



FOURLIS HOLDINGS S.A.

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

GENERAL ELECTRONIC COMMERCIAL REGISTRY NO: 258101000

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

Interim Condensed Financial Statements

for the period

1/1/2019 to 30/6/2019

(TRANSLATED FROM THE GREEK ORIGINAL)

(In accordance with Law 3556/2007)

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Statements of Members of the Board of Directors

(In accordance with article 5 par. 2 L. 3556/ 2007)

The members of the Board of Directors of FOURLIS HOLDINGS SA

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

We confirm that to the best of our knowledge:

- a. The Interim Condensed Financial Statements (Consolidated and Separate) of FOURLIS HOLDINGS SA for the period 1/1/ - 30/6/2019 which have been prepared in accordance with International Financial Reporting Standards (IAS 34), provide a true and fair view of the Assets, Liabilities and Shareholders' Equity along with the income statement of the Company as well as of the companies that are included in the consolidation taken as a whole, in accordance with provisions of paragraphs 3 to 5 of Art. 5 of L. 3556/2007 as it is in force.
- b. The Six-month Report of Board of Directors provides a true and fair view of information required based on paragraph 6 of Article 5 of L. 3556/2007.

Marousi, September 2 2019

The Chairman

The Vice Chairman

The CEO

Vassilis S. Furlis

Dafni A. Furlis

Apostolos D. Petalas

Report of the Board of Directors of the Company FOURLIS HOLDINGS SA for the period 1/1 – 30/6/2019

(In accordance with L. 3556/ 2007)

1. THE GROUP – Business Segments

FOURLIS Group ("Group") consists of the parent Company FOURLIS HOLDINGS S.A. along with its subsidiaries and their subsidiaries is mainly operating in the Retail Trading of Home Furniture and Household Goods and the Retail Trading of Sporting Goods.

The subsidiary companies and their subsidiaries that are included in the consolidated financial statements for the period 1/1-30/6/2019, grouped per segment and country of operation are the following:

a) Full method

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

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

- HOUSEMARKET SA which operates in Greece and the parent company has a direct shareholding of 100%.
- H.M. HOUSEMARKET (CYPRUS) LTD which operates in Cyprus and the parent company has an indirect shareholding of 100%.
- TRADE LOGISTICS S.A. which operates in Greece and the parent company has an indirect shareholding of 100% (except one share). The retail trading of home furniture and household goods segment includes warehousing services provided by the company TRADE LOGISTICS SA.
- RENTIS REAL ESTATE INVESTMENTS SA which operates in Greece and the parent company has an indirect shareholding of 100% (except one share).
- HOUSE MARKET BULGARIA AD which operates in Bulgaria and the parent company has an indirect shareholding of 100% (except one share).
- WYLDES LTD which operates in Cyprus and the parent company has an indirect shareholding of 100%. Through associated companies WYLDES LTD, VYNER LTD and SW SOFIA MALL ENTERPRISES LTD, the Group has a shareholding in the company SOFIA SOUTH RING MALL EAD, which operates one of the biggest malls in Sofia of Bulgaria, as well as all its relative business activities.

Retail Trading of Sporting Goods (INTERSPORT and TAF stores)

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

- INTERSPORT ATHLETICS SA which operates in Greece and the parent company has a direct shareholding of 100%.
- INTERSPORT ATHLETICS (CYPRUS) LTD which operates in Cyprus and the parent company has

an indirect shareholding of 100%.

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

b) Net Equity method

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

- VYNER LTD which operates in Cyprus and the subsidiary company WYLDES LTD has a direct shareholding of 50%.
- SW SOFIA MALL ENTERPRISES LTD which operates in Cyprus, in which WYLDES LTD has a direct shareholding of 50%.

2. FINANCIAL DATA – IMPORTANT FACTS & FIGURES

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

Sales for retail trading of Furniture and Household Goods (IKEA Stores) increased by 1,6% compared to the corresponding period of 2018 while sales of the retail trading of Sporting Goods (INTERSPORT & TAF Stores) increased by 4,4%. More specifically:

The retail trading of Furniture and Household Goods (IKEA Stores) segment, realized sales of € 132,9 million for the 1st semester of 2019 (1st semester of 2018: € 130,8 million). The EBITDA totaled € 12,4 million (€ 8,9 million excluding IFRS 16 impact) compared to € 8,8 million in 2018 and reported profit before tax € 0,7 million (profit € 1,4 million excluding IFRS 16 impact) versus € 1,2 million profit in 2018.

The retail trading of Sporting Goods segment (INTERSPORT and TAF Stores), realized sales of € 74,4 million for the 1st semester of 2019 (1st semester of 2018: € 71,2 million). The segment's EBITDA totaled € 11,5 million (€ 4,9 million excluding IFRS 16 impact) compared to € 4,5 million in 2018.

Consolidated losses before tax amounted to € 1,0 million (profit € 0,6 million excluding IFRS 16 impact) compared to € 0,3 million consolidated profit before tax in 2018. Net losses amounted to € 1,1 million compared to € 0,4 million profit in 2018.

In an effort to present a complete and real view of the Group's performance, we report the consolidated results per segment for the period 1/1 – 30/6/2019 versus 1/1 – 30/6/2018 at the

following tables. Amounts are in thousands of euros.

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

	a' semester 2019	a' semester 2018	2019/2018
Revenue	132.912	130.844	1,02
EBITDA	12.366	8.822	1,40
EBIT	5.103	4.737	1,08
Profit before Tax	688	1.196	0,58

* Comparable EBITDA, EBIT and PBT of a' semester 2019 (without the impact of adoption of IFRS 16 since 1/1/2019) amounts to € 8.937 th., € 4.470 th. and € 1.392 th. respectively for the retail trading of home furniture and household goods segment (IKEA Stores).

Retail Trading of Sporting Goods (INTERSPORT and TAF stores)

	a' semester 2019	a' semester 2018	2019/2018
Revenue	74.378	71.239	1,04
EBITDA	11.450	4.527	2,53
EBIT	2.966	2.021	1,47
Profit before Tax	(947)	(298)	3,18

* Comparable EBITDA, EBIT and PBT of a' semester 2019 (without the impact of adoption of IFRS 16 since 1/1/2019) amounts to € 4.894 th., € 2.242 th. and loss € 54 th. respectively for the retail trading of sporting goods segment (INTERSPORT and TAF stores).

Group Consolidated:

	a' semester 2019	a' semester 2018	2019/2018
Revenue	207.279	202.088	1,03
EBITDA	23.225	12.796	1,82
EBIT	7.301	6.122	1,19
Profit/(Loss) before Tax	(1.045)	267	-
Net Profit After Tax and Minority Interests	(1.090)	383	-

* Comparable EBITDA, EBIT and PBT of a' semester 2019 (without the impact of adoption of IFRS 16 since 1/1/2019) amounts to € 13.143 th., € 5.936 th. and profit € 559 th. respectively for the Group.

We note that on a consolidated basis the Group's Total Equity (after minority interest) at June 30, 2019 amounts to € 166,8 million versus an amount of € 173,7 million of year end 2018.

3. Basic Financial Indicators (Consolidated)

Below please find basic Indicators for the Group Financial Structure and Performance & Efficiency according to the consolidated financial statements included in the Condensed Financial Statements of the Group.

Financial Structure Indicators:

	30/6/2019	31/12/2018
Total Current assets / Total Assets	26,06%	34,12%
Total Liabilities / Total SHAREHOLDERS EQUITY & LIABILITIES	68,88%	59,04%
Total Shareholders Equity / Total SHAREHOLDERS EQUITY & LIABILITIES	31,12%	40,96%
Total Current assets / Total Current Liabilities	105,96%	113,96%

* Comparable Total Current Assets / Total Assets on 30/6/2019 (without the impact of adoption of IFRS 16 since 1/1/2019) is 33,32%. The comparable Total Liabilities / Total SHAREHOLDERS EQUITY & LIABILITIES is 53,93%, the comparable Total Shareholders Equity / Total SHAREHOLDERS EQUITY & LIABILITIES is 40,07% and comparable Total Current assets / Total Current Liabilities is 119,16%.

Performance & Efficiency basic Indicators:

	a' semester 2019	a' semester 2018
Operating Profit / Revenue	3,52%	3,03%
Profit/(Loss) before Tax / Total Shareholders Equity	(0,63%)	0,17%

* Comparable Operating Profit / Revenue and Profit /(Loss) before Tax / Total Shareholders Equity of a' semester 2019 (without the impact of adoption of IFRS 16 since 1/1/2019) is 2,86% and 0,33% respectively.

4. Operating Performance – Important developments:

During the period 1/1 – 30/6/2019 the following share capital changes were realized:

- **FOURLIS HOLDINGS S.A.:** Following the resolutions of 14/6/2019 of the General Assembly of the shareholders of the Company (relevant minutes of the G.A. with number 23/14.06.2019), the share capital of the company a) decreased by the amount of € 5.180.731,40 with decrease of the nominal value of each share by the amount of € 0,10 and corresponding capital return to shareholders.

The aforementioned change was registered to the General Electronic Commercial Registry (GECR)

on 3/7/2019 (Code Registration Number 1782688), with the relevant 1580186/03.07.2019 announcement issued by the Minister of Finance and Development.

Following the aforementioned changes, the share capital of the Company amounts to € 41.963.924,34 divided into 51.807.314 shares of nominal value € 0,81 per share, totally paid.

- **RENTIS S.A.:** Following the resolutions of 30/4/2019 of the General Assembly of the shareholders of the Company (relevant minutes of the G.A. with number 42/30.4.2019), the share capital of the company increased by the amount of € 8.000.000 by issuing 8.000.000 new common nominal vote shares of nominal value € 1,00 per share. The share capital increase was totally covered by the shareholder H.M. HOUSEMARKET (CYPRUS) LIMITED.

The aforementioned change was registered to the General Electronic Commercial Registry (GECR) on 12/6/2019 (Code Registration Number 1763876), with the relevant 1550823/12.06.2019 announcement issued by GECR service of Athens Chamber of Commerce and Industry.

Following the aforementioned changes, the share capital of the Company amounts to € 25.810.000,00 divided into 25.810.000 shares of nominal value € 1,00 per share, totally paid.

- **GENCO BULGARIA FOOD:** Following the resolution of the General Assembly of the shareholders of the company on 13/5/2019, the share capital of the company increased by the amount of BGN 645.000,00 by issuing 64.500 new common nominal vote shares, of nominal value BGN 10,00 each. The share capital increase was totally covered by the shareholder INTERSPORT ATHLETICS S.A. following the resolution of 6/5/2019 of its Board of Directors and was registered in the relevant commercial register on 23/5/2019. After the aforementioned increase, the share capital amounts to BGN 15.600.170,00 divided into 1.560.017 shares of nominal value BGN 10,00 per share.
- **INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş.:** Following the resolution of 20/6/2019 of the General Assembly of the shareholders of the company, the share capital of the company increased by the amount of TL 12.000.000,00 through cash payment, by issuing 75.000.000 new common nominal shares, of nominal value TL 0,16 per share. The share capital increase was totally covered by the shareholder INTERSPORT ATHLETICS S.A.
- **WYLDES LTD:** The BoD of the shareholder HOUSEMARKET S.A. decided, on 6/5/2019, to proceed to the payment of the amount € 30,00 for acquiring 30 issued common nominal vote shares of nominal value €1,00 per share, plus the amount of € 299.970,00 share premium namely the payment of the total amount of € 300.000,00.

It is noted that, with a resolution still pending until today regarding the aforementioned share capital increase by the BoD of WYLDES LTD, the share capital of the company still amounts to € 7.004,00 divided into 7.004 common (ordinary) nominal vote shares of nominal value € 1,00 per share.

Moreover, WYLDES LTD has an indirect shareholding of 50% in the company SOFIA SOUTH RING

MALL EAD which exploits the mall owned by Sofia Ring Mall and all funds invested aim to the development and optimization of the mall's operation.

- **VYNER LTD:** On 3/6/2019 the shareholder WYLDES LTD paid, against future share capital increase, the amount of € 20,00 for acquiring 20 issued common nominal vote shares of nominal value € 1,00 per share, plus the amount of € 19.980,00 share premium, namely the payment of the total amount of € 20.000,00.

It is noted that until today a resolution is pending for the aforementioned share capital increase by the BoD of WYLDES LTD and its share capital still amounts to € 10.176,00 divided into 10.176 common (ordinary) nominal vote shares, of nominal value €1,00 per share, of which the subsidiary WYLDES LTD owns 5.087 shares.

It is noted that VYNER LTD, through the associated company SOFIA SOUTH RING MALL EAD (www.sofiaring.bg), operates and exploits the mall of its ownership, Sofia Ring Mall. The dynamically growing mall of surface 68.250 sqm which was constructed by the company, started its operation on 6 November 2014. Geographically, it is located 10 km southeast of Sofia in one of the most developing regions of Bulgaria's capital, while it is adjacent to the only IKEA Store in Sofia of the subsidiary of the Group HOUSE MARKET BULGARIA EAD.

- **SW SOFIA MALL ENTERPRISES LIMITED:** Following the resolutions of 3/6/2019 and 11/6/2019 of shareholder WYLDES LTD, the latter paid, against future share capital increase, the total amount of € 250,00 for acquiring 250 issued common nominal vote shares of nominal value €1,00 per share, plus the amount of € 249.750,00 share premium, namely the payment of the total amount of € 250.000,00.

It is noted that, with a resolution still pending until today regarding the aforementioned share capital increase by the BoD of SW SOFIA MALL ENTERPRISES LIMITED, the share capital of the company still amounts to € 8.230,00 divided into 8.230 common (ordinary) nominal vote shares of nominal value € 1,00 per share, of which the subsidiary WYLDES LTD owns 4.115 shares.

Apart from the above, no other changes in the share capital of the companies of the Group were made within the 1st semester of 2019.

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

The subsidiaries and especially the retail trading companies have developed and continue to develop a significant chain of stores in Greece and abroad.

Retail Trading of Home Furniture and Household Goods (IKEA stores): The segment currently operates seven (7) IKEA Stores, five (5) of which in Greece, one (1) in Cyprus and one (1) in Bulgaria. Moreover, six (6) Pick up & Order Points with IKEA products are operating in Greece in Rhodes Island, Patras, Chania, Heraklion and Komotini, while on 27/6/2019 one (1) new Pick up & Order Point started operating in Kalamata, three (3) in Bulgaria in Varna, Burgas and Plovdiv. Moreover, three (3) e-commerce Stores are operating in Greece, Cyprus and Bulgaria.

Retail trading of sporting goods (INTERSPORT and TAF stores): The segment currently operates one hundred and eighteen (118) INTERSPORT Stores [fifty (50) in Greece, thirty one (31) in Romania, eight (8) in Bulgaria, five (5) in Cyprus and twenty four (24) in Turkey]. INTERSPORT stores added to the network during period 1/1 - 30/6/2019: one (1) new store in Romania, city of Sibiu (14/2/2019). Moreover, e-commerce Stores are operating in Greece, Romania, Cyprus and Bulgaria. TAF stores operating on 30/6/2019 are fifteen (15), thirteen (13) of which in Greece and two (2) in Turkey. The new TAF Store which was added to the network on 18/4/2019 is in Volos.

5. Information about Group's plan of development (2nd semester 2019)

The Group continues to implement its investing program emphasizing in the retail trading of sporting goods segment (INTERSPORT and TAF Stores) where it is considered that there are expansion possibilities under the current conditions. Within the second semester of 2019, three (3) new INTERSPORT and TAF Stores are expected to be added to the segment, while one (1) Store is expected to terminate its operation in Turkey. The stores chain of the segment at the end of 2019, is expected to have one hundred and twenty (120) stores in all countries (Greece, Romania, Bulgaria, Cyprus and Turkey) where the segment operates, a fact which will strengthen its presence and revenues within the second semester of 2019 compared to the first semester.

The home furniture and household goods segment, which operates seven (7) IKEA Stores, nine (9) Pick up & Order Points in all countries where the Group operates (Greece, Cyprus and Bulgaria) as well as e-commerce Stores in all aforementioned countries, is expected to contribute with increased revenues within the second semester of 2019 compared to the first semester. Moreover, a new Pick Up & Order Point in Cyprus (Limassol) is expected to start operating within the second semester of 2019.

The Group continues the exploitation of new investment opportunities which are linked with the approval from HCMC for the granting of license for the company under formation "TRADE ESTATES REAL ESTATES INVESTMENT COMPANY" for its operation as a) a Real Estate Investment Company according to the provisions of L. 2778/1999 and b) an internally managed Alternative Investments Fund Manager ("AIFM") according to the provisions of L. 4209/2013. Under the same context, the actions of the Group are integrated for the establishment of companies operating in real estate in Cyprus and Bulgaria.

The Management of the Group expects that the second semester will have a higher financial performance regarding financial results compared to the first semester, due to historically increased revenues within the second semester, strong competitive position of retail companies of the Group but also due to balanced expansion of its activities and therefore its income. These estimations regarding the improvement of financial data of the Group within the second semester of 2019, are directly depended on the financial and political conditions especially in Greece, from where the biggest part of its revenues arises (59,2% 1st semester 2019), where the reforms implementation speed is the criteria for the attraction of investments and consumption increase.

The aim of the Group towards the exploitation of synergies within the Group will continue for the 2nd semester of 2019. "Integrity", "Respect" and "Efficiency" – continue to compose major comparative advantages through which the Group aims to achieve its goals.

6. Stock Option Plan

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

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

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

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

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

Moreover, the underlying price of shares to which the options established by the Ordinary General Assembly of shareholders of the Company on 16/6/2017 reflect, had been initially determined at the amount of € 5,87 per share, which was the closing stock price of the share. Due to corporate events

(capital return by cash payment), the historical closing price of the share was readjusted and formed at the amount of € 5,77 per share (following the resolution of the BoD on 20/11/2017). Following the resolution of the Ordinary General Assembly on 15/6/2018, there was a change at the historical price of the share, as a result of corporate action related to the decrease of the Company's share capital with decrease of the nominal value of the share by the amount of € 0,10 and capital return to shareholders. Therefore, the historical price now amounts to € 5,67.

During the period 1/1 – 30/6/2019, no option that was granted based on the first, second and third wave of the SOP of 27/9/2013 and the first and second wave of SOP of 16/6/2017, was exercised.

7. Fourlis Group – Major Threats & Uncertainties

a) Financial Risk Management

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

Foreign Exchange Risk:

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

Interest rate risk/liquidity:

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

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

b) Legal Issues

There are no litigations or legal issues that might have a material impact on the Interim Condensed Financial Statements of the Group or Company for the period 1/1 - 30/6/2019.

8. Social Responsibility

By focusing on our Values, *Integrity, Respect, Efficiency*, during the first half of 2019 at FOURLIS Group we continued to contribute to the UN Sustainable Development Goals which are the guidelines for our strategy and implementation of new innovative actions that meet the most important challenges of our time for sustainable development and prosperity.

At the same time we continued to participate in UN GLOBAL COMPACT and to commit to ensuring and maintaining its ten (10) Principles regarding Human Rights, Working Conditions, Protection of the Environment and Anti-Corruption.

In this context we implemented a number of actions aiming to support the Group's employees and the society as well as to protect the environment. Some of the most important of them are presented below.

Aiming to the support of the Group's employees, the Corporate Social Responsibility Department continued the EF ZIN (Wellbeing) program, a wellness program implemented since 2010, aiming to motivate employees towards a healthier lifestyle. Some of the actions that the program included during the first half of 2019 are the following:

- The new MEDITERRANEAN DIET program, in the context of which the Group's employees in Greece, Cyprus and Bulgaria:
 - Participated in speeches for the Mediterranean Diet and the importance of adopting it in their everyday lives
 - Participated in a free fat measurement examination
 - Receive a monthly informative poster as well as a daily menu based on the Mediterranean Diet model
- The Group's Scholarships program which gives the opportunity to employees' children in Greece and Cyprus, who study away from their permanent place of residence and whose families are experiencing financial difficulties, to continue their studies.
- The FOURLIS Group Lending Library, a new action for the Group employees in Greece, which was inaugurated in June. In the context of this action lending libraries can be found at several Group companies' premises.

Some of the actions implemented by FOURLIS Group for the support of the society are:

- A voluntary blood donation organized at the Group companies' premises in Greece, and Cyprus.
- The FURNISHED WITH JOY program in the context of which, since 2013, HOUSEMARKET S.A. (IKEA) undertakes the full refurbishment of municipal nursery schools and kindergartens in Greece, in cooperation with the municipal authorities. Since the beginning of 2019 four schools have already been refurbished.
- A cooperation with the Non-Profit Organization BOROUME, in the context of which HOUSEMARKET S.A. (IKEA) daily offers the meals not consumed at its stores' restaurants in Greece as well as at FOURLIS Group Headquarters, to people in need. A relevant action was also implemented by IKEA Cyprus store in cooperation with the Cyprus Red Cross Society.
- Support to the work of Foundations and Organizations, either by donating products or by providing discounts for the purchase of products from IKEA and INTERSPORT stores.
- The Volunteering Day for FOURLIS Group employees in Greece, a new action in the context of

which employees in Attica, Thessaloniki, Larisa and Ioannina prepared, together with their families, crafts which were offered to organizations for the support of their Easter bazaars.

Regarding the protection of the environment, FOURLIS Group continued to implement programs and actions that are not limited to those dictated by the environmental legislation, taking initiatives that highlight the environmental awareness as a special value for the Group. Typical such examples are:

- the interventions aimed at improving the energy efficiency of the companies' premises
- the natural resources conservation and recycling programs
- the operation of a photovoltaic system for producing electricity at TRADE LOGISTICS S.A. as well as the calculation of the carbon emissions for the entirety of its operations
- the promotion of environmentally friendly products
- the actions for raising employees' and customers' awareness regarding the protection of the environment and the adoption of a responsible way of life

FOURLIS Group also supports, through ELLINIKI ETAIRIA-Society for the Environment and Cultural Heritage, the "LIFE-IP AdaptInGr-Boosting the implementation of adaptation policy across Greece" project which aspires to strengthen the implementation of the National Strategy and Regional Plan for the Adaptation to Climate Change according to Law 4414/2016 (A'149) during the current 1st cycle of adaptation to climate change (2016-2020) and to prepare the transition to the 2nd policy cycle for the adaptation (2026+).

In June 2019 the Social Responsibility Department issued the 10th Social Responsibility and Sustainable Development Report, which includes information on the Group's management and its sustainable development performance and covers the period from January 1st, 2018 to December 31, 2018. The Report is available on www.fourlis.gr.

9. Related parties transactions

Related parties transactions are analyzed in Note 20 of the Interim Condensed Financial Statements of the period 1/1 – 30/6/2019.

10. Human Recourses of the Group

The total number of employees of the Group as at 30, June 2019 and 30, June 2018 was 4.059 and 3.961 respectively. The total number of employees of the Company for the same reporting periods set above was at 99 and 91 respectively.

11. Management members' transactions and remuneration

Transactions and fees with the management members are analyzed in Note 20 of the Interim Condensed Financial Statements of the period 1/1 – 30/6/2019.

12. Treasury shares

On 30/6/2019, the Company does not hold treasury shares but a share buyback program is in force following the resolution of the General Assembly of 14/6/2019. Specifically, for the acquisition of its treasury shares, the following terms and conditions apply: a) the maximum number of shares which can be acquired amounts to 2.590.365 shares (5% of paid up share capital), b) the approval of General Assembly applies for 24 months and c) the minimum acquisition cost is defined at € 1,00 per share and maximum acquisition cost is defined at € 8,00 per share.

13. Subsequent events

There are no other commitments and subsequent events that can affect the financial condition and results of the Group, besides those mentioned in Note 11 regarding the capital return to the Company's shareholders.

This Report, the Interim Condensed Financial Statements of the 1st semester of 2019, the Notes on the Interim Condensed Financial Statements along with the Auditor's Report, are published at the Group's web site, address: <http://www.fourlis.gr>.

Marousi, September 2 2019

The Board of Directors

The Interim Condensed Financial Statements (consolidated and separate) of the period 1/1 – 30/6/2019 included in pages 19 to 49 are in accordance with the IFRS (IAS 34) as applied in the European Union and approved by the Board of Directors on 2/9/2019 and are signed by the following:

Chairman of the Board of Directors

CEO

Vassilis St. Fourlis

ID No. S – 700173

Apostolos D. Petalas

ID No. AK - 021139

Finance Manager Controlling & Planning

Chief Accountant

Maria I. Theodoulidou

ID No. T - 134715

Sotirios I. Mitrou

ID No. AI – 557890

Ch. Acct. Lic. No. 30609 A Class

THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

To the Shareholders of “FOURLIS HOLDINGS S.A.”

Introduction

We have reviewed the accompanying interim condensed separate and consolidated statement of financial position of “FOURLIS HOLDINGS S.A.” (the “Company”) as at 30 June 2019, and the related interim condensed separate and consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that comprise the interim condensed financial information, which is an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and apply to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 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 may 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 interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on other legal requirements

Our review has not identified any inconsistency or error in the declarations of the members of Board of Directors and the information contained in the six-month Board of Director’s report prepared in accordance with article 5 and 5a of Law 3556/2007, compared to the accompanying interim condensed financial information.

Athens, 2 September 2019

The Certified Auditor Accountant

Sofia Kalomenides
S.O.E.L. R.N. 13301
ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
Chimarras 8B,
151 25 Maroussi
SOEL REG. No. 107

**Interim Condensed Statement of Financial Position (Consolidated and Separate)
as at June 30, 2019 and at December 31, 2018**

(In thousands of Euro, unless otherwise stated)

	Note	Group		Company	
		30/6/2019	31/12/2018	30/6/2019	31/12/2018
Assets					
Non-current Assets					
Property plant and equipment	7	209.087	209.624	180	191
Right of use assets	8	116.316	0	1.524	0
Investment Property	9	24.001	23.993	0	0
Intangible Assets	10	8.656	9.023	229	241
Investments		28.996	28.246	80.455	80.328
Long Term receivables		4.621	4.699	47	47
Deferred Taxes		4.557	3.837	628	637
Total non-current assets		396.234	279.423	83.064	81.444
Current assets					
Inventory		89.587	83.864	0	0
Income tax receivable		1.269	1.333	856	910
Trade receivables		2.651	2.541	2.302	1.980
Other receivables		16.540	17.130	5.484	5.017
Cash & cash equivalent		29.638	39.854	213	1.525
Total current assets		139.684	144.722	8.856	9.432
Total Assets		535.918	424.145	91.919	90.875
SHAREHOLDERS EQUITY & LIABILITIES					
Shareholders equity					
Share Capital	11	41.964	47.145	41.964	47.145
Share premium reserve		13.356	13.445	13.956	13.958
Reserves		28.901	29.520	15.946	15.778
Retained earnings		82.544	83.634	11.392	12.151
Total shareholders equity (a)		166.766	173.745	83.259	89.032
Non controlling interest (b)		0	0	0	0
Total Equity (c)=(a)+(b)		166.766	173.745	83.259	89.032
LIABILITIES					
Non Current Liabilities					
Non - current loans	14	123.915	113.365	0	0
Lease liabilities	15	103.414	409	1.274	0
Employee retirement benefits		4.965	4.736	536	515
Deferred Taxes		156	150	0	0
Other non-current liabilities		4.879	4.751	23	23
Total non current Liabilities		237.329	123.410	1.833	539
Current Liabilities					
Short term loans for working capital	14	20.883	11.387	0	0
Current portion of non-current loans and borrowings	14	10.112	9.117	0	0
Short term portion of long term lease liabilities	15	15.197	586	265	0
Income Tax Payable		926	158	20	20
Accounts payable and other current liabilities		84.705	105.743	6.542	1.285
Total current Liabilities		131.823	126.991	6.827	1.305
Total liabilities (d)		369.152	250.400	8.660	1.844
Total Equity & Liabilities (c) + (d)		535.918	424.145	91.919	90.875

The accompanying notes on pages 27 to 49 are an integral part of the Interim Condensed Financial Statements.

Interim Condensed Income Statement (Consolidated) for the period
1/1 to 30/6/2019 and 1/1 to 30/6/2018
(In thousands of Euro, unless otherwise stated)

		Group	
	Note	1/1 - 30/6/2019	1/1 - 30/6/2018
Revenue	6	207.279	202.088
Cost of Goods Sold	6	(117.521)	(115.694)
Gross Profit		89.758	86.394
Other operating income	6	3.671	3.789
Distribution expenses	6	(74.071)	(72.856)
Administrative expenses	6	(11.362)	(10.607)
Other operating expenses	6	(695)	(598)
Operating Profit		7.301	6.122
Total finance cost	6	(9.083)	(6.213)
Total finance income	6	240	299
Contribution associate companies earnings / losses	6	497	59
Profit/(Loss) before Tax		(1.045)	267
Income tax	16	(45)	116
Net Profit /(Loss) (A)		(1.090)	383
Attributable to :			
Equity holders of the parent		(1.090)	383
Net Profit /(Loss) (A)		(1.090)	383
Basic Earnings / (Losses) per Share (in Euro)	17	(0,0210)	0,0074
Diluted Earnings / (Losses) per Share (in Euro)	17	(0,0210)	0,0073

Revenue is meant as income from contacts with customers

The accompanying notes on pages 27 to 49 are an integral part of the Interim Condensed Financial Statements.

Interim Condensed Statement of Comprehensive Income (Consolidated) for the period 1/1 to 30/6/2019 and 1/1 to 30/6/2018

(In thousands of Euro, unless otherwise stated)

	Group		
	Note	1/1 - 30/6/2019	1/1 - 30/6/2018
Net Profit /(Loss) (A)		(1.090)	383
Other comprehensive income/(loss)			
Other comprehensive income transferred to the income statement			
Foreign currency translation from foreign operations		(603)	(814)
Effective portion of changes in fair value of cash flow hedges		(183)	(48)
Total Other comprehensive income transferred to the income statement		(787)	(862)
Comprehensive Income/Losses after Tax (B)		(787)	(862)
Total Comprehensive Income/(Losses) after tax (A) + (B)		(1.877)	(479)
Attributable to:			
Equity holders of the parent		(1.877)	(479)
Total Comprehensive Income/(Losses) after tax (A) + (B)		(1.877)	(479)

The accompanying notes on pages 27 to 49 are an integral part of the Interim Condensed Financial Statements.

Interim Condensed Income Statement (Separate) for the period
1/1 to 30/6/2019 and 1/1 to 30/6/2018
(In thousands of Euro, unless otherwise stated)

	Note	Company	
		1/1 - 30/6/2019	1/1 - 30/6/2018
Revenue	6	2.212	2.144
Cost of Goods Sold	6	(2.153)	(1.911)
Gross Profit		59	233
Other operating income	6	683	706
Administrative expenses	6	(1.185)	(1.468)
Depreciation/Amortisation (Administration)		(187)	(30)
Other operating expenses	6	(86)	(24)
Operating Loss		(715)	(584)
Total finance cost	6	(35)	(1)
Total finance income	6	0	7
Loss before Tax		(750)	(579)
Income tax	16	(8)	(0)
Loss (A)		(759)	(579)

Revenue is meant as income from contacts with customers

The accompanying notes on pages 27 to 49 are an integral part of the Interim Condensed Financial Statements.

Interim Condensed Statement of Comprehensive Income (Separate) for the period 1/1 to 30/6/2019 and 1/1 to 30/6/2018

(In thousands of Euro, unless otherwise stated)

	Note	Company	
		1/1 - 30/6/2019	1/1 - 30/6/2018
Net Profit /(Loss) (A)		(759)	(579)
Other comprehensive income/(loss)			
Other comprehensive income not transferred to the income statement			
Total other comprehensive income not transferred to the income statement		(0)	(0)
Comprehensive income/(losses) after Tax (B)		(0)	(0)
Total comprehensive income/(losses) after tax (A) + (B)		(759)	(579)
Attributable to :			
Equity holders of the parent		(759)	(579)
Total comprehensive income/(losses) after Tax (A) + (B)		(759)	(579)

The accompanying notes on pages 27 to 49 are an integral part of the Interim Condensed Financial Statements.

Interim Condensed Statement of Changes in Equity (Consolidated)
for the period 1/1 to 30/6/2019 and 1/1 to 30/6/2018

(In thousands of Euro, unless otherwise stated)

Note	Share Capital	Share premium reserves	Reserves	Revaluation Reserves	Foreign exchange diff. from Statement of Financial Position transl. reserves	Retained earnings / (Accumulated losses)	Total (a)	Non controlling interest (b)	Total Equity (c)=(a)+(b)
Balance at 1.1.2018	50.094	13.057	37.494	722	(7.265)	73.766	167.869	0	167.869
Effect of adoption of new accounting standards	0	0	0	0	0	(2.247)	(2.247)	0	(2.247)
Balance at 1.1.2018 (Restated)	50.094	13.057	37.494	722	(7.265)	71.519	165.622	0	165.622
Total comprehensive income/(loss) for the period									
Profit	0	0	0	0	0	383	383	0	383
Foreign currency translation from foreign operations	0	0	0	0	(814)	0	(814)	0	(814)
Effective portion of changes in fair value of cash flow hedges	0	0	(48)	0	0	0	(48)	0	(48)
Total comprehensive income/(loss)	0	0	(48)	0	(814)	0	(862)	0	(862)
Total comprehensive income/(loss) after taxes	0	0	(48)	0	(814)	383	(479)	0	(479)
Transactions with shareholders recorded directly in equity									
Share Capital Increase	2.066	0	0	0	0	(2.066)	0	0	0
SOP Reserve	0	0	144	0	0	0	144	0	144
Reserves	0	0	57	0	0	(57)	0	0	0
Share Capital Reduction	(5.164)	0	0	0	0	(0)	(5.164)	0	(5.164)
Total transactions with shareholders	(3.099)	0	201	0	0	(2.123)	(5.020)	0	(5.020)
Balance at 30.6.2018	46.996	13.057	37.647	722	(8.079)	69.780	160.122	0	160.122
Balance at 1.1.2019	47.145	13.445	37.991	722	(9.193)	83.634	173.745	0	173.745
Total comprehensive income/(loss) for the period									
Profit /(Loss)	0	0	0	0	0	(1.090)	(1.090)	0	(1.090)
Foreign exchange differences	0	0	0	0	(603)	0	(603)	0	(603)
Effective portion of changes in fair value of cash flow hedges	0	0	(183)	0	0	0	(183)	0	(183)
Total comprehensive income/(loss)	0	0	(183)	0	(603)	0	(787)	0	(787)
Total comprehensive income/(loss) after taxes	0	0	(183)	0	(603)	(1.090)	(1.877)	0	(1.877)
Transactions with shareholders, recorded directly in equity									
SOP Reserve	0	0	168	0	0	0	168	0	168
Net Income directly booked in the statement movement in Equity	0	(89)	0	0	0	0	(89)	0	(89)
Share Capital Reduction	11 (5.181)	0	0	0	0	0	(5.181)	0	(5.181)
Total transactions with shareholders	(5.181)	(89)	168	0	0	0	(5.102)	0	(5.102)
Balance at 30.6.2019	41.964	13.356	37.976	722	(9.797)	82.544	166.766	0	166.766

The accompanying notes on pages 27 to 49 are an integral part of the Interim Condensed Financial Statements.

Interim Condensed Statement of Changes in Equity (Separate)
for the period 1/1 to 30/6/2019 and 1/1 to 30/6/2018

(In thousands of Euro, unless otherwise stated)

	Note	Share Capital	Share premium reserves	Reserves	Retained earnings / (Accumulated losses)	Total Equity
Balance at 1.1.2018		50.094	13.570	15.406	10.781	89.851
Total comprehensive income/(loss) for the period						
Profit /(Loss)		0	0	0	(579)	(579)
Total comprehensive income/(loss) after taxes		0	0	0	(579)	(579)
Transactions with shareholders recorded directly in equity						
Share Capital Increase		2.066	0	0	(2.066)	0
SOP Reserve		0	0	144	0	144
Share Capital Reduction		(5.164)	0	0	0	(5.164)
Total transactions with shareholders		(3.099)	0	144	(2.066)	(5.020)
Balance at 30.6.2018		46.996	13.570	15.550	8.136	84.251
Balance at 1.1.2019		47.145	13.958	15.778	12.151	89.032
Total comprehensive income/(loss) for the period						
Profit /(Loss)		0	0	0	(759)	(759)
Total comprehensive income/(loss) after taxes		0	0	0	(759)	(759)
Transactions with shareholders, recorded directly in equity						
SOP Reserve		0	0	168	0	168
Net Income directly booked in the statement movement in Equity		0	(1)	0	0	(1)
Share Capital Reduction	11	(5.181)	0	0	0	(5.181)
Total transactions with shareholders		(5.181)	(1)	168	0	(5.014)
Balance at 30.6.2019		41.964	13.956	15.946	11.392	83.259

The accompanying notes on pages 27 to 49 are an integral part of the Interim Condensed Financial Statements.

**Interim Condensed Statement of Cash Flows (Consolidated and Separate)
for the period 1/1 to 30/6/2019 and 1/1 to 30/6/2018**

(In thousands of Euro, unless otherwise stated)

Note	Group		Company	
	1/1 - 30/6/2019	1/1 - 30/6/2018	1/1 - 30/6/2019	1/1 - 30/6/2018
Operating Activities				
(Loss)/Profit before taxes	(1.045)	267	(750)	(579)
Adjustments for				
Depreciation / Amortization	15.923	6.674	187	30
Income on depreciation in fixed subsidy	(75)	(75)	0	0
Provisions	459	377	190	50
Foreign exchange differences	388	205	1	0
Results (Income, expenses, profit and loss) from investment activity	(28)	(50)	0	(7)
Interest Expense	8.534	5.709	35	1
Plus/less adj for changes in working capital related to the operating activities				
Decrease / (increase) in inventory	(6.348)	(8.304)	0	0
Decrease / (increase) in trade and other receivables	52	7.604	(737)	(220)
(Decrease) / increase in liabilities (excluding banks)	(26.382)	(6.303)	(53)	154
Less				
Interest paid	(5.785)	(5.840)	(2)	(1)
Income taxes paid	(31)	(81)	(0)	(0)
Net cash generated from operations (a)	(14.337)	182	(1.130)	(571)
Investing Activities				
Purchase or Share capital increase of subsidiaries and related companies	(0)	(5.200)	0	0
Purchase of tangible and intangible fixed assets	(6.676)	(4.009)	(23)	(72)
Proceeds from disposal of tangible and intangible assets	62	18	0	0
Addition of other investments	(8)	(341)	0	0
Interest Received	41	53	0	7
Total inflow / (outflow) from investing activities (b)	(6.581)	(9.479)	(23)	(65)
Financing Activities				
Proceeds from issued loans	42.678	12.059	0	0
Repayment of loans	(21.525)	(8.591)	0	0
Repayment of leasing liabilities	(10.382)	(275)	(158)	0
Total inflow / (outflow) from financing activities (c)	10.772	3.193	(158)	0
Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)	(10.147)	(6.104)	(1.312)	(636)
Cash and cash equivalents at the beginning of the period	39.854	36.603	1.525	2.843
Effect of exchange equivalents at the beginning of the period	(70)	(33)	0	0
Closing balance, cash and cash equivalents	29.638	30.466	213	2.207

The accompanying notes on pages 27 to 49 are an integral part of the Interim Condensed Financial Statements.

Notes to the Interim Condensed Financial Statements (Consolidated and Separate) as at June 30, 2019**1. Corporate information****1.1 General Information**

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

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

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

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

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

1. Vassilis St. Furlis, Chairman, executive member
2. Dafni A. Furlis, Vice Chairman, executive member
3. Eftihios Th. Vassilakis, Independent Vice Chairman, independent non executive member
4. Apostolos D. Petalas, CEO, executive member
5. Lyda St. Furlis, Director, executive member
6. Ioannis Ev. Brebos, Director, non executive member, member of the Audit Committee
7. Ioannis Ath. Kostopoulos, Director, independent non executive member, Chairman of the Audit Committee
8. Pavlos K. Triposkiadis, Director, independent non executive member
9. David A. Watson, Director, independent non executive member, member of the Audit Committee

The total number of employees of the Group as at the end of June 2019 and June 2018 was 4.059 and 3.961 respectively, while the total number of employees of the Company was 99 and 91 respectively.

1.2 Activities

The Company's activities are the investment in domestic and foreign companies of all types, regardless

their objectives and type.

The Company FOURLIS HOLDINGS SA also provides general administration financial management and information technology services. The centralization of Group support services for the Group Companies in Greece, mainly in the areas of IT, HR, financial planning and controlling, treasury and social responsibility was implemented, aiming to gain benefits from synergies and to organize central coordination of decision making and implementing. Centralized services are provided according to arm's length principle from FOURLIS HOLDINGS S.A. to the Group companies.

The Financial Statements include the Company and its subsidiaries (the Group) as presented below:

Name	Location	% Holding	Consolidation Method
HOUSEMARKET SA	Athens, Greece	100,00	Full
INTERSPORT ATHLETICS SA	Athens, Greece	100,00	Full
TRADE LOGISTICS SA*	Athens, Greece	100,00	Full
RENTIS SA*	Athens, Greece	100,00	Full
GENCO TRADE SRL	Bucharest, Romania	1,57	Full
GENCO TRADE SRL*	Bucharest, Romania	98,43	Full
GENCO BULGARIA EOOD*	Sofia, Bulgaria	100,00	Full
HOUSE MARKET BULGARIA AD*	Sofia, Bulgaria	100,00	Full
HM HOUSEMARKET (CYPRUS) LTD*	Nicosia, Cyprus	100,00	Full
INTERSPORT ATHLETICS (CYPRUS) LTD*	Nicosia, Cyprus	100,00	Full
WYLDES LIMITED LTD*	Nicosia, Cyprus	100,00	Full
INTERSPORT ATLETİK MAĞAZACILIK VE DIŞ TİCARET A.Ş.*	Istanbul, Turkey	100,00	Full

** Companies in which FOURLIS HOLDINGS S.A. has an indirect participation*

Also in Consolidated Financial Statements the below mentioned related companies are included.

Company	Location	% Holding	Consolidation Method
VYNER LTD*	Nicosia, Cyprus	50,00	Net equity
SW SOFIA MALL ENTERPRISES LTD*	Cyprus	50,00	Net equity

** Companies in which FOURLIS HOLDINGS S.A. has an indirect participation*

During the period 1/1 – 30/6/2019 the following share capital changes were realized at the share capital of FOURLIS HOLDINGS S.A.:

Following the resolutions of 14/6/2019 of the General Assembly of the shareholders of the Company (relevant minutes of the G.A. with number 23/14.06.2019), the share capital of the company decreased by the amount of € 5.180.731,40 with decrease of the nominal value of each share by the

amount of € 0,10 and corresponding capital return to the shareholders.

The aforementioned change was registered to the General Electronic Commercial Registry (GECR) on 3/7/2019 (Code Registration Number 1782688), with the relevant 1580186/03.07.2019 announcement issued by the Minister of Finance and Development.

Following the aforementioned changes, the share capital of the Company amounts to € 41.963.924,34 divided into 51.807.314 shares of nominal value € 0,81 per share, totally paid.

Apart from the aforementioned, no other share capital changes were realized at the share capital of FOURLIS HOLDINGS within the first semester of 2019.

2. Basis of presentation of the Financial Statements

The accompanying Interim Condensed Consolidated and Separate Financial Statements have been prepared in accordance with the International Financial Reporting Standard for the Interim Financial Statements (IAS 34) and as a result they do not include all information necessary for the annual financial statements. Consequently, they have to be read in combination with the published financial statements of the Group of 31/12/2018, uploaded on the website: <http://www.fourlis.gr>. The Board of Directors approved the Interim Condensed Financial Statements on 2/9/2019.

The Interim Condensed Financial Statements are presented in thousands of Euro, unless otherwise stated and any differentiations in sums are due to rounding.

3. Significant accounting policies - Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Group and Company as of 1 January 2019:

- **IFRS 16: Leases**

The standard is effective for annual periods beginning on or after 1 January 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor').

IFRS 16 replaces the current accounting treatment of leases based on IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease, SIC 15 Operating Leases – Incentives and SIC 27 Evaluating the Substance of Transactions in the Legal Form of a Lease.

The new standard requires lessees to recognize most leases on their financial statements. Lessees have a single accounting model for all leases, with certain exemptions. Lessor accounting is substantially unchanged. More specifically, IFRS 16 introduces a single presentation model of all leases at the Statement of Financial Position of all companies. The lessee recognizes a right of use

which represents its obligation to pay the relative leases. The standard provides exceptions for current leases (lower than 12 months) and leases of assets of low value. Accounting treatment of leases for lessors remains the same with the currently existing standard, namely the lessors will continue to classify their leases at financial and operating.

The actual impact of the adoption of the standard on 1/1/2019 is presented in Notes 8 and 15.

Transition to the new standard

The Group / Company implemented for the first time IFRS 16 on 1/1/2019 by using the modified retrospective approach. Based on this approach the Group/Company:

- Recognized a liability which will be measured at present value as resulted from the discounting of leases remaining to be paid, with the extra loan interest rate that was in force on the date of the initial implementation.
- Recognized an asset right of use, by measuring this right to an amount which will equal to the respective liability which will be recognized.

The impact of the implementation was registered as adjustment in retained earnings on 1/1/2019, without any amendment at comparative information.

The Group/Company also used the exception provided by the standard regarding the determination of leases. This practically means that the requirements of IFRS 16 were implemented at all contracts which were in force on 1/1/2019 and had been recognized as leasing based on IAS 17 and IFRIC 4.

The Group/Company used the exceptions of the standard regarding leasing with remaining duration less than 12 months upon the date of the initial implementation of the standard and low value asset leasing.

Group's accounting policy for the new standard

What is a lease under IFRS 16

A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Recognition exemptions under IFRS 16

- Short-term leases
- Leases where the underlying asset has a low value
- Leases with variable lease payments

Lease duration

The non-cancellable period for which a lessee has the right to use an underlying asset, plus extension or termination options if the lessee is reasonably certain to exercise them.

The Group defines the leasing duration as the contractual time of leasing and takes into account the extension or termination options of leasing as long as there is a certainty that they will be exercised. The majority of leasing contracts of the Group include early termination terms almost without penalty.

Starting date of leasing period

Upon lease commencement the lessee recognises a right-of-use asset and a lease liability as follows:

Initial measurement of right of use asset = Initial measurement of leasing liability.

The present value of the lease payments payable over the lease term, discounted at the implicit rate of the lease if that can be readily determined or the lessee's incremental borrowing rate (the interest rate that a lessee would accept to borrow the necessary funds under similar terms namely a loan duration equals to the lease term and with similar security to obtain the asset).

Moreover, the Group/Company decided to implement a single discount rate in every lease category with similar characteristics (leases with respective duration, similar assets and respective economic environment).

Subsequent measurement of right of use asset

The lessee measures the right of use asset at cost less accumulated depreciation and accumulated impairment.

Subsequent measurement of lease liability

The lessee measures lease liability by increasing book value with lease liability interest and decreasing book value with lease payments.

Lease liability interest results from the implementation of lease interest rate or borrowing rate.

Revaluation of liability

It is conducted if there is a change at lease duration.

Presentation

- Right of use assets separately from the other assets in statement of financial position.
- Lease liabilities separately from the other liabilities.

- Interest expense of lease liability separately from depreciation cost for right of use asset in income statement and statement of comprehensive income.
- Cash payments for the part of the liability regarding capital, interests and non-IFRS 16 leases in cash flow statement.
- **IFRS 9: Prepayment features with negative compensation (Amendment)**

The Amendment allows financial assets with prepayment features that permit or require a party to a contract either to pay or receive reasonable compensation for the early termination of the contract (so that, from the perspective of the holder of the asset there may be 'negative compensation'), to be measured at amortized cost or at fair value through other comprehensive income. Management of the Group and Company estimates that this amendment does not have any impact on the financial statements.
- **IAS 28: Long-term Interests in Associates and Joint Ventures (Amendments)**

The Amendments relate to whether the measurement, in particular impairment requirements, of long term interests in associates and joint ventures that, in substance, form part of the 'net investment' in the associate or joint venture should be governed by IFRS 9, IAS 28 or a combination of both. The Amendments clarify that an entity applies IFRS 9 Financial Instruments, before it applies IAS 28, to such long-term interests for which the equity method is not applied. In applying IFRS 9, the entity does not take account of any adjustments to the carrying amount of long- term interests that arise from applying IAS 28. Management of the Group and Company estimates that this amendment does not have any impact on the financial statements.
- **IFRIC INTERPETATION 23: Uncertainty over Income Tax Treatments**

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12. The Interpretation provides guidance on considering uncertain tax treatments separately or together, examination by tax authorities, the appropriate method to reflect uncertainty and accounting for changes in facts and circumstances. This change does not have any impact on the Group's companies.
- **IAS 19: Plan Amendment, Curtailment or Settlement (Amendments)**

The Amendments require entities to use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after a plan amendment, curtailment or settlement has occurred. The Amendments also clarify how the accounting for a plan amendment, curtailment or settlement affects applying the asset ceiling requirements. Management of the Group and Company estimates that this amendment does not have any impact on the financial statements.

- The **IASB has issued the Annual Improvements to IFRSs 2015 – 2017 Cycle**, which is a collection of amendments to IFRSs. Management of the Group and Company estimates that this amendment will not have any impact on the financial statements.
 - **IFRS 3 Business Combinations and IFRS 11 Joint Arrangements:** The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.
 - **IAS 12 Income Taxes:** The amendments clarify that the income tax consequences of payments on financial instruments classified as equity should be recognized according to where the past transactions or events that generated distributable profits has been recognized.
 - **IAS 23 Borrowing Costs:** The amendments clarify paragraph 14 of the standard that, when a qualifying asset is ready for its intended use or sale, and some of the specific borrowing related to that qualifying asset remains outstanding at that point, that borrowing is to be included in the funds that an entity borrows generally.

Standards issued but not yet effective and not early adopted by the Group / Company

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. Management of the Group and Company estimates that this amendment will not have any impact on the financial statements.

- **Conceptual Framework in IFRS standards**

The IASB issued the revised Conceptual Framework for Financial Reporting on 29 March 2018. The Conceptual Framework sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. IASB also issued a separate

accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which sets out the amendments to affected standards in order to update references to the revised Conceptual Framework. Its objective is to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction. For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020.

- **IFRS 3: Business Combinations (Amendments)**

The IASB issued amendments in Definition of a Business (Amendments to IFRS 3) aimed at resolving the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The Amendments are effective for business combinations for which the acquisition date is in the first annual reporting period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period, with earlier application permitted. These Amendments have not yet been endorsed by the EU. Management of the Group and Company estimates that this amendment will not have any impact on the financial statements.

- **IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of 'material' (Amendments)**

The Amendments are effective for annual periods beginning on or after 1 January 2020 with earlier application permitted. The Amendments clarify the definition of material and how it should be applied. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity'. In addition, the explanations accompanying the definition have been improved. The Amendments also ensure that the definition of material is consistent across all IFRS Standards. These Amendments have not yet been endorsed by the EU. Management of the Group and Company estimates that this amendment will not have any impact on the financial statements.

4. Financial Risk Management

Policies regarding financial risk and capital management of the Group are those analyzed in the annual financial statements of 31/12/2018.

5. Management Estimates

The preparation of the Interim Condensed Financial Statements according to IFRS requires the management to make estimations and assumptions that may influence the accounting balances of Assets & Liabilities, the disclosures relating to Contingent Receivables & Payables, along with the recording of the amounts of Revenues and Expenses, recorded during the current period. The use of

available information and subjective judgment are an integral part of making assumptions.

Future results may vary from the above estimates. Management's estimates and adjustments are under constant evaluation, based on historical data and the expectations for future events which are considered as realistic under the current circumstances. Management's estimates and adjustments are consistent with those followed for the issuance of the Annual Financial Statements Separate and Consolidated for the year ended 31/12/2018 other than those mentioned in Group's accounting policy for IFRS 16 Leases (Note 3).

6. Segment Information

The Group is active on the following two operating segments:

- Retail Trading of Home Furniture and Households Goods (IKEA Stores).
- Retail Trading of Sporting Goods (INTERSPORT and TAF Stores).

The main financial interest is concentrated on the business classification of the Group's activities, where the various economic environments constitute different risks and rewards. The Group's activities comprise mainly one geographical area, that of the wider European region, primarily in Greece along with countries of Southeastern Europe (Romania, Bulgaria, Cyprus and Turkey).

The Group's sales revenue for the period 1/1 – 30/6/2019 arise 59,2% from activities in Greece (60,2% in 1/1 – 30/6/2018) with the remaining 40,8% arising from the other countries of Southeastern Europe (39,8% in 1/1 – 30/6/2018). Revenue of the Company concern intra-segment transactions and are eliminated at the Consolidated Financial Statements.

Historically, the consumers' demand for the Group products increases during the last four months of the year.

Group results by operating segment for the period 1/1 – 30/6/2019 are analyzed below:

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
Revenue	132.912	74.378	2.212	(2.224)	207.279
Cost of Goods Sold	(78.024)	(39.498)	(2.153)	2.153	(117.521)
Gross Profit	54.888	34.881	59	(71)	89.758
Other operating income	3.359	357	683	(728)	3.671
Distribution expenses	(46.298)	(28.492)	0	719	(74.071)
Administrative expenses	(6.449)	(3.569)	(1.372)	28	(11.362)
Other operating expenses	(398)	(211)	(86)	0	(695)
Operating Profit / (Loss)	5.103	2.966	(715)	(52)	7.301
Total finance income	78	162	0	0	240
Total finance cost	(4.990)	(4.075)	(35)	16	(9.083)
Contribution associate companies profit and loss	497	0	0	0	497
Profit / (Loss) before Tax	688	(947)	(750)	(36)	(1.045)
Depreciation / Amortisation	7.262	8.485	187	(11)	15.923

Group results by operating segment for the period 1/1 – 30/6/2018 are analyzed below:

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
Revenue	130.844	71.239	2.144	(2.139)	202.088
Cost of Goods Sold	(77.593)	(38.101)	(1.911)	1.911	(115.694)
Gross Profit	53.251	33.138	233	(228)	86.394
Other operating income	3.422	365	706	(705)	3.789
Distribution expenses	(45.564)	(27.972)	0	680	(72.856)
Administrative expenses	(5.933)	(3.336)	(1.499)	161	(10.607)
Other operating expenses	(440)	(173)	(24)	40	(598)
Operating Profit / (Loss)	4.737	2.021	(584)	(52)	6.122
Total finance income	54	238	7	0	299
Total finance cost	(3.655)	(2.557)	(1)	0	(6.213)
Contribution associate companies profit and loss	59	0	0	0	59
Profit / (Loss) before Tax	1.196	(298)	(579)	(52)	267
Depreciation / Amortisation	4.085	2.506	30	52	6.674

Comparable EBIT, profit before tax and depreciation / amortization for a' semester 2019 (without the impact of the adoption of IFRS 16 since 1/1/2019) amount to € 4.470 th., € 1.392 th. and € 4.467 th. respectively for home furnishing and household goods segment (IKEA Stores).

EBIT, profit before tax and depreciation / amortization for a' semester 2019 (without the impact of the adoption of IFRS 16 since 1/1/2019) would amount to € 2.242 th., loss € 54 th. and € 2.652 th. respectively for sporting segment (INTERSPORT and TAF Stores).

EBIT, profit before tax and depreciation / amortization for a' semester 2019 (without the impact of the adoption of IFRS 16 since 1/1/2019) would amount to loss € 733 th., loss € 735 th. and € 46 th. respectively for the parent Company.

EBIT, profit before tax and depreciation / amortization for a' semester 2019 (without the impact of the adoption of IFRS 16 since 1/1/2019) would amount to € 5.936 th., profit € 559 th. and € 7.208 th. respectively for the Group.

The breakdown structure of assets and liabilities as of 30/6/2019 and 31/12/2018 are as below:

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
	30/6/2019	30/6/2019	30/6/2019	30/6/2019	30/6/2019
Property plant and equipment	182.711	22.647	180	3.548	209.087
Right of use assets	63.312	52.227	1.524	(746)	116.316
Other Non-current Assets	69.651	4.638	81.360	(84.817)	70.831
Total non-current assets	315.674	79.511	83.064	(82.015)	396.234
Total Assets	386.806	146.877	91.919	(89.684)	535.918
Non - current loans	94.609	29.306	0	(0)	123.915
Lease liabilities	59.617	43.181	1.274	(658)	103.414
Other Non-current Liabilities	8.500	942	559	0	10.001
Total non current Liabilities	162.726	73.428	1.833	(658)	237.329
Total liabilities	231.960	136.955	8.660	(8.423)	369.152

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
	31/12/2018	31/12/2018	31/12/2018	31/12/2018	31/12/2018
Property plant and equipment	183.134	22.713	191	3.586	209.624
Right of use assets	0	0	0	0	0
Other Non-current Assets	68.312	4.919	81.252	(84.684)	69.799
Total non-current assets	251.446	27.632	81.444	(81.098)	279.423
Total Assets	323.929	97.399	90.875	(88.059)	424.145
Non - current loans	83.099	30.266	0	0	113.365
Lease liabilities	0	409	0	0	409
Other Non-current Liabilities	8.182	916	539	0	9.637
Total non current Liabilities	91.280	31.591	539	0	123.410
Total liabilities	169.672	85.846	1.844	(6.961)	250.400

It is noted that the consolidation entries column includes transactions between the parent company and operating segments of the Group.

7. Property, plant and equipment

Property, plant and equipment of the Group are analyzed as follows:

	Group						
	Land	Buildings and installations	Machinery /Installations	Vehicles	Furniture	Assets under construction	Total
Net book value at 31.12.2018	54.017	134.118	4.867	968	12.796	2.857	209.624
1.1 - 30.6.2019							
Additions	288	3.141	349	59	1.865	519	6.221
Other changes in acquisition cost	(1)	(278)	(51)	(19)	(567)	(143)	(1.057)
Depreciation/amortization	0	(4.169)	(492)	(104)	(1.728)	0	(6.494)
Other changes in depreciation	0	252	38	19	484	0	793
Acquisition cost at 30.6.2019	54.304	220.784	11.524	5.268	55.428	3.234	350.544
Accumulated depreciation at 30.6.2019	0	(87.720)	(6.812)	(4.345)	(42.579)	0	(141.457)
Net book value at 30.6.2019	54.304	133.064	4.712	923	12.849	3.234	209.087

Additions in the Property, Plant and Equipment for the period refer to the purchase of stores equipment and formation expenses for the retail segment (new and existing) of furniture and household goods and sporting goods.

More specifically:

In sporting goods segment, within the period 1/1 – 30/6/2019, one new INTERSPORT store started operating in Romania (Sibiu) and one new TAF store in Volos.

In home furniture and household goods segment, on 27/6/2019, one new PoP UP IKEA Store started operating in Kalamata.

Exchange differences arising from the difference of conversion exchange rates for figures regarding the assets of foreign companies of amount € 190 th. Moreover, other acquisition cost includes write-offs and sales of assets.

Depreciation of property, plant and equipment for the period 1/1 – 30/6/2019 amount to € 6.494 th. (30/6/2018: € 6.264 th.). Total depreciation of property, plant and equipment and intangible assets of amount € 7.208 th. (30/6/2018: € 6.674 th.) was registered by the amount of € 241 th. (30/6/2018: € 239 th.) in cost of sales, € 6.143 th. (30/6/2018: € 5.654 th.) in distribution expenses and € 824 th. (30/6/2018: € 782 th.) in administrative expenses.

8. Right of use assets

Investment property for the period 1/1 – 30/6/2019 is analyzed as follows:

	Initial Recognition	
	Group 1/1/2019	Company 1/1/2019
Leasing Buildings	122.279	1.507
Leasing Vehicles	1.100	111
Total	123.379	1.618

Additions/changes of Right of Use Assets of the Group and Company for the period 1/1–30/6/2019 are analyzed as follows:

	Group		
	Leasing Buildings	Leasing Vehicles	Total
Initial Recognition 1.1.2019	122.279	1.100	123.379
Additions	2.847	145	2.993
Other changes in acquisition cost	(1.353)	(4)	(1.356)
Depreciation/amortization	(8.511)	(204)	(8.715)
Other changes in depreciation	16	0	16
Acquisition cost at 30.6.2019	123.774	1.241	125.015
Accumulated depreciation at 30.6.2019	(8.495)	(204)	(8.699)
Net book value at 30.6.2019	115.279	1.037	116.316

	Company		
	Leasing Buildings	Leasing Vehicles	Total
Initial Recognition 1.1.2019	1.507	111	1.618
Additions	0	46	46
Depreciation/amortization	(117)	(23)	(140)
Acquisition cost at 30.6.2019	1.507	157	1.664
Accumulated depreciation at 30.6.2019	(117)	(23)	(140)
Net book value at 30.6.2019	1.390	134	1.524

The impact from the adoption of IFRS 16 at deferred tax assets in Statement of Financial Position of the Group on 30/6/2019 was € 347 th (1/1/2019: €0).

9. Investment property

Changes of the current period 1/1 – 30/6/2019 are analysed as follows:

	Group		Company	
	30/6/2019	31/12/2018	30/6/2019	31/12/2018
Opening Balance	23.993	21.060	0	0
Additions	8	341	0	0
Impairment / Goodwill	0	(8)	0	0
Other changes	0	2.600	0	0
Closing Balance	24.001	23.993	0	0

On 30/6/2019 there were no significant indications for fair value change of the Group's investment property.

10. Intangible assets

Intangible assets are analyzed as follows:

	Group			Total
	Royalties	Software	Miscellaneous	
Net book value at 31.12.2018	4.074	3.792	1.157	9.023
1.1 - 30.6.2019				
Additions	0	455	0	455
Other changes in acquisition cost	0	(53)	(121)	(174)
Depreciation/amortization	(139)	(519)	(56)	(714)
Other changes in depreciation	0	19	46	65
Acquisition cost at 30.6.2019	8.872	13.450	1.946	24.267
Accumulated depreciation at 30.6.2019	(4.937)	(9.756)	(919)	(15.611)
Net book value at 30.6.2019	3.935	3.694	1.027	8.656

Royalties include the use of brand names (IKEA). Other changes in acquisition cost as well as other depreciation changes regard foreign exchange differences. Additions in intangible assets regard software licenses.

Intangible assets for the Company for the period 1/1 – 30/6/2019 are as follows:

	Company		Total
	Software	Miscellaneous	
Net book value at 31.12.2018	122	120	241
1.1 - 30.6.2019			
Additions	11	0	11
Depreciation/amortization	(13)	(10)	(23)
Acquisition cost at 30.6.2019	564	129	693
Accumulated depreciation at 30.6.2019	(445)	(19)	(464)
Net book value at 30.6.2019	119	110	229

Additions in intangible assets are related to software licenses.

11. Share capital

Following the resolution of the General Assembly of the Company's shareholders on 14/6/2019 (relevant minutes of G.A. with number 23/14.06.2019), the share capital of the company decreased by the amount of € 5.180.731,40, with decrease of the nominal value of each share by the amount of € 0,10 and corresponding capital return to shareholders. The Capital Return beneficiaries date – (Record Date) was defined on Wednesday, July 24, 2019, the Ex-Capital Return date was on Tuesday, July 23, 2019 and the Capital Return Distribution date was on Monday, July 29, 2019.

The aforementioned change was registered in the GEGR on 3/7/2019 (Code Registration Number 1782688), with the relevant announcement of Ministry of Finance and Development with number 1580186/03.07.2019.

Following the aforementioned change, the share capital of the Company amounts to € 41.963.924,34 divided into 51.807.314 shares of nominal value € 0,81 per share, totally paid.

On 31/12/2018, the share capital amounted to € 47.144.655,52 divided into 51.807.314 shares of nominal value 0,91 per share.

On 30/6/2019 the liability of share capital repayment to the shareholders for the Company of amount € 5.181 th. is presented in payables and other current liabilities of Interim Statement of Financial Position.

12. Dividends

The Shareholders Ordinary General Assembly held on 14/6/2019 did not propose a dividend distribution for the year 2018.

13. Employee retirement benefits

13.1 Liabilities due to termination of service

The basic assumptions of the actuarial study conducted within the year 2018 are in force.

13.2 Share based payments

During the period 1/1 – 30/6/2019, no option that was granted based on the first, second and third wave of the SOP of 27/9/2013 and the first and second waves of the SOP of 16/6/2017 was exercised. The current SOP programs are presented in the annual financial report of the year 2018.

During the period 1/1 – 30/6/2019, the amount of € 167.975,53 was registered in the consolidated income statement as an expense.

14. Borrowings

Borrowings of the Group on 30/6/2019 and 31/12/2018 are analyzed as follows:

	Group	
	30/6/2019	31/12/2018
Non - current loans	134.027	122.481
Current portion of non-current loans and borrowings	10.112	9.117
Non - current loans	123.915	113.365
Short term loans for working capital	20.883	11.387
Total loans and borrowings	154.910	133.868

The Company had no loan liabilities on 30/6/2019 and on 31/12/2018.

There was a readjustment of amount € 995 th. of 31/12/2018 in order to become similar and comparable to the corresponding amounts of the current period (Note 15).

The repayment period of non - current loans varies between 1 to 6 years and the average weighted interest rate of the Group's non - current loans was 3,72% during the period 1/1 – 30/6/2019 (1/1 – 30/6/2018: 3,95%), while the average weighted interest rate of the Group's total loans was 4,11%

during the period 1/1 – 30/6/2019 (1/1 – 30/6/2018: 4,22%). Repayments and proceeds of loans for the current period amounted to € 21.525 thousand (30/6/2018: € 8.591 thousand) and € 42.678 thousand (€ 12.059 thousand) respectively. Non - current loans, including their part which is payable within 12 months, cover mainly the Group's growth needs and are analyzed in bond, syndicated and other non - current loans as follows:

30/6/2019		<u>Amount in th. euros</u>	<u>Issuing Date</u>	<u>Duration</u>
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	12.458	23/4/2019	5,5 years from the issuing date (€2.168 th. payable forthcoming period)
		12.458		
TRADE LOGISTICS SA	Bond	5.650	8/3/2017	5 years from the issuing date (€600 th. payable forthcoming period)
		5.650		
HOUSE MARKET BULGARIA AD	Syndicated	30.112	11/7/2016	9 years from the issuing date (€4.425 th. payable forthcoming period)
		30.112		
INTERSPORT SA	Bond	26.226	28/7/2017	5 years from the issuing date (€1.920 th. payable forthcoming period)
	Bond	5.000	31/3/2018	5 years from the issuing date (payment at maturity date)
		31.226		
HOUSEMARKET SA	Bond	39.581	4/10/2016	5 years from the issuing date
	Bond	15.000	26/2/2019	5 years from the issuing date (€1.000 th. payable forthcoming period)
		54.581		
Total		134.027		

31/12/2018		<u>Amount</u>	<u>Issuing Date</u>	<u>Duration</u>
H.M. HOUSEMARKET (CYPRUS) LTD	Bilateral	2.386	17/3/2011	5 years from the issuing date (€1.139 th. payable forthcoming period)
	Bilateral	600	30/3/2016	3,5 years from the issuing date (€600 th. payable forthcoming period)
	Bilateral	1.350	30/3/2016	6 years from the issuing date (€600 th. payable forthcoming period)
		4.336		
TRADE LOGISTICS SA	Bond	5.950	8/3/2017	5 years from the issuing date (€600 th. payable forthcoming period)
		5.950		
RENTIS SA	Bond	8.250	19/7/2017	3 years from the issuing date (payment at maturity date)
		8.250		
HOUSE MARKET BULGARIA AD	Syndicated	32.228	11/7/2016	9 years from the issuing date (€4.257 th. payable forthcoming period)
		32.228		
INTERSPORT SA	Bond	27.186	28/7/2017	5 years from the issuing date (€1.920 th. payable forthcoming period)
	Bond	5.000	28/7/2018	5 years from the issuing date (payment at maturity date)
		32.186		
HOUSEMARKET SA	Bond	39.531	4/10/2016	5 years from the issuing date
		39.531		
Total		122.481		

Non –current loans include:

The bond loan issued by the company HOUSEMARKET S.A. of five-year maturity. The Bond Loan, was disposed through a public offering between 28th and 30th of September 2016 in Greece by cash payment and the available 40.000.000 bearer bonds were issued on 6/10/2016 for trading in the Fixed Income Securities Category of the regulated market of Athens Stock Exchange. The loan is subject to Greek law, has a five year maturity date with fixed interest rate 5% per year and quarterly interest payment. Direct costs of the bond loan issue amounted to € 853 th., of which € 43 th. have been allocated within the year 2016, € 171 th. have been allocated within the year 2017, € 171 th. have

been allocated within the year 2018, € 85 th. have been allocated within the 1st semester of 2019 and € 171 th. will be allocated within the next 12 months and € 212 th. within the next years.

Total short term loans of the Group include current loans and overdraft bank accounts which are used for the Group's working capital needs. The amounts drawn are used mainly to cover current obligations to suppliers.

Some of Group's loans include loan covenants. On 30/06/2019 the Group was either in compliance with its loan terms or had received waiver in their measurements.

The Group, having centralized its capital management, has the ability to directly identify, quantify, manage and hedge, if necessary, its financial risks created by its operational activities so as to be consistent to the changes in the economic environment. The Group continuously observes and budgets its cash flow and acts appropriately in order to ensure open credit lines for covering current capital needs. The Group has adequate open credit lines with domestic and foreign financial institutions in order to cover the needs of the companies in working capital. On 30/6/2019, the open balance of credit lines amounted to € 89 million.

15. Leasing liabilities

The liability that the Group and Company recognized upon the first implementation of IFRS 16 on 1/1/2019 is analyzed as follows: amount of € 123.379 th. and amount of € 1.618 th. respectively.

On 30/6/2019, leasing liability for the Group and Company is analyzed as follows:

	Lease liabilities	
	Group 30/6/2019	Company 30/6/2019
Initial Recognition	(123.379)	(1.618)
Additions	(2.993)	(46)
Other changes	368	0
Interest expense on lease liabilities	(2.699)	(33)
Repayment of leasing	10.091	158
Total	(118.611)	(1.539)

Other changes include the amount of € 705 th. which is leasing liability of the subsidiary company INTERSPORT ATHLETICS S.A. through which it financed the purchase of new mechanical equipment for warehousing and transportation of goods in the warehousing premises of the subsidiary company TRADE LOGISTICS S.A. on 29 September 2015. The finance lease expires on September 2020.

The amount of € 995 th. of 31/12/2018, regarding leasing liability of the company INTERSPORT ATHLETICS S.A. through which it financed the purchase of new mechanical equipment for warehousing and transportation of goods in the warehousing premises of the subsidiary company TRADE LOGISTICS S.A. on 29 September 2015, was readjusted by the amount of € 586 th. from current portion of non-current financial leasing liabilities to current portion of non-current leasing

liabilities and by the amount of € 409 th. from non-current loan liabilities to leasing liabilities in order to become similar and comparable to the corresponding amounts of the current period (Note 14).

The impact from the adoption of IFRS 16 in retained earnings at the Statement of Financial Position of the Group on 30/6/2019 amounted to € 1.242 th. (1/1/2019: €0).

16. Income taxes

The nominal tax rates in the countries that the Group is operating vary between 10% and 28%, as follows:

Country	Income Tax Rate (30/6/2019)
Greece (*)	28,0%
Romania	16,0%
Bulgaria	10,0%
Cyprus	12,5%
Turkey	22,0%

(*) According to article 23 of L.4579/2018, tax rates of income from operating activities of legal entities, are gradually decreased by 1% per year as follows: 28% for tax year 2019, 27% for tax year 2020, 26% for tax year 2021 and 25% for tax year 2022 etc.

The income tax expense for the period 1/1 – 30/6/2019 and 1/1 – 30/6/2018 is as follows:

	Group		Company	
	1/1 - 30/6/2019	1/1 - 30/6/2018	1/1 - 30/6/2019	1/1 - 30/6/2018
Income tax	(762)	(738)	0	0
Deferred Taxes:				
Differences of fixed assets	(160)	(172)	1	0
Provisions for employee benefits (IAS 19)	52	57	6	5
Depreciation Differences of right of use assets (IFRS 16)	1.442	0	35	0
Lease Differences (IFRS 16)	(1.731)	0	(40)	0
Interest of lease liabilities (IFRS 16)	578	0	8	0
Provisions	(129)	(81)	(18)	(6)
Deferred tax from tax loss recognition	664	1.051	0	0
Total Deferred taxes	717	854	(8)	0
Income Tax Expense	(45)	116	(8)	0

17. Earnings per share

Earnings/(losses) per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares during the period. The weighted average number of shares as at 30 June 2019 is 51.807.314 (30/6/2018: 51.643.688).

	Group	
	1/1 - 30/6/2019	1/1 - 30/6/2018
Profit / (Loss) after tax attributable to owners of the parent	(1.090)	383
Number of issued shares	51.807.314	51.643.688
SOP Impact	647.920	771.096
Effect from purchase of own shares	0	0
Weighted average number of shares	52.455.234	52.414.784
Basic Earnings / (Losses) per Share (in Euro)	(0,0210)	0,0074
Diluted Earnings / (Losses) per Share (in Euro)	(0,0210)	0,0073

18. Treasury Shares

On 30/6/2019, the Company does not hold treasury shares but a share buyback program is in force following the resolution of the General Assembly of 14/6/2019. Specifically, for the acquisition of its treasury shares, the following terms and conditions apply: a) the maximum number of shares which can be acquired amounts to 2.590.365 shares (5% of paid up share capital), b) the approval of General Assembly applies for 24 months and c) the minimum acquisition cost is defined at € 1,00 per share and maximum acquisition cost is defined at € 8,00 per share.

19. Commitments and Contingencies

There are no substantial differences in commitments and contingencies from the corresponding amounts of the Annual financial Report of 31/12/2018.

20. Related parties

Related parties of the Group include the Company, subsidiary and associated companies, the management and the first line managers. The parent company provides advice and services to its subsidiaries in the areas of IT, HR, financial planning and controlling, treasury and social responsibility. The analysis of the related party receivables and payables as at 30 June 2019 and 31 December 2018 are as follows:

	Group		Company	
	30/6/2019	31/12/2018	30/6/2019	31/12/2018
Receivables from:				
HOUSE MARKET SA	0	0	5.256	5.250
H.M. HOUSE MARKET (CYPRUS) LTD	0	0	10	17
INTERSPORT SA	0	0	965	851
INTERSPORT (CYPRUS) LTD	0	0	5	5
RENTIS SA	0	0	2	2
GENCO TRADE SRL	0	0	272	156
GENCO BULGARIA	0	0	21	12
HOUSE MARKET BULGARIA AD	0	0	22	43
INTERSPORT ATLETIK	0	0	610	504
TRADE LOGISTICS SA (RHF)	0	0	22	23
VYNER	0	140	0	0
TRADE STATUS SA	120	119	120	118
SW SOFIA MALL ENTERPRISES LTD	0	96	0	0
TOTAL	120	355	7.304	6.980

	Group		Company	
	30/6/2019	31/12/2018	30/6/2019	31/12/2018
Payables to:				
HOUSE MARKET SA	0	0	164	0
H.M. HOUSE MARKET (CYPRUS) LTD	0	0	33	0
INTERSPORT SA	0	0	80	0
INTERSPORT (CYPRUS) LTD	0	0	3	0
GENCO TRADE SRL	0	0	26	0
GENCO BULGARIA	0	0	5	0
HOUSE MARKET BULGARIA AD	0	0	39	0
INTERSPORT ATLETIK	0	0	19	0
TRADE LOGISTICS SA (RHF)	0	0	10	1
TRADE STATUS SA	0	1	0	0
SOFIA SOUTH RING MALL AED	5	3	0	0
Management members	0	38	0	38
TOTAL	5	42	380	38

Related party transactions as at 30 June 2019 and 30 June 2018 are as follows:

	Group		Company	
	1/1 - 30/6/2019	1/1 - 30/6/2018	1/1 - 30/6/2019	1/1 - 30/6/2018
Revenue	32	47	2.212	2.144
Other operating income	1	2	542	509
Total	33	49	2.754	2.653

	Group		Company	
	1/1 - 30/6/2019	1/1 - 30/6/2018	1/1 - 30/6/2019	1/1 - 30/6/2018
Administrative expenses	114	0	7	5
Distribution expenses	0	0	0	0
Total	114	0	7	5

During the periods 1/1 – 30/6/2019 and 1/1 – 30/6/2018, transactions and fees of management members were as follows:

	Group		Company	
	1/1 - 30/6/2019	1/1 - 30/6/2018	1/1 - 30/6/2019	1/1 - 30/6/2018
Transactions and fees of management members	1.304	1.249	285	276

There are no other transactions between the Group and the Company with the management. The transactions with related parties are arm's length.

21. Transactions with Subsidiaries

During the periods 1/1 – 30/6/2019 and 1/1 – 30/6/2018, between the parent company and its subsidiaries the following transactions occurred:

	Group		Company	
	1/1 - 30/6/2019	1/1 - 30/6/2018	1/1 - 30/6/2019	1/1 - 30/6/2018
Revenue	20.919	19.264	2.181	2.097
Cost of sales	14.645	13.405	0	0
Other income	1.092	1.096	540	508
Administrative expenses	2.515	4.330	7	5
Distribution expenses	4.851	2.582	0	0
Other operating expenses	0	43	0	0

	Group		Company	
	30/6/2019	31/12/2018	30/6/2019	31/12/2018
Trade receivables	14.293	14.586	7.185	6.861
Inventory	281	281	0	0
Creditors	14.293	14.586	380	1

The Group has issued letters of guarantee for its subsidiary and associated companies guaranteeing liabilities. The analysis of such letters of guarantee is disclosed in which appears in Note «Commitments and Contingencies».

22. Significant Additions in Consolidated Data

The most significant changes recorded in the Consolidated and Separate Statement of Financial Position as of 30/6/2019 in comparison with the corresponding data as at 31/12/2018 are the following:

- Increase in the amount of "Inventory" is due to seasonality of purchases.
- Decrease in the amount of "Cash and cash equivalents" is due to seasonal funding needs of the Group's operational activity.
- Decrease in the amount of "Payables" is due to change in credit terms.

- The adoption of IFRS 16 affected total assets at “right of use assets” and “deferred tax” and total shareholders’ equity and liabilities at “non-current leasing liabilities”, “current portion of non-current liabilities” and “retained earnings” (Note 8, 15).

23. Subsequent events

There are no other significant events following the date of 30/6/2019 that may significantly affect the financial position and results of the Group other than those mentioned in Note 11 regarding capital repayment to the Company’s shareholders.

Web site for the publication of the Interim Condensed Financial Statements

The Interim Condensed Financial Statements (Consolidated and Separate) for the period 1/1 – 30/6/2019 have been published by posting on the Internet at the Company's web address <http://www.fourlis.gr>.