COMPUTERS AND TOYS S.A.
Thessaloniki, 22 September 2022

THE CHAIRMAN OF BOARD OF DIRECTORS
& MANAGING DIRECTOR

EFSTRATIOS K. ANDREADIS

THE MEMBER OF THE BOARD OF DIRECTORS

THEODORA D. KOUFOU
ID No. AN 233404

KPMG Certified Auditors SA
Stratigou Tombra 3
153 42 Aghia Paraskevi
Greece

Independent Auditor’s Report on Review of Condensed Interim Financial Information (Translated from the original in Greek)

To the Shareholders of
AS COMMERCIAL INDUSTRIAL COMPANY OF COMPUTERS AND TOYS S.A.

Report on the Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying interim condensed Standalone and Consolidated Statement of Financial Position of AS COMMERCIAL INDUSTRIAL COMPANY OF COMPUTERS AND TOYS S.A. (the “Company”) as at 30 June 2022 and the related condensed Standalone and Consolidated Statements of Comprehensive Income, Changes in Equity and Cash Flows for the six-month period then ended and the selected explanatory notes, which comprise the condensed interim financial information and which forms an integral part of the six month financial report of articles 5 and 5a of Law 3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with the International Financial Reporting Standards adopted by the European Union and specifically with International Accounting Standard (IAS) 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as incorporated in Greek Law, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at 30 June 2022 is not prepared, in all material respects, in accordance with IAS 34 “Interim Financial Reporting”.

Report on Other Legal and Regulatory Requirements

Our review did not identify any material inconsistency or error in the statements of the members of the Board of Directors and in the information of the six-month Financial Report of the Board of Directors as defined in articles 5 and 5a of Law 3556/2007 in relation to the accompanying interim condensed financial information.

Athens, 22 September 2022

KPMG Certified Auditors A.E.

Dimitrios Tanos, Certified Auditor Accountant
AM SOEL 42241



**AS COMPANY S.A.
GROUP OF COMPANIES**

**INTERIM CONDENSED FINANCIAL STATEMENTS (SEPARATE AND
CONSOLIDATED) AS OF 30 JUNE 2022**

**In accordance with International Financial Reporting Standards (IAS 34)
as adopted by the European Union**

IV. INTERIM CONDENSED FINANCIAL STATEMENTS OF 30 JUNE 2022 AND THE SIX MONTH PERIOD WHICH ENDED ON THAT DATE

A. INTERIM STATEMENT OF FINANCIAL POSITION

(Amounts in Euros)

ASSETS	Not e.	GROUP		COMPANY	
		30.06.2022	31.12.2021	30.06.2022	31.12.2021
Non-current assets					
Property, plant and equipment	7.1	4.337.791	4.431.501	4.325.661	4.417.093
Intangible assets	7.1	289.155	117.900	289.155	117.900
Right of use of leased assets	7.1	181.721	214.787	166.368	202.620
Deferred tax receivables		79.606	0	79.606	0
Participations in subsidiaries	7.2	0	0	550.000	550.000
Other non-current assets		15.192	16.197	14.191	14.191
		4.903.465	4.780.384	5.424.980	5.301.803
Currents assets					
Inventories	7.3	10.632.390	4.530.930	10.580.346	4.530.559
Accounts receivables	7.4	6.779.885	10.915.575	5.980.629	10.356.239
Investments at fair value through results	7.5	10.173.122	11.247.174	9.622.205	10.948.269
Other current assets		516.594	280.251	628.034	594.774
Cash and cash equivalents	7.6	5.898.714	8.161.085	4.026.499	5.586.594
		34.000.706	35.135.014	30.837.713	32.016.435
Total assets		38.904.170	39.915.398	36.262.693	37.318.238
EQUITY AND LIABILITIES					
Equity					
Share capital	7.7	8.663.173	8.663.173	8.663.173	8.663.173
Other reserves		1.978.761	1.853.620	1.984.550	1.859.642
Retained earnings		22.005.149	23.115.053	19.604.349	21.043.702
Equity attributable to shareholders of the Company		32.647.084	33.631.847	30.252.073	31.566.517
Total Equity		32.647.084	33.631.847	30.252.073	31.566.517
Long-Term Liabilities					
Leasing liabilities		80.166	123.242	77.075	117.038
Deferred tax liabilities		0	210.601	0	210.601
Staff leaving liabilities		92.889	82.027	92.889	82.027
Other long-term liabilities		46.671	46.671	46.671	46.671
		219.726	462.542	216.635	456.338
Short-term liabilities					
Account payables		3.664.477	3.063.528	3.498.942	2.793.998
Short-term leasing liabilities		113.041	104.518	99.198	96.570
Other short-term liabilities		2.259.842	2.652.964	2.195.846	2.404.816
		6.037.361	5.821.009	5.793.986	5.295.384
Total Liabilities		6.257.087	6.283.551	6.010.621	5.751.721
Total Equity and Liabilities		38.904.170	39.915.398	36.262.693	37.318.238

The accompanying notes set out on pages 26 to 39 form an integral part of these Interim Condensed Financial statements.

**B. INTERIM PROFIT AND LOSS ACCOUNT FOR THE PERIOD 01.01.2022
– 30.06.2022**

(Amounts in Euros)

	Σημ.	<u>GROUP</u>		<u>COMPANY</u>	
		<u>1.1 to 30.06.2022</u>	<u>1.1 to 30.06.2021</u>	<u>1.1 to 30.06.2022</u>	<u>1.1 to 30.06.2021</u>
Turnover	7.8	12.062.519	7.447.438	11.326.990	6.870.646
Cost of sales		-6.618.253	-3.766.003	-6.653.069	-3.721.377
Gross profit		5.444.266	3.681.435	4.673.921	3.149.269
Other operating income	7.12	251.264	214.189	251.245	213.938
Administrative expenses	7.9	-1.422.708	-1.230.340	-1.293.335	-1.122.723
Distribution costs	7.10	-2.276.015	-1.842.774	-2.022.877	-1.671.828
Research and development expenses	7.11	-94.495	-90.078	-94.495	-89.984
Profit before interest, taxes, depreciation and amortization		1.902.311	732.431	1.514.460	478.671
Income/ (expenses) of financial operation - net		-1.211.589	439.613	-1.212.772	445.044
Profits before taxes		690.722	1.172.044	301.688	923.715
Income taxes	7.13	-155.862	-218.328	-96.276	-182.803
Profits after taxes		534.860	953.717	205.412	740.912
Other Comprehensive Income that may be classified in the results at a later time:					
Effect of currency exchange rates from statement conversion to foreign currency		232	-4.355	0	0
Other Comprehensive Income of the year		232	-4.355	0	0
Total Comprehensive Income of the Year		535.092	949.361	205.412	740.912
Distributed to:					
- Company Shareholders		535.092	949.361	205.412	740.912
- Minority Rights		0	0	0	0
Profits after tax per share – basic (in €)		0,0409	0,0729	0,0157	0,0566
Profits before taxes, financial, investment results and depreciations		2.179.844	1.006.092	1.779.879	739.220

Reclassifications - reclassifications were made to certain items of the Interim Condensed Income Statement of the previous period with the aim of improving presentation (see note 5.3).

The accompanying notes set out on pages 26 to 39 form an integral part of these Interim Condensed Financial statements.

C. INTERIM STATEMENT OF CHANGES OF EQUITY

(Amounts in Euros)

<u>Company</u>	Share capital	Other reserves	Retained earnings	Total
Equity as of the start of the period (01.01.2021)	8.663.173	1.846.874	19.700.593	30.210.640
Profit for the year after taxes	0	0	740.912	740.912
Comprehensive total Income	0	0	740.912	740.912
Own share acquisition	0	-7.692	0	-7.692
Dividend distribution	0	0	-1.095.807	-1.095.807
Transactions with owners	0	-7.692	-1.095.807	-1.103.499
Equity as of the end of the period (30.06.2021)	8.663.173	1.839.182	19.345.698	29.848.053
Equity as of the start of the period (01.01.2022)	8.663.173	1.859.642	21.043.702	31.566.517
Profit for the year after taxes	0	0	205.412	205.412
Formation of regular reserves	0	124.909	-124.909	0
Comprehensive total income	0	124.909	80.503	205.412
Dividend distribution	0	0	-1.519.856	-1.519.856
Transactions with owners	0	0	-1.519.856	-1.519.856
Equity as of the end of the period (30.06.2022)	8.663.173	1.984.550	19.604.349	30.252.073
<u>Group</u>				
<u>Amounts in Euro</u>	<u>Share capital</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total</u>
Equity as of the start of the period (01.01.2021)	8.663.173	1.835.139	21.107.225	31.605.537
Profit for the year after taxes	0	0	953.717	953.717
Exchange rate differences and other reserves	0	-4.355	0	-4.355
Comprehensive total income	0	-4.355	953.717	949.361
Own share acquisition	0	-7.692	0	-7.692
Dividend distribution	0	0	-1.095.807	-1.095.807
Transactions with owners	0	-7.692	-1.095.807	-1.103.499
Equity as of the end of the period (30.06.2021)	8.663.173	1.823.092	20.965.134	31.451.399
Equity as of the start of the period (01.01.2022)	8.663.173	1.853.620	23.115.053	33.631.847
Profit for the year after taxes	0	0	534.860	534.860
Formation of regular reserves	0	124.909	-124.909	0
Exchange rate differences and other reserves	0	232	0	232
Comprehensive total income	0	125.140	409.952	535.092
Dividend distribution	0	0	-1.519.856	-1.519.856
Transactions with owners	0	0	-1.519.856	-1.519.856
Equity as of the end of the period (30.06.2022)	8.663.173	1.978.761	22.005.149	32.647.084

*The comparative figures of the Statement of Changes in Equity of the Group and the Company for the period 1 January 2021 to 30 June 2021 have been revised due to the change in accounting policy brought about by the change in IAS 19 (see note '3. Significant Accounting Policies and Methods' of the annual financial statements for the year ended 31 December 2021). The accompanying notes set out on pages 26 to 39 form an integral part of these Interim Condensed Financial Statements.

Interim Financial Report
of the period from 1 January 2022 to 30 June 2022

D. INTERIM CASH FLOW STATEMENT

(Amounts in Euros)

	Note	GROUP		COMPANY	
		<u>1.1 to</u> <u>30.06.2022</u>	<u>1.1 to</u> <u>30.06.2021</u>	<u>1.1 to</u> <u>30.06.2022</u>	<u>1.1 to</u> <u>30.06.2021</u>
<u>Operating activities</u>					
Profit before tax		690.722	1.172.044	301.688	209.285
<u>Plus/ minus Adjustments for:</u>					
Depreciation		277.533	273.662	265.419	260.550
Provisions		2.785	59.663	2.785	59.663
Exchange differences		16.405	91.966	16.177	95.416
Results (Gain/loss) from investing activities		1.153.789	-476.816	1.154.973	-482.247
Plus/Minus Working Capital Adjustments:					
Decrease/ (increase) in inventories		-6.093.384	79.816	-6.041.709	71.555
Decrease / (increase) in receivables		4.192.602	1.932.163	4.342.349	1.727.767
(Decrease)/increase in payables (except loans)		-510.481	-1.596.228	111.615	-1.228.559
Minus:					
Interest and related expenses paid		-70.437	-54.869	-58.580	-43.101
Income tax paid		-90.458	-14.483	-72.571	-5.505
Net cash flows from operating activities (α)		-430.922	1.466.918	22.144	1.379.254
<u>Investing Activities</u>					
Purchase of tangible and intangible assets	7.1	-322.010	-22.233	-308.990	-7.416
(Purchase) / Sales of securities		-333.380	-2.147.952	-81.368	-2.141.248
Interest received		307.902	187.658	294.862	181.322
Net cash flows from investing activities (β)		-347.487	-1.982.527	-95.495	-1.967.342
<u>Financing Activities</u>					
Own shares acquisition		0	-7.692	0	-7.692
Repayment of finance lease		-34.553	-61.164	-37.335	-51.432
Paid dividends		-1.449.409	0	-1.449.409	0
Net cash flows from financing activities (c)		-1.483.962	-68.856	-1.486.745	-59.124
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)		-2.262.371	-584.464	-1.560.095	-647.213
Cash and cash equivalents at the beginning of the year	7.9	8.161.085	6.935.091	5.586.594	5.345.657
Cash and cash equivalents at the end of the year	7.9	5.898.714	6.350.627	4.026.499	4.698.444

The accompanying notes set out on pages 26 to 39 form an integral part of these Interim Condensed Financial statements.

E. NOTES TO THE SEPARATE AND CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General Information

AS COMMERCIAL INDUSTRIAL COMPANY OF COMPUTERS AND TOYS S.A. is a Hellenic Societe Anonyme Trading Company founded on 8 November 1990 (Official Government Gazette 4222 / 03.12.1990). The Company is registered with the Registry of Societes Anonymes of the Ministry of Economy, Development and Tourism, with GEMI number 057546304000 and Registry Number 22949/06/B/90/107. Its web site is www.ascompany.gr and is listed on the Athens Stock Exchange. The Financial Statements of 30 June 2022 were approved by the Board of Directors on 22 September 2022.

The Company's number of employees as of 30 June 2022 was 68 persons and for the Group 74 persons.

The main activity of the Company concerns the wholesale trade of toys.

The Board of Directors of the Company has been elected by the Annual General Meeting of 2022 and its term of office expires on 2.6.2025, extended until the convening of the Annual General Meeting of 2025, if it takes place after 2.6.2025. The composition of the said Board of Directors, as established by the resolution of the Ordinary General Meeting of 2.6.2022, is as follows:

- Efstratios Andreadis of Konstantinos, executive member of the Board, Chairman of the Board. and CEO.
- Anastasia Andreadou, family of Angelos Kozlakidis, executive member of the Board, Executive Vice President of the Board.
- Apostolos Petalas of Dimitrios, independent non-executive member of the Board, Non-Executive Vice Chairman of the Board.
- Theodora Koufou of Dimitrios, executive member of the Board.
- Konstantinos Andreadis of Efstratios, executive member of the Board.
- Michael Zarkadis of Spyridon, independent non-executive member of the Board.
- Ioannis Apostolakos of Georgios, independent non-executive member of the Board.
- Theofilos Mehteridis of Ioannis, non-executive member of the Board.

The Audit Committee, under its current composition, following the decision of the General Meeting on 02.06.2022, consists of the following four members, three of whom are independent non-executive and its term expires on 02.06.2025, extended until the convening of the Ordinary General Meeting of the year 2025, if it takes place after 02.06.2025:

- Ioannis Apostolakos, independent non-executive member of the Board.
- Michael Zarkadis, independent non-executive member of the Board.
- Apostolos Petalas, independent non-executive member of the Board. and
- Theofilos Mehteridis, non-executive member of the Board.

Mr. Apostolos Petalas was appointed Chairman of the Audit Committee by its members.

The subsidiary in Cyprus under the name "AS COMPANY CYPRUS LTD" is governed by and operates under Cyprus Law, in the form of a Limited Liability Company. Its share capital totals € 150.000, which was 100% covered by the parent company, which is its sole shareholder.

The Romanian subsidiary AS KIDS TOYS S.R.L. is governed by and operates under Romanian law in the form of Limited Liability Company. Its share capital amounts to € 400.000 and

has been 100% covered by the parent company, which is its sole shareholder.

2. Basis of preparation of the Financial Statements

The Interim Financial Statements have been prepared with the International Accounting Standard (IAS) 34 "Interim Financial Reporting". Those Interim Financial Statements do not contain all the information required in the annual financial statements and for this reason should be read in conjunction with the published audited annual Financial Statements for the year ended 31 December 2021, which can be found on the Company's website address www.ascompany.gr.

The financial statements have been prepared in accordance with the historical cost principle, except for the financial assets at fair value through profit or loss, which, based on IFRSs, are measured at fair value.

For the preparation of the Financial Statements the significant accounting estimates from the Management for the application of the Group's accounting principles as well as the main source of evaluation of uncertainty are the same with those adopted on the preparation of the annual Financial statements as of 31.12.2021, except from those that concern the adoption of the new IFRS as of January 1st 2022.

There are no changes in the applied accounting principles and methods compared with those applied in the preparation of the Financial Statements as of 31.12.2021 according to IFRS after the consideration of the standards and interpretations that are noted in paragraph 3B below.

The amounts of the Financial Statements are expressed in Euro, unless otherwise stated. Any differences in the sums are due to roundings.

3. Significant Accounting Principles and Methods

3a. Basic accounting principles

The accounting policies on the basis of which the accompanying Interim Condensed Financial Statements are prepared are consistent with those used in the preparation of the annual Financial Statements for the comparative 2021 financial year and have been applied consistently for all the years presented. The Group has adopted the new standards and interpretations, the application of which became mandatory for the financial years commencing 1 January 2022.

3b. New standards, amendments to standards and interpretations adopted by the Group and the Company

The following new Standards, Interpretations and amendments to Standards have been issued by the International Accounting Standards Board (IASB), have been adopted by the European Union and their application is mandatory from 01/01/2022 or later.

- Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements 2018 - 2020" (effective for annual periods beginning on or after 01/01/2022)

In May 2020, the IASB issued a series of amendments, including limited purpose amendments to three standards, as well as the Board's Annual Improvements. These amendments provide clarifications regarding the wording of the Standards or correct minor consequences,

omissions or conflicts between the requirements of the Standards. In particular:

- The amendments to IFRS 3 Business Combinations update a reference in IFRS 3 in the Conceptual Framework for Financial Reporting without changing the accounting requirements relating to business combinations.
- The amendments to IAS 16 Property, Plant and Equipment prohibit an entity from deducting from the cost of property, plant and equipment amounts received from the sale of items produced during the preparation of that property, plant and equipment to be ready for use. Instead, the entity recognises such sales proceeds and related costs in the income statement.
- The amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify the costs that an entity should include in assessing whether a contract is loss-making.
- The Annual Improvements to IFRSs - 2018-2020 Cycle make minor amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 9 "Financial Instruments", IAS 41 "Agriculture" and the Explanatory Examples accompanying IFRS 16 "Leases".

The above did not have any impact on the Group or Company's Financial Statements.

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

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

- IFRS 17 "Insurance Contracts" (effective for annual periods beginning on or after 01/01/2023)

In May 2017, the IASB issued a new standard, IFRS 17, which replaces an interim standard, IFRS 4. The purpose of the IASB's project was to develop a single principle-based standard for the accounting treatment of all types of insurance contracts, including reinsurance contracts held by an entity. A single principles-based standard will enhance the comparability of financial reporting between entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply to the financial reporting related to insurance contracts that it issues and reinsurance contracts that it holds.

In addition, in June 2020, the IASB issued amendments, but these amendments do not affect the fundamental principles introduced when IFRS 17 was originally issued. The amendments are designed to reduce costs by simplifying certain requirements of the Standard, to result in more easily explained financial performance, and to ease the transition, while providing additional assistance to reduce the effort required on first-time adoption of the Standard. This amendment has not yet been adopted by the European Union.

The Group will consider the impact of all of the above on its Financial Statements, although they are not expected to have any.

- Amendments to IAS 1 "Classification of Liabilities as Short-Term or Long-Term" (effective for annual periods beginning on or after 01/01/2023)

In January 2020, the IASB issued amendments to IAS 1 that affect the presentation requirements for liabilities. Specifically, the amendments clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) clarification that an entity's right to defer settlement should exist at the reporting date; (b) clarification that the classification of the liability is not affected by management's intentions or expectations regarding the exercise of the right to defer settlement, (c) explain how borrowing conditions affect the classification; and (d) clarify the requirements for classifying liabilities of an entity that is to be or may be settled by issuing its own equity instruments. In addition, in July 2020, the IASB issued an amendment to clarify the classification of debt liabilities that have financial covenants, which provides for a one-year

deferral of the effective date of the originally issued amendment to IAS 1. The Group will consider the impact of all of the above on its Financial Statements, although it is not expected to have any. The above have not been adopted by the European Union.

- Amendments to IAS 1 "Presentation of Financial Statements" and IFRS Practice Statement 2 (effective for annual periods beginning on or after 01/01/2023)

In February 2021, the IASB issued limited purpose amendments relating to disclosures of accounting policies. The purpose of the amendments is to improve disclosures of accounting policies to provide more useful information to investors and other users of financial statements. In particular, the amendments require disclosure of significant information about accounting policies, rather than disclosure of significant accounting policies. The Group will consider the impact of all of the above on its Financial Statements, although it is not expected to have any.

- Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual periods beginning on or after 01/01/2023)

In February 2021, the IASB issued limited purpose amendments that clarify the difference between a change in accounting estimate and a change in accounting policy. This distinction is important because a change in accounting estimate is applied without retrospective effect and only to future transactions and other future events, unlike a change in accounting policy, which is retrospective and applies to past transactions and other past events. The Group will consider the impact of all of the above on its Financial Statements, although it is not expected to have any.

- Amendments to IAS 12 "Income Taxes: Deferred Taxes Related to Assets and Liabilities Arising from a Single Transaction" (effective for annual periods beginning on or after 01/01/2023)

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how entities should treat deferred tax arising from transactions such as leases and release obligations - transactions for which entities simultaneously recognise a receivable and a liability. In certain circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that this exemption does not apply and entities are required to recognise deferred tax on these transactions. The Group will consider the impact of all of the above on its Financial Statements, although it is not expected to have any. The above has not been adopted by the European Union.

4. Important Accounting Principles and Methods

For the preparation of the Financial Statements the significant assumptions that have been adopted by the Management for the application of the accounting principles as well as the estimates for the sources of risks are the same with those that have been adopted and estimated respectively in the published annual Financial Statements for the year ended as of 31 December 2021.

5. Other Information

5.1 Consolidated Financial Statements

For the first semester of 2022 the consolidated financial statements that were prepared, include the financial figures of the subsidiaries AS COMPANY CYPRUS LTD and AS KIDS TOYS S.R.L.

«AS COMPANY CYPRUS LTD» operates in Cyprus, with 100% participation, date of initial consolidation 05.05.2016 using the full consolidation method. «AS KIDS TOYS S.R.L.» was

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founded on March 2018, with the initial consolidation starting from the second semester of 2018, using the full consolidation method.

5.2 Seasonality of activities

The demand from our customers for the Group products is subject to seasonal fluctuations. Most of the customers are selling their products purchased by the Company and its affiliates during the Christmas time, so collections in the second half of the year are significantly higher than in the first half.

6. Operating Segments

The following information refers to the Company's Operating Segments, which are reported separately in the Financial Statements.

The Operating Segments are defined in accordance with the Company's and Group's structure and refer mainly to the separation of the Group's activity in Greece and abroad. Based on this separation those responsible for the financial decision making, monitor the financial information separately as disclosed by the Company and each of its subsidiaries included in the consolidation respectively.

The responsible bodies for taking and monitoring the relevant decisions are the Managing Director and the General Manager.

The turnover regarding toys for children trade is analyzed per geographical area as follows:

Account description	Group		Company	
	<u>1.01 to</u> <u>30.06.2022</u>	<u>1.01 to</u> <u>30.06.2021</u>	<u>1.01 to</u> <u>30.06.2022</u>	<u>1.01 to</u> <u>30.06.2021</u>
Sales of products in Greece	9.997.956	5.796.876	9.997.956	5.796.876
Sales of products abroad	<u>2.064.563</u>	<u>1.650.562</u>	<u>1.329.034</u>	<u>1.073.770</u>
TOTAL	<u>12.062.519</u>	<u>7.447.438</u>	<u>11.326.990</u>	<u>6.870.646</u>

The sales abroad represent 17,1% of the total consolidated sales for the current period and 22,2% for the corresponding period of 2021.

7. Other Explanatory Information

7.1 Own-use tangible fixed assets and rights to use leased assets and intangible assets

Own-use tangible fixed assets for the Group and the Company as of 30 June 2022 and 31 December 2021 are analysed as follows:

Account description	Group		Company	
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>
Land	1.947.228	1.947.228	1.947.228	1.947.228
Buildings and technical installations	2.201.562	2.275.546	2.201.562	2.275.546
Transportation	91.762	105.872	91.762	105.872
Furniture and Fixtures	<u>97.239</u>	<u>102.854</u>	<u>85.108</u>	<u>88.446</u>
	<u>4.337.791</u>	<u>4.431.501</u>	<u>4.325.661</u>	<u>4.417.093</u>

The investments of the Company and the Group in fixed equipment during the period from 01.01.2022 to 30.06.2022 amounted to € 308.990 and € 322.010 respectively. The relevant numbers of the last year's period from 01.01.2021 to 30.06.2021 were € 7.416 for the Company and € 22.233 for the Group.

The rights of use leased assets of the Group and the Company on 30 June 2022 and 31 December 2021 are analyzed as follows:

Account description	Group		Company	
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>
Right of use of leased buildings	118.240	137.101	102.887	124.934
Right of used of leased vehicles	<u>63.481</u>	<u>77.686</u>	<u>63.481</u>	<u>77.686</u>
	<u>181.721</u>	<u>214.787</u>	<u>166.368</u>	<u>202.620</u>

There are no encumbrances on the Company's buildings.

The intangible assets of the Company and the Group on 30 June 2022 and 31 December 2021 are analyzed as follows:

Account description	Group		Company	
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>
Software acquisition price	915.185	711.491	915.185	711.491
Software accumulated amortization	<u>-626.030</u>	<u>-593.592</u>	<u>-626.030</u>	<u>-593.592</u>
	<u>289.155</u>	<u>117.900</u>	<u>289.155</u>	<u>117.900</u>

The amortization of the Company and the Group totaled in the period between 1.01.2022 to 30.06.2022 to €265.419 and to €277.533 respectively. The relevant numbers for last year's period (01.01.2021 – 30.06.2021) totaled for the Company to €260.550 and for the Group to €273.662.

7.2 Participations in subsidiaries

Participations in subsidiaries for the Group and the Company on 30 June 2022 and 31 December 2021 are analyzed as follows:

Account description	Group		Company	
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>
AS COMPANY CYPRUS LTD.	0	0	150.000	150.000
AS KIDS TOYS S.R.L	0	0	400.000	400.000
	0	0	550.000	550.000

"AS COMPANY CYPRUS LTD" is governed by and operates under Cypriot Law in the form of a Limited Liability Company. The subsidiary was established in May 2016 with an initial capital of € 150.000, which was 100% covered by the parent company.

"AS KIDS TOYS SRL" is governed by and operates under Romanian Law in the form of a Limited Liability Company. The subsidiary was established in February 2018 with an initial capital of € 400.000, which was 100% covered by the parent company.

The Company reviews annually whether there are any indications of impairment of investments and, if there are indications, performs an impairment test. There are no indications of impairment of investments in subsidiaries.

7.3 Inventories

The Group's and the Company's Inventories on 30 June 2022 and 31 December 2021 are analysed as follows:

Account description	Group		Company	
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>
Merchandise	9.916.253	3.960.905	9.864.208	3.960.534
Less: Provisions for inventory obsolescence	<u>-667.454</u>	<u>-675.532</u>	<u>-667.454</u>	<u>-675.532</u>

Advances for inventory purchases	<u>1.383.591</u>	<u>1.245.556</u>	<u>1.383.591</u>	<u>1.245.556</u>
	<u>10.632.390</u>	<u>4.530.930</u>	<u>10.580.346</u>	<u>4.530.559</u>

Inventory write-down provisions of € 667,454 cover the Company's slow-moving and low marketability inventories. Advances for inventory purchases relate to import orders from abroad.

In order to ensure smooth supply to meet customer orders in the last quarter of 2022, taking into account the economic uncertainty due to geopolitical developments and the energy crisis, the Company made significant inventory purchases.

7.4 Accounts receivables

Accounts receivables for the Group and the Company on 30 June 2022 and 31 December 2021 are analyzed as follows:

Account description	Group		Company	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
Trade debtors	4.171.603	5.399.364	3.372.347	4.840.028
Notes receivable	2.572.422	5.544.396	2.572.422	5.544.396
Cheques receivables	<u>169.194</u>	<u>105.149</u>	<u>169.194</u>	<u>105.149</u>
	<u>6.913.219</u>	<u>11.048.909</u>	<u>6.113.963</u>	<u>10.489.573</u>
Less : Provisions for impairment	<u>-133.334</u>	<u>-133.334</u>	<u>-133.334</u>	<u>-133.334</u>
	<u>6.779.885</u>	<u>10.915.575</u>	<u>5.980.629</u>	<u>10.356.239</u>

The provisions for impairment of accounts receivables of € 133.334 cover all potential losses of the Company from non-collection of doubtful debts. Through an examination of the expected credit damage based on IFRS 9, a small profit occurred, but given the special circumstances in the market, the projection amount of 31.12.2021 remained unchanged.

The Company has assigned receivables of €3,263,746 under a non-recourse factoring agreement and has received a credit of €2,739,982 up to 30 June.

7.5 Investments at fair value through P&L

Investments at fair value through P&L for the Group and the Company on 30.06.2022 and 31.12.2021 are analysed as follows:

	Group		Company	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
Shares listed on the Athens Stock Exchange	495.142	823.698	495.142	823.698
Other investments domestic	1.517.798	1.800.111	1.517.798	1.800.111
Foreign Mutual Funds	912.394	1.297.567	912.394	1.297.567
Other investments abroad – structured products	<u>7.247.787</u>	<u>7.325.798</u>	<u>6.696.870</u>	<u>7.026.893</u>
	<u>10.173.122</u>	<u>11.247.174</u>	<u>9.622.205</u>	<u>10.948.269</u>

The valuation of bonds and securities as of 30.06.2022 amounted to €- 1.513.261 which was charged against the Profit and Loss Account of the First Semester.

Fair value and hierarchy of fair values

The Group and the Company apply the below hierarchy for the measurement and disclosure of the fair value of the assets and liabilities:

- Level 1: Quoted prices (unadjusted) for financial assets that are negotiated in active markets.

- Level 2: Observable data for the asset and liabilities valued, other than quoted prices included within Level 1, such as quoted prices for similar assets, quoted prices in non-active markets or other assets that are either observable or can be supported by observable assets (for example prices that result from observable data), for almost all of the total duration of the financial instrument.
- Level 3: Inputs for the asset and liabilities valued that are not based in observable market data (unobservable data). If for the measurement of fair value, observable data are used which require significant adjustments that are based on unobservable data, the fair value is categorized in Level 3. Level 3 contains financial instruments, whose value is measured by using valuation models, discounted cash flows and similar techniques and products for which the measurement of fair value requires significant judgment or estimation by the Management.

The Group's and the Company's financial instruments are categorized in Level 1, except for Mutual Funds which are categorized in Level 2. As of 1 January 2009, the Group has applied the amendment to IFRS 7 that requires disclosure of financial instruments measured at fair value through the hierarchy of the above levels.

The fair value of the following financial assets and liabilities of the Group and the Company approximates their carrying amounts:

- Other non-current assets
- Receivables from customers
- Other current assets
- Cash and cash equivalents
- Long-term lease liabilities
- Other long-term liabilities
- Accounts payable to suppliers - Short-term borrowings
- Short-term lease liabilities
- Other short-term liabilities

7.6 Cash and cash equivalents

Cash and cash equivalents for the Company and the Group on 30 June 2022 and 31 December 2021 are analyzed as follows:

Account description	Group		Company	
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>
Cash in hand	10.234	10.263	10.234	10.263
Deposits and time deposits	<u>5.888.479</u>	<u>8.150.822</u>	<u>4.016.264</u>	<u>5.576.331</u>
Total	<u>5.898.714</u>	<u>8.161.085</u>	<u>4.026.499</u>	<u>5.586.594</u>

The analysis of cash and cash equivalents by currency is as follows:

Account description	Group		Company	
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>
EUR	5.185.001	7.449.067	3.690.384	5.245.090
Other currencies	<u>713.712</u>	<u>712.018</u>	<u>336.114</u>	<u>341.505</u>
Total	<u>5.898.714</u>	<u>8.161.085</u>	<u>4.026.499</u>	<u>5.586.594</u>

7.7 Share capital

With the decision of 22.12.2020 of the Extraordinary General Meeting of the Company's shareholders, it was decided:

A) the increase of the share capital of the Company by the amount of € 74,509.17 with

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capitalization of the reserve at a premium with an increase of the nominal value of the share by € 0.00568 as the relevant amendment of article 5 of the Company's articles of association on capital. Following the above increase, the share capital of the Company now amounts to € 5,718,697.77 divided into 13,126,020 common registered shares, with a nominal value of € 0.43568 each. The Corporate Operations Committee of the Athens Stock Exchange was informed at its meeting of 04.02.2021 about the increase of the share capital by capitalization of a reserve at a premium.

B) the increase of the share capital of the Company by the amount of € 2,944,475.43 with capitalization of profits of previous years, in accordance with the provisions of article 24 of N.4646 / 2019 as the relevant amendment of article 5 of the Company's articles of association capital. After the above increase, the share capital of the Company now amounts to € 8,663,173.20 divided into 13,126,020 common registered shares, with a nominal value of € 0.66 each. The Corporate Transactions Committee of the Athens Stock Exchange was informed at its meeting of 04.02.2021 on the increase of the share capital by capitalization of profits of previous years, in accordance with the provisions of article 24 of N.4646 / 2019.

7.8 Turnover

Turnover for the Group and the Company on 30 June 2022 and 30 June 2021 is analyzed as:

Account description	Group		Company	
	<u>1.01 to</u> <u>30.06.2022</u>	<u>1.01 to</u> <u>30.06.2021</u>	<u>1.01 to</u> <u>30.06.2022</u>	<u>1.01 to</u> <u>30.06.2021</u>
Domestic wholesales of merchandises	9.961.637	5.757.693	9.961.637	5.757.693
Wholesales of merchandises in EU	1.937.247	1.287.775	1.201.718	710.983
Wholesales of merchandises in Third Countries	127.315	362.787	127.315	362.787
Retail sales of merchandise in Greece	36.305	39.160	36.305	39.160
Sales of other stock and scrap	<u>14</u>	<u>23</u>	<u>14</u>	<u>23</u>
TOTAL	<u>12.062.519</u>	<u>7.447.438</u>	<u>11.326.990</u>	<u>6.870.646</u>

Sales of AS COMPANY Cyprus Ltd and AS KIDS S.R.L come 100% from the wholesales channel and in the table above they have been included in the Wholesales of merchandises in EU.

The turnover of the retail sales represents 0,3% of the Company's total sales as compared to 0,6% of the previous year.

The subsidiaries in Cyprus and Romania are operating in the wholesale trade of toys for kids.

7.9 Administrative expenses

Administrative expenses for the Company and the Group on 30 June 2022 and 30 June 2021 are analyzed as follows:

Account description	Group		Company	
	<u>1.01 to</u> <u>30.06.2022</u>	<u>1.01 to</u> <u>30.06.2021</u>	<u>1.01 to</u> <u>30.06.2022</u>	<u>1.01 to</u> <u>30.06.2021</u>
Personnel expenses	596.966	530.478	559.464	483.429
Third party fees and expenses	338.294	320.536	285.286	276.892
Utilities	102.374	82.510	102.579	78.914
Taxes and duties	31.971	11.257	31.971	10.820
Miscellaneous expenses	133.188	64.944	101.941	62.165
Utilization projections	2.716	3.580	2.716	3.580
Immediate income - expenses	8.394	7.819	7.726	7.729

Depreciations	208.805	209.217	201.652	199.193
	<u>1.422.708</u>	<u>1.230.340</u>	<u>1.293.335</u>	<u>1.122.723</u>

7.10 Distribution expenses

Distribution expenses for the Company and the Group on 30 June 2022 and 30 June 2021 are analyzed as follows:

Account description	<u>Group</u>		<u>Company</u>	
	<u>1.01 to 30.06.2022</u>	<u>1.01 to 30.06.2021</u>	<u>1.01 to 30.06.2022</u>	<u>1.01 to 30.06.2021</u>
Personnel expenses	957.782	823.440	915.241	766.775
Third party fees	555.744	429.984	408.853	347.917
Utilities	72.919	61.009	66.052	49.478
Taxes and duties	29.657	22.698	25.115	22.698
Miscellaneous expenses	585.891	422.773	538.555	405.084
Other operating provisions	7.060	9.308	7.060	9.308
Other income - expenses	0	11.072	0	11.072
Depreciations	66.961	62.490	62.000	59.496
	<u>2.276.015</u>	<u>1.842.774</u>	<u>2.022.877</u>	<u>1.671.828</u>

7.11 Research and development expenses

Research and development expenses for the Company and the Group on 30 June 2022 and 30 June 2021 are analyzed as follows:

Account description	<u>Group</u>		<u>Company</u>	
	<u>1.01 to 30.06.2022</u>	<u>1.01 to 30.06.2021</u>	<u>1.01 to 30.06.2022</u>	<u>1.01 to 30.06.2021</u>
Personnel expenses	81.491	78.005	81.491	78.005
Third party fees	3.984	2.381	3.984	2.381
Miscellaneous expenses	6.167	6.306	6.167	6.306
Utilization projections	1.086	1.432	1.086	1.432
Depreciations	1.767	1.955	1.767	1.861
	<u>94.495</u>	<u>90.078</u>	<u>94.495</u>	<u>89.984</u>

7.12 Other operating income

Other Operating Income for the first half of 2022 mainly relates to the write-off of credit balances of previous years for a total amount of EUR 239,599.

Other Operating Revenue for the first half of 2021 mainly concerns tax refund (ENFIA) for a total amount of EUR 205.843.

7.13 Taxes

The taxes of the year for the Company and the Group on 30 June 2022 and 30 June 2021 are analyzed as follows:

Account description	<u>Group</u>		<u>Company</u>	
	<u>01.01 to 30.06.2022</u>	<u>1.01 to 30.06.2021</u>	<u>1.01 to 30.06.2022</u>	<u>1.01 to 30.06.2021</u>

Income tax for the year	446.069	190.407	386.483	154.882
Deferred taxes recognized in the Profit and Loss Account	<u>-290.207</u>	<u>27.921</u>	<u>-290.207</u>	<u>27.921</u>
	<u>155.862</u>	<u>218.328</u>	<u>96.276</u>	<u>182.803</u>

The tax rate on business profits of legal entities in Greece is 22%. The tax rates in the countries where the Group operates range from 12.5% to 16.0%.

The Company has received tax compliance certificates with a concurring opinion from its auditor for each financial year from 2011 to 2020 in accordance with the Greek tax legislation (2011-2013 in accordance with the provisions of article 82 of Law 2238/1994 and 2014-2020 in accordance with the provisions of article 65A of Law 4174/2013). The Company does not expect any additional taxes and surcharges to arise in the context of the audit by the Greek tax authorities for the years 2016 to 2021. In addition, based on risk analysis criteria, the Greek tax authorities may select the Company for a tax audit as part of their audits of companies that have received tax compliance certificates with the consent of the auditor. The Company has not received any audit mandate from the tax authorities for the fiscal years 2016 to 2020.

It should be noted that on 31.12.2021 the years up to 31.12.2015 are time-barred in accordance with the provisions of paragraph 1 of article 36 of Law 4174/2013.

For the fiscal year 2021, the tax audit for obtaining the tax compliance certificate is in progress and the Management does not expect any material change in the tax liabilities for this fiscal year. The audit is expected to be completed after the publication of the financial statements for this period.

The unaudited tax years of the Group are analyzed as follows:

<u>Company</u>	<u>Headquarters</u>	<u>Unaudited tax years</u>
AS COMPANY S.A.	Greece	2016 - 2021
AS COMPANY CYPRUS LTD.	Cyprus	2016 – 2021
AS KIDS S.R.L.	Romania	2018 - 2021

We estimate that in case of a tax audit of the subsidiaries in Cyprus and Romania, any additional tax liabilities that may arise, will not have any material effect on the Financial Statements.

8. Commitments and contingent liabilities

(a) The commitments of the Company consist of bank-issued letters of credit for proper contract execution.

The subsidiary AS KIDS TOYS S.R.L. concluded a credit line agreement with ALPHA BANK ROMANIA S.A., under the terms of the Romanian Bank System. The Company provided guarantee over the subsidiary by the form of a letter of guarantee issued by ALPHA BANK AE, amounted to € 200.000 to ALPHA BANK ROMANIA S.A.. Until the date of the Financial Statements publication, the credit line has not been used by the subsidiary.

(b) On the 30th of June 2022 the Company and the Group had operational lease agreements regarding the lease of transport means and buildings.

(c) There is a € 500.000 Parent Guarantee in favor of the subsidiary in Cyprus to finance working capital where necessary. The subsidiary in Cyprus did not make any use of borrowed funds in 2022.

(d) There are no court or arbitration disputes of the company, as well as court or arbitrary bodies' decisions that have or may have a significant impact in the financial position or operation of the Company.

Apart from those mentioned above, there are no other important contingent liabilities.

Litigation - Court Cases

(1) The Company maintained against the former customer "KOUKOU SOCIETE ANONYME CHILDREN'S TOYS", a capital claim of € 1,352,782.45. The debtor has been declared bankrupt. Due to currently available data's estimation that the minute assets of the bankruptcy, compared to the verified claims of third parties - including the State and insurance funds - do not support the satisfaction of the Company's claim, the amount of the claim was partially written off in 31.12.2014 according to the law. The Company continues to monitor the bankruptcy process, which is still ongoing.

(2) The Company maintains claims against third parties from the sale of goods, in the context of its normal operation, which it claims in court. Due to the small amount of the claimed amounts in relation to the financial figures of the Company, it is estimated with certainty that their non-collection will not have any material impact on the net position of the Company and the general operation of the Group.

(3) With the lawsuit filed on 23/12/2019 by the Swedish company WABOBA against the Company and the company "Jumbo SA" before the Athens Court of First Instance, the prohibition of the marketing of a specific product that the Company had imported in the past is sought. The lawsuit was heard at first instance and judgment No 949/2022 of the Athens Court of First Instance was delivered, dismissing in its entirety the action brought against the company and Jumbo SA and the additional intervention in favour of Waboba by the Greek company "Go Wireless SA". The judgment will be served in order to allow the time-limit for exercising legal remedies.

9. Related Party Transactions

As related party transactions are considered, pursuant to IAS 24, apart from subsidiaries and affiliated companies, the members of the Management, and the Directors. The revenues and the expenses, the transactions with the members of the Management and the Directors for the period of 1.1.2022 to 30.06.2022 as well as the balances of their receivables and liabilities at 30.06.2022, are as follows:

	Group		Company	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
a) Revenues	1.073.769	503.767	1.073.769	503.767
b) Receivables	697.068	488.891	697.068	488.891
c) Transactions and remuneration of Management members and the Board	608.267	534.318	592.832	485.919

The Revenues and the Receivables of the Company refer to sales and purchases of the Parent with its subsidiaries in Cyprus and Romania, which took place within the first semester of 2022.

The benefits towards members of the Management and the Board of the Company, are as follows:

Group

Company

Remuneration and Transactions of the Directors

	<u>30.06.2022</u>	<u>30.06.2021</u>	30.06.2022	30.06.2021
Short-term provisions to employees				
Salaries	267.157	296.902	267.157	261.938
Social security cost	50.209	67.495	50.209	63.060
Σύνολο	317.366	364.397	317.366	324.998

Remuneration and Transactions of the members of the Board of Directors**Short-term provisions**

Salaries	220.000	146.160	205.000	137.160
Social security cost and stamp	38.391	23.761	37.956	23.761
Other remuneration	32.510	0	32.510	0
Total	290.901	169.921	275.466	160.921

No loans have been provided to members of the Board of Directors or any executives (and their families).

The remuneration of the Management and the executive members of the Board which were paid during the current period consist of the provision of services of depended employee relationship and management contracts, while the non executive members received remuneration due to their capacity as members of the BoD. The Company, in the context of its normal transactions (customs clearance of goods coming from countries outside the EU) and in compliance with the requirements of the Law, cooperates with a customs clearance agent, a non-executive member of the Board of Directors, paying the corresponding service fees. The transactions with related parties are conducted in market terms.

10. Earnings per share after tax

The earnings per share after tax of the Company are calculated after dividing the total comprehensive income after taxes of the period by the weighted average number of shares that were outstanding during the period as follows:

	<u>Group</u>		<u>Company</u>	
	<u>1.01 to</u> <u>30.06.2022</u>	<u>1.01 to</u> <u>30.06.2021</u>	<u>1.01 to</u> <u>30.06.2022</u>	<u>1.01 to</u> <u>30.06.2021</u>
Profits per share after tax				
Profits after tax	534.860	953.717	205.412	740.912
Weighted share average	13.087.119	13.089.352	13.087.119	13.089.352
Basic profits per share	0,0409	0,0729	0,0157	0,0566

11. Potential effects of pandemic COVID-19

Since the beginning of the COVID-19 pandemic, the Group's priorities have been and remain to ensure the protection and safety of its employees and society, uninterrupted business operations and uninterrupted availability of its products on the market.

From the beginning of 2020, when COVID-19 began to spread globally, until today, the Group's management, adopting all hygiene protocols, has developed and implemented a plan to mitigate the potential threat of COVID-19 and ensure business continuity. It implemented strict measures to ensure the health of its employees while implementing and maintaining solutions for the remote working of its employees within the current legal framework.

By continuously monitoring and evaluating all developments, the Company's management has additionally focused on the following main points:

- Safety of Employees, Partners, Customers and IT systems.
- Supply Chain for smooth and timely delivery of orders
- Cost containment of operating costs.

Management believes that there is no material uncertainty as to the Group's and the Company's ability to continue as a going concern.

12. Potential effects of the energy crisis

The global energy crisis that started in 2021 is characterized by the continuing shortage of energy around the world and the rapid increase in energy prices, affecting countries such as the United Kingdom, China and, among others, the European Union. Greece is facing a significant increase in prices for all forms of energy.

The Group is not strongly affected by the energy crisis as energy costs have little impact on its financial results. Nevertheless, the Management is monitoring developments on a daily basis and is ready to take all necessary measures that may be required. The energy crisis may adversely affect the Group's operations or reduce demand for its products.

Either of these developments could have an impact on the 2022 financial results. However, our experience so far in managing the crisis in fiscal 2021 makes us optimistic about achieving the targets set for 2022.

13. Potential effects of the Russian invasion of Ukraine

The Group does not operate in the affected markets, nor does it have a large exposure to commodities that have been affected by the Russian invasion of Ukraine (such as energy or agriculture) and therefore its financials have not been significantly affected for this reason. In any case, because this is an ongoing event, management is monitoring developments and is prepared to take the necessary measures if required by the circumstances.

14. Subsequent events after the first semester of 2022

The Athens Exchange Listing and Market Operation Committee of the Athens Exchange, at its meeting of 12.7.2022, approved the resignation of the company - Member of the Athens Exchange "EUROBANK EQUITIES MONOPROSOPI S.A.", from the capacity of Special Negotiator on the shares of the company "A.S. COMMERCIAL-industrial company H / I & GAMES S.A.". The last day of the Special Negotiation was set at Friday 29 July 2022.

There are no other events after the Financial Statements, which relate, either to the Group or to the Company, to which reference is required by the International Financial Reporting Standards.

Thessaloniki, 22 September 2022

THE PRESIDENT OF THE BOARD OF
DIRECTORS AND CEO

THE VICE PRESIDENT OF THE BOARD OF
DIRECTORS

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ANASTASIA ANDREADOU
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THE CFO

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