Annual Financial Report

01 January -
31 DecemberΙανουάριος 1

2020

LAMDA Development S.A.

G.E.MI.:3379701000

37A Kifissias Ave.
15123, Maroussi

These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

Index of annual financial report

The annual financial statements, the auditors' reports and the Board of Directors reports of the companies included in the consolidated financial statements are available on the Company's website www.lamdadev.com.

STATEMENTS OF THE BOARD OF DIRECTORS OF "LAMDA Development S.A." for the annual financial report of 2020 (ACCORDING TO THE ARTICLE 4, Par.2(c) OF THE LAW 3556/2007)

We state to the best of our knowledge, that the annual financial statements of the company and the Group of "LAMDA Development S.A." for the year ended on December 31, 2020 which have been prepared in accordance with the international accounting standards in effect, reflect fairly the assets, liabilities, equity and the results of LAMDA Development S.A., as well as of the companies that are included in the consolidation taken as a whole.

Furthermore, we state to the best of our knowledge that the Annual Report of the Board of Directors reflects fairly the development, the performance and the status of LAMDA Development S.A., as well as of the companies that are included in the consolidation taken as a whole, and includes a description of the main risks and uncertainties they confront.

Maroussi, April 14, 2021

The undersigned

______________________	______________________	______________________
Anastasios K.Giannitsis	Odyssefs E.Athanasiou	Evgenia G.Paizi
Chairman of the BoD	Chief Executive Officer	Member of the BoD

ANNUAL BOARD OF DIRECTORS' REPORT OF "LAMDA Development S.A." FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE FISCAL YEAR THAT ENDED ON 31 DECEMBER 2020

Dear Shareholders,

According to the provisions of the law 3556/2007, we present the annual Board of Directors' report of "LAMDA Development S.A." concerning the Consolidated and Separate Financial Statements for the fiscal year that ended on December 31, 2020.

FINANCIAL POSITION OF THE GROUP

According to the International Financial Reporting Standards, the main financial results for the Group and the Company for the year that ended 31.12.2020 are the following:

Consolidated results after tax amount to losses €56.205 thousands compared to profit €62.855 thousands in the comparative year of 2019.

The financial figures of the Group have deteriorated due to the impact of the coronavirus pandemic COVID-19 on the revenues from the operation of the Group's shopping centers. During this reporting period, there was also a negative effect on the consolidated losses due to the changes in the losses from fair value adjustment on investment property which had an impact of -€43.630 thousands compared to gains of €71.494 thousands in the comparative period of 2019.

Consolidated turnover reached €67.796 thousands compared to €81.706 thousands in the comparative period of 2019. The Net Asset Value that is attributable to the Company's owners reached €1.101.067 thousands at 31.12.2020 compared to €1.155.028 thousands at 31.12.2019.

(amounts in € '000)	**2020**	**2019**	**Variation**
Net Asset Value (NAV) (as exported by the internal information of the Group)	1.101.067	1.155.028	-4,7%
Shareholders' Equity	1.005.909	1.057.340	-4,9%
Total Group operating results (EBITDA) before valuations and other adjustments (as exported by the internal information of the Group)	24.136	50.468	-52,2%
Fair Value Gains from investment property	-43.630	71.494	-
Profit/losses before tax	-59.347	87.806	-
Net profit after tax & non-controlling interests	-51.741	49.875	-
Turnover	67.796	81.706	-17,0%

During this reporting period, Group's shopping centers total EBITDA shows a decrease by €27.4m. However, taking into account the positive effect of the non-controlling interests and the income tax, the impact on the Group's Net Asset Value was €17.5m approximately.

“The Mall Athens” showed a decrease in EBITDA by 47% reaching €15.2m. Mediterranean Cosmos” in Pylaia Thessaloniki showed a decrease in EBITDA by 39% reaching €11.3m. Finally, “Golden Hall” showed a decrease by 38% at €10.4m.

The Company monitors the performance of the shopping centers through indicators, out of which the primary according to the international standards, are the footfall and the tenant (shopkeeper) sales. These indicators do not assist to come to a conclusion about the operations of the company, in the year 2020 due to the fact that the malls were closed for 107 days and for several more operated with significant restrictions. The Group’s financial ratios DEBT / TOTAL ASSETS and DEBT / EQUITY reached 69.0% and 64.8% accordingly. It is noted that at 31.12.2020 the Group cash and cash equivalents exceed its debt and therefore the term that is used is Debt instead of Net Debt.

The Group uses certain Alternative Performance Measures (APMs) due to certain special features of the business category.

Definitions (APMs)

1. **Net Asset Value:** Group Equity adjusted by the deferred tax liability and asset attributable to the Group’s shareholders.
2. **Total Group operating results (EBITDA) before valuations and other adjustments:** Group operating results (EBITDA) without taking into account the fair value gains/losses that occur from the valuations of the investment property, the impairment losses of inventory, the profit or loss from acquisition/disposal of participation in investments, result from disposal of inventory – land and other extraordinary valuation gains/losses and costs, as well as other adjustments such as Expenses related to the the development in the Hellinikon area
3. **Total Group operating results (EBITDA):** Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA).
4. **Retail EBITDA:** Sum of each EBITDA of the shopping centers Golden Hall, Mediterranean Cosmos and The Mall Athens.
5. **EBITDA of the shopping centers (The Mall Athens, Mediterranean Cosmos, Golden Hall): Individual EBITDA of the companies** LOV SMSA, PYLAIA SMSA and LAMDA DOMI SMSA, which are involved in the exploitation of the shopping centers The Mall Athens, Mediterranean Cosmos and Golden Hall respectively.
6. **Change in EBITDA of the shopping centers (The Mall Athens, Mediterranean Cosmos, Golden Hall):** Percentage change of the current year vs last year.
7. **Net Debt / Total Assets:** (Debt minus Cash and cash equivalents minus Financial instruments held at fair value through profit or loss) over (Investment property plus Property, plant and equipment plus Investment in joint ventures and associates plus Inventories).
8. **Net Debt / Equity:** (Debt minus Cash and cash equivalents minus Financial instruments held at fair value through profit or loss) over Equity.

SIGNIFICANT EVENTS

DEVELOPMENT OF THE HELLINIKON SITE

On 14.11.2014 a share sale and purchase agreement was signed between a) the HRADF (as the Seller), b) HELLINIKON GLOBAL I S.A., the wholly owned (100%) subsidiary of the Company (as the Purchaser) and c) the Company (as the Guarantor of the Purchaser), which will be co-signed by the Greek State (as the third party) for the acquisition of 100% of shares of HELLINIKON S.A. On July 19, 2016 an Amendment Agreement was signed by the same parties and will be signed by the Greek State (as a third party), which forms an integral and unified part of the original Agreement of 14.11.2014. On September 26, 2016, by Law

4422/2016 (Government Gazette A' 181/27.09.2016), the Agreement, namely the aforementioned contracts (initial and amending), was ratified by the Hellenic Parliament.

As per the provisions of the Agreement, the commencement of the Hellinikon Site development shall commence with the transfer of HELLINIKON S.A. Sale Shares to the Buyer.

The said transfer is under the condition of fulfillment of the Conditions Precedent and more precisely of these that are still pending, the main being the Conditions Precedent under (v) regarding the transfer of rights in rem, (vii) regarding the concession of a casino operational license and (ix) regarding the absence of pending litigation against certain administrative acts, as these Conditions Precedent are provided in Clause 2.2 of the Agreement (SPA).

It is noted that regarding the transfer of the rights in rem, Law 4787/2021 (Government Gazette A44/26.03.2021) has already established the necessary procedure and the relevant actions are being scheduled.

In respect of the issuance of a casino license, HGG announced on 13.10.2020 that INSPIRE ATHENS is the temporary licensee. The tender process continues in accordance with the legislative framework and the respective Request for Proposals.

Within 2020 there was another development with regard to the preparation of the Hellinikon investment. Following the issuance of Law 4663/2020 (Government Gazette A’ 30/12.02.2020) (article 67) (“Provisions on the existing buildings and structures in the Metropolitan Area of Hellinikon – Aghios Kosmas) and the required therefrom Ministerial Decisions, the demolition works of the existing buildings in Hellinikon have begun.

Finally, with Law 4787/2021 (Government Gazette A44/26.03.2021) the Partition – Establishment of Surface Rights Agreement for the Site of the Metropolitan Area of Hellinikon – Aghios Kosmas was ratified by the Hellenic Parliament and the respective Government Gazette volume will be registered in the Land Registries of Glyfada and Palaio Faliro in accordance with the provisions of the law.

The total price for the acquisition of the shares as stated in the agreement amounts to €915m. At the date of the transfer, an amount of €300m will be paid, whereas the remaining amount will be paid at a depth of 10 years from the date of transfer in the manner specified in the agreement. The Management estimates that the acquisition of HELLINIKON S.A. will not fall into IFRS 3 business combinations - acquisition and will be accounted for according to par.2 (b) of IFRS 3. In case of the acquisition of a group of assets that does not constitute a business, the entity measures the individual identifiable assets acquired and liabilities at cost, which is allocated at the individual identifiable assets acquired and liabilities based on their relative fair value at the date of acquisition. Also, this kind of transactions do not end up to a goodwill.

Financing of the development of the Property

The Company, on 27.01.2020 signed with Eurobank SA and Piraeus Bank S.A. an agreement on the “Heads of Terms” regarding the syndicated bank loans to be provided to the Company and the/or the group’s subsidiaries that will be used for the financing of the first 5 years of the development of the Property. On 07.04.2021, the company signed with the aforementioned banks an agreement for the update of the “Head of Terms” for the bank loans. The update emanated from the gradual evolution and maturity of the Company’s plans in connection with the envisaged projects and investments during the first five years. .

More specifically, the aforementioned bank loans include:

(a) the financing of the works of the first five years of the Project (Phase A), which will include mainly the enhancement of the coastal front area, the development of the residential complexes, commercial venues and relevant infrastructure, of up to €442 million (plus an amount of up to €100 million for financing of VAT cost), with a duration up to 10 years;

(b) the financing for the development of a shopping mall (Mall) on Vouliagmenis Avenue for an amount of up to €415 million (plus an additional facility of €86 million for financing of VAT costs), with an initial duration of 6 years from first loan draw-down (with the possibility to extend the maturity for an additional 5 years, reaching 11 years from first loan draw-down); and

(c) the financing for the development of a shopping mall (Mall) on Agios Kosmas Marina for an amount of up to €102 million (plus an additional facility of €19 million for financing of VAT costs), with an initial duration of 5 years from first loan draw-down (with the possibility to extend the maturity for an additional 6 years, reaching 11 years from first loan draw-down).

Furthermore, the Company signed on 07.04.2021 an agreement for the update of the "Heads of Terms" for the issuance of two letters of guarantee that among others, refer to the following:

- For the financing of the first five years (Phase A) of the Project, a letter of guarantee for an amount of €175 million will be issued to secure the due performance of the Company's obligations, namely prospective cost overruns and revenue sources shortfall, as provisioned in the agreement with the banks.
- Furthermore, a letter of guarantee will be issued in favor of the Hellenic Republic Asset Development Fund, as provisioned in the relevant Sale and Purchase Agreement. More specifically, the initial amount of the letter of guarantee is €307 million, and constitutes the present value of all anticipated owed payments to the State, using a technical discount rate. The amount of the letter of guarantee is to be calculated annually, on each Transfer of Shares anniversary date, with a maximum amount of €347m.

Furthermore, it is noted that the interest rate of above loan facilities is floating and the relative spreads have been determined according to market terms. Loan facilities will be under Greek Law, and as customary for facilities of this nature (project finance), securities shall be also provided, including, inter alia, mortgages and pledges on surface rights on parts of the estates of HELLINIKON S.A. to be developed, pledge on the shares of the issuer, pledge on part of the Project receivables and revenues, as well as claims from the Agreement dated 14.11.2014. Also, regarding the above-mentioned letter of guarantees, collateral rights are provided, such as, pledge of shares in subsidiaries, pledge in bank accounts, and first or second mortgage on certain assets of the Company or its subsidiaries.

Until the date of the announcement for the results as at 31.12.2020, the transfer of the shares of HELLINIKON SA has not taken place and the Company is finalizing with the above-mentioned counterparties the contractual documentation.

FLISVOS MARINA

The Company in the first quarter of 2020 acquired from the company under the name "D- Marinas B.V." of DOGUS Group, the remaining 50% of the shares issued by LAMDA DOGUS INVESTMENTS S.A., which currently held 83.39% of the shares issued by LAMDA Flisvos Holding S.A., a shareholder of the 77.23% of LAMDA Flisvos Marina S.A. and manager of the Flisvos Marina. On completion of the transfer, LAMDA DEVELOPMENT S.A. has become the sole shareholder of LAMDA DOGUS INVESTMENTS S.A., wholly controlling LAMDA Flisvos Marina S.A.

ISSUE OF A COMMON BOND LOAN

On 17.07.2020 the Public Offer for the Issue of a Common Bond Loan and the admission of the bonds to trading in the category of Fixed Income Securities of the Regulated Market of the Athens Exchange in accordance with article 8 para. 1 of Law 3401/2005, as in force, article 17 para. 2 of the Regulation (EU) 2017/1129 and article 3 para. 5 of Decision 8/862/19.12.2019 of the Board of Directors of the Hellenic Capital Markets Commission, was completed and 320,000 common, bearer bonds of the Company with a nominal value of €1,000 each (the "Bonds") have been allocated and as a result funds of €320m have been raised.

At 22.07.2020 the Bonds were listed for trading in the Fixed Income Securities of the Regulated Market of the Athens Exchange in accordance with current legislation.

REFINANCING OF THE BOND LOAN OF L.O.V. S.M.S.A. - LAMDA Prime Properties S.M.S.A.

The subsidiary "LOV SMSA" ("LOV") signed on June 23rd, 2020 with National Bank of Greece SA (NBG) the Bond Programme and Subscription Agreement for the issuance of a bond loan of an amount of up to €220m ("Bond Loan") with a duration of 7 years comprising of three (3) distinct series. As at 31.12.2020, the short term of the above-mentioned bond loan amounts to €4.9m.

In addition, at December 31, 2020 the short-term loans refer mainly to the syndicated bond loan of the subsidiary LAMDA Prime Properties SMSA with Alpha Bank amounting to €4.9m which is extended until 31.03.2021, the refinancing was completed at 29.03.2021, duration until 30.06.2027.

PROSPECTS

Impact of coronavirus COVID-19 in 2020

Following the government`s measures, the operation of the Group's three Shopping Centers was suspended from 13.03.2020 to 17.05.2020. In addition, according to the Legislative Content Act (GG A' 68), which was ratified with the article 1 of Law 4683/2020 (GG A' 83), the associate shopkeepers/tenants were exempted from the obligation to pay the 40% of the total rent for the months of March, April, May and June 2020. The government has extended the measure for a discount on the rent concessions by 40% for the months of July, August and September to certain retail sectors, mainly in the Food & Beverage and cultural units whereas the associate shopkeepers/tenants were exempted from the obligation to pay the 40% of the total rent for November and December. In addition, and beyond the existing provisions, the Group has decided to provide an additional discount of 30%, thus a total discount of 70%, on the initial contracted rent only for April and May 2020, while for the following period of the year it extended the provision of additional discounts to shopkeepers according to the degree of impact from the government's measures to prevent the spread of the pandemic in their activity.

Moreover, the Group has completely lost the revenues from the relevant car park operations, the advertising income as well as the turnover rent for the period from 13.03.2020 to 17.05.2020 and from 07.11.2020 to 13.12.2020 (since shopping centers were closed during that period). These revenues have also been reduced during the period from 18.05.2020 to 06.11.2020 and 14.12.2020 to 31.12.2020 due to the decrease in the footfall and the tenants' revenues.

Subsequently, the Group as a lessee of the shopping center Mediterranean Cosmos in Pylaia Thessaloniki and following the abovementioned provisions of the previously mentioned Legislative Content Act, has received a reduction in the fixed portion of the payable rent for the period March - June 2020 as well as November – December 2020, amounting to €720k.

The outcome of the abovementioned legislative acts along with the Group`s decision to provide additional discount to tenants, the decrease in the revenues from the relevant car park operations, the advertising income as well as the turnover rent has been fully depicted in the financial results of the Group for the period from 01.01.2020 to 31.12.2020.

Specifically, during the respective period, the Group's Shopping Centers total EBITDA declined by €27.4m approximately. However, taking into account the effect of the non-controlling interests and the income tax, the impact on the Group's Net Asset Value (NAV) amounted to approximately €17.5m or €0.10 per share approximately. Also, it has to be noted that apart from the decline in the operating profits, Group's Shopping Centers have suffered fair value losses of €37.2m in total. Taking into account the effect of the non-controlling interests, the impact on the fair value losses amounted to approximately €32.0m or €0.18 per share approximately.

Note that, on July 24, 2020, the Company repaid the total outstanding principal amounting to €81.1m and all corresponding interest, as this obligation was directly linked to the issuance of a €320m Corporate Bond through a public offering and subsequent listing for trading in the Organized Market category on the Athens Exchange.

The Group carefully monitors the events regarding the spread of coronavirus COVID-19. Until today, the Group has taken precautious measures for the safety of its employees as well as it has acted immediately in compliance with obligations as imposed each time by the official competent authorities.

Impact of coronavirus COVID-19 in 2021

The effects of the pandemic continue to affect the financial position of the Group for the year 2021. By decision of the government, the Shopping Centers of the Group are closed for most of the period from 01.01.2021 until 14.04.2021. During this period, the Shopping Centers of Athens remained open from 18.01.2021 to 31.01.2021 and from 01.02.2021 to 07.02.2021 with the click inside method. Respectively, the Shopping Center in Thessaloniki remained open from 18.01.2021 until 07.02.2021 without restrictions and from 08.02.2021 to 04.03.2021 with the click away method. The Government by legislation decided to exempt the shopkeepers from the payment of their full rent for the months of January to March. Respectively for the same period the Government will compensate the Group by paying 60% of the rents. Taking into account the above regulations, the loss of income from the car parks of the Shopping Malls, the loss of revenue from the advertising operation and the loss of the variable rents, the impact on the total EBITDA of the Shopping Centers for the first quarter of 2021 amounts to approximately €9,3m. Considering the impact of minority interests and income tax, the amount is €5.9m or €0.033 per share.

The possible prolonged closure of the operation of the shopping centers will lead to a further reduction of the operating revenues of the shopping centers.

According to the independent qualified valuers, given the uncertainty deriving from the evolution of COVID-19 pandemic and the potential future impact on the real estate market in our country and internationally and in lack of sufficient comparable figures, there are conditions of "substantial valuation uncertainty" as defined by the International Valuation Standards. Therefore, the value of the properties is under a period of a high level of attention.

The Management of the Company has carried out all the necessary analyses in order to confirm its cash adequacy at Company and Group level. The Group's cash flow is sufficient to ensure that its contingent obligations are met. In addition, according to estimates, it is predicted that the main financial covenants of the Group's loans will continue to be satisfied.

SIGNIFICANT RISKS FOR THE YEAR 2021

Impact of the spread of coronavirus COVID-19

The Group carefully monitors the events regarding the spread of coronavirus COVID-19. Until today, precautious measures are taken for the safety of its employees and acts in compliance with obligations as imposed by the official competent authorities.

The spread of the pandemic will have a negative impact on both global and domestic economic activity. It is also expected to hit sectors of the Greek economy related to the Group's activities, such as retail market. The effects on the Group for 2020 as well as for first quarter of 2021 are described in the above section "PROSPECTS".

Fluctuations in property values

Fluctuations in property values are reflected in the income statement and balance sheet according to their fair value. An increase in yields would have a significant impact on the Group's profitability and assets. However, due to the successful performance of Shopping and Leisure Centers "The Mall Athens", "Golden Hall" in Maroussi and "Mediterranean Cosmos" in Pylaia Thessaloniki, their market value is less likely to be reduced. In this context, we note that despite the existing factors of increased uncertainty, the values reported provide the best estimate for the Company's investment property. The complete impact of the consequences of the economic situation as well as of the spread of coronavirus COVID-19 may affect the value of the Group's investment property in the future.

Credit risk

The credit risk management is monitored at Group level. The credit risk derives from tenants and cash and cash equivalents.

With regard to the Group's income, they come mainly from tenants with good reputation whereas certain terms of sales and collections are applied.

Income will be significantly affected in case the tenants are unable to fulfil their contractual obligations due to either restriction in their financial activities or instability of the local banking system.

However, the Group at 31.12.2020 has a well-diversified tenant mix consisting mainly of profitable companies with good reputation. The customers' financial condition is monitored on a recurring basis. The Company's management does not expect significant losses from impaired receivables except for those that have been provided for. Additionally, the credit risk from tenants is significantly limited due to the Group's policy to receive bank letter of guarantees from the tenants.

Total value of trade and other receivables is the maximum exposition to the credit risk.

The deposits and cash of the Group and the Company are rated in Moody's. At 31.12.2020 the Group's cash and cash equivalents are concentrated mainly in 2 bank institutions in Greece higher than 10%, which shows significant concentration of credit risk. No significant credit losses are anticipated in view of the credit status of the banks that the Group keeps current accounts.

Foreign exchange risk

The Group operates mainly in Greece and the Balkans and is therefore exposed to foreign exchange risk arising from various currencies. The majority of the Group's transactions are carried out in Euro. Foreign exchange risk arises from future commercial transactions as well as the assets, liabilities and net asset value of investments operating in foreign countries.

The Group's standard practice is not to pre-purchase foreign exchange, not to enter into forward foreign exchange contracts with external counterparties and not to enter into currency hedging transactions.

The Group has participations in subsidiaries that operate abroad which equity is exposed to foreign exchange risk at the conversion of their financial statements for consolidation purposes. In relation to the operations outside Greece, the most significant operations take place in Serbia where the foreign exchange rate historically does not show considerable changes. Also, the Group's operations outside Greece do not include material commercial transactions and therefore there is not a significant foreign exchange risk.

Interest rate risk

The Group's interest rate risk derives mainly from bank loans with floating interest rates based on Euribor. The risk is partially hedged with cash held at floating rates.

The Group analyses its interest rate exposure and manages the interest rate risk through refinancing, renewal of existing loans, alternative financing and hedging.

Inflation risk

The Group is exposed to fluctuations in demand and offer of real estate in the domestic market which are affected by the macroeconomic developments in the country and the developments in the domestic real estate market. Any extraordinary negative changes of the above may have a correspondingly negative impact on business activity, operating cash flows, fair value of the Group's investment property, in the equity.

Decrease in the demand or increased offer or shrinking of the domestic real estate market could adversely affect the Group's business and financial situation, as well as negatively affect the Group's investment property occupancy, the base consideration that is set in the contract, the level of demand and ultimately the fair value of these properties. Also, the demand of spaces in the Group's investment property may decrease due to the difficult economic condition or due to increased competition. The above may result to lower occupancy rates, renegotiation of the terms of lease contracts, higher costs required for the lease contracts, lower revenue from base remuneration, as well as of lease contracts with possible lower duration.

The Group enters into long term operating lease arrangements for a minimum of 6 years that are adjusted annually according to the Consumer Price Index plus margin up to 2%.

Liquidity risk

The current or prospective risk to earnings and capital arising from the inability of the Group to collect outstanding receivables without incurring significant losses as well as to ensure timely the required liquidity in order to meet its obligations on time. The Group ensures the timely liquidity through the regular monitoring of liquidity needs and collection of amounts due to from tenants, maintaining credit accounts and through prudent cash management. The Company's liquidity is monitored by management on a regular basis.

At December 31, 2020 the short-term loans refer mainly to the syndicated bond loan of the subsidiary LAMDA Prime Properties SMSA with Alpha Bank amounting to €4.9m which is extended until 31.03.2021. The refinancing of the above-mentioned syndicated bond loan is finalized at 29.03.2021. Also, the subsidiary "LOV SMSA" ("LOV") signed on June 23rd, 2020 with National Bank of Greece SA (NBG) the Bond Programme and Subscription Agreement for the issuance of a bond loan of an amount of up to €220m ("Bond Loan") with a duration of 7 years comprising of three (3) distinct series. At 31.12.2020 the short-term part of the above-mentioned bond loan amount to €4.9m. A reference is made in note 16 of the annual financial statements of the year that ended at December 31, 2020.

On July 21, 2020 the Company issued a 7 year7-year common bond loan by means of a Public Offering and listing to trading of Bonds in the fixed income securities category of the regulated market of the Athens Stock Exchange, raising funds amounting to €320 m. Following the above issuance, the Company repaid the total outstanding principal amounting to €81.1m and all the corresponding interest of the secured syndicated bond loan with Alpha Bank, Piraeus Bank and Eurobank on July 24, 2020, as this obligation was directly linked to the issuance of the Corporate Bond with a public offering and listing to trading in the Organized Market category on the Athens Stock Exchange (Section 4.1.2 Reasons for Issuing the CBL and Use of Funds of the

Prospectus). The Company's Common Bond Loan at a consolidated and corporate level must meet the ratio Adjusted Assets to Adjusted Total Liabilities ≥135%.

External factors

The Company has investments in Greece, Romania, Serbia and Montenegro. The Group can be affected by external factors such as political instability, economic uncertainty and changes in local tax regimes.

The financial risk factors are disclosed in note 3 of the annual consolidated and company financial statements of 2019.

PENDING LITIGATION

1. THE MALL ATHENS

With regard to the legal issues relating to the particular investment, the following should be noted:

1.1 A petition for annulment had been filed before the Council of State, relating to the area where the Maroussi Media Village (or “Olympiako Chorio Typou”) and the Shopping Center "The Mall Athens" were built, whose legal owner is the Company’s subsidiary “L.O.V. S.M.S.A.” (hereinafter, “L.O.V.”). Said petition directly contested the validity of Law 3207/2003, which was in lieu of the building permit for all the buildings constructed on this particular area. The Council of State, by means of the decision No. 376/2014 of its Plenary Session, identified irregularities of a procedural nature in the issuance of the licenses required for the project, as incorporated in Law 3207/2003. Given the nature of said irregularities, LOV proceeded to initiate the procedure required further to the issuance of the said decision. In this context, a presidential decree was issued on 24.02.2020 (GG D’ 91), approving the Special Spatial Plan, the Strategic Environmental Study and the Detailed Street Plan for the wider area (the former Maroussi Media Village). The completion of the above-mentioned procedure, which of course requires the effective contribution of the involved competent public services, will safeguard the full and unhindered operation of the Shopping Center.

1.2 Additionally, LOV had to pay for the transfer of specific real property in the past (on 2006), property transfer tax of approximately €13,7m, reserving its rights with regard to this tax and finally taking recourse to the administrative courts against the silent rejection of its reservations by the competent Tax Authority. In 2013 the said recourse was accepted in part and the re-calculation of the owed property tax was ordered, which led to the returning to LOV of an amount of approximately €9,5m. Further to appeals on points of law filed by both parties, the Council of State rejected LOV’s appeal and accepted the Hellenic Republic’s appeal; consequently the case was referred back to the Administrative Court of Appeals, which initially postponed the issue of a final decision and obliged the parties to adduce evidence for the determination of the market value of the property; after resuming hearing of the case, the Administrative Court of Appeals finally rejected the recourse, determined the taxable value of the property and obliged the competent Tax Authority to re-calculate the transfer tax due upon the new taxable value. Following this decision, LOV had to pay transfer tax of approximately €16,3m. An appeal on points of law has been filed before the Council of State and is estimated by the legal counsels of the Company to have high chances of success. In specific, grounds of appeal challenging re-calculation of transfer tax upon the market value of the property, to the extent it exceeds the objective value, are expected to succeed with very high probability.

2. GOLDEN HALL

1.1 Public (already private) law entity under the trade name “Hellenic Olympic Committee” (“HOC”) has filed a lawsuit against the Public Real Estate Property Company S.A. (“ETAD”). By means of the said lawsuit, the HOC claims to be entitled to, and therefore to be granted, the use, management and exploitation of a plot of land of its ownership in which the International Broadcasting Centre (“IBC”) is built. The HOC also claims ETAD to be declared as liable for an overall amount of 90,784,500 Euros, which is alleged to have been the lease price paid by the company under the trade name “LAMDA DOMI S.M.S.A.” (“LAMDA

DOMI") to ETAD (and its predecessor "HELLENIC OLYMPIC REAL ESTATE S.A") for the period 30.04.2007-30.06.2019. The said lawsuit is based on the alleged by the HOC contravention of Article 35 of Law 3342/2005 to Article 17 of the Constitution and more specifically on the allegation that the delegation of use, management and exploitation deprives the HOC from its right to use the plot and benefit therefrom as its rightful owner. Pursuant to an impleader by ETAD, LAMDA DOMI filed a "supporting intervention" in favor of ETAD. The hearing of the case is set for 13th.05.2021. According to the views of the Company's legal counsels, there is reasonable ground for the Court to dismiss the HOC's lawsuit.

For the afore mentioned pending litigation of the Group, we should clarify that there is no reason under IAS 37 for recognizing provisions as according to the relevant opinion of the Group's companies' legal advisors and the Management's estimations, it is not considered as likely that resources will be required to settle these cases.

RELATED-PARTY TRANSACTIONS

The related-party transactions according to IAS 24 of the Company and the Group are disclosed in the note 31 of the consolidated financial statements for the year ended on 31 December 2020. It is noted that the transactions with the related parties are intra-group transactions and there are not significant transactions with related parties outside Group.

ENVIRONMENTAL ASPECTS

For Lamda Development, environmental and social responsibility is a key aspect in every business and commercial venture, taking into account the importance of the rational use of all.

Shopping and Leisure Centers

Carefully planned, with modern architectural design and model support services, Golden Hall, The Mall Athens and Mediterranean Cosmos shopping centers aim to ensure that they all operate in an environmentally friendly way that promotes sustainable development and responsible entrepreneurship. More specifically, Building Management Systems (BMS) are in place in all shopping centers to control lighting and air conditioning, optimizing energy consumption and maximizing energy efficiency.

Furthermore, modern waste management practices and processes are used, focusing on recycling (five flows division - material categories – recycling). Similarly, used oils and fats are collected from the health centers of the shopping centers by authorized companies, thus avoiding their pouring in the sewerage network. Hygiene stores keep stringent specifications by installing filter arrays in ventilation systems to minimize burden on air quality.

Air quality in underground car parks in shopping malls is constantly controlled by a special automatic installation to keep the air at a constantly permissible level.

Flisvos Marina

At the same time, Flisvos Marina applies ISO 9001: 2008 and ISO 14001: 2004 ISO 9001: 2004 certification procedures for integrated solid and liquid waste management systems, systematic quality control of the sea and training for enviromental port issues for crews and students of all education levels, receiving important honors, such as the Blue Flag and Tourism Award from National and European programs, as well as winning the 5th Golden Anchie Award, receiving the highest distinction from the Yacht Harbor Association's (TYHA) Gold Anchor Award Scheme. It has also been certified for EFQM Commitment to Business Excellence.

The Hellinikon Project

Finally, the development of the Metropolitan Pole of Elliniko - Ag. Kosmas, with a predominant design parameter the creation of a Metropolitan Park with a total area of 2,000,000 square meters, will be characterized by an environmentally friendly design based on the principles of sustainability. In addition, the upgrade, consolidation and exploitation of the coastal front and the connection between the city and the sea will constitute an important environmental and social objective of the Integrated Development Plan.

The Hellinikon Project concerns a model urban regeneration with a smart city design incorporating the latest technologies.

The project involves a model urban development with a very low building coefficient (lower than 0.5) which aims to create a new life experience including recreation, well-being, culture and, at the same time, the protection of the natural landscape, the climate and the cultural heritage of the place.

Furthermore, regarding the important issue of the waste management of the project, the following have been foreseen:

• Segregation at source of waste streams (collection in six discrete bins)

• Minimization of the amount of waste disposed to landfill both during construction and during the operational stage

• Re-use, recycling and recovery of construction waste by reducing the percentage that results in landfills and optimal use of demolition materials and methods.

EMPLOYMENT

a) **Equal Opportunities**

The Company is committed to the International Standards for the diversity and equality of opportunities in all of its employment practices and activities. It provides equal opportunities to all the employees and candidates regardless of hierarchy levels, race, national or ethnic origin, disability, age, gender, sexual orientation or religion and explicitly forbids any discrimination that relate to the aforementioned factors.

All decisions related to recruitment, promotion, training, performance evaluation, salaries and benefits, travel, disciplinary offenses and dismissals are free from any unlawful discrimination. Noticeably, there have been no incidents of discrimination in the Company's workplace.

The constructive exploitation of diversity, respect and the attribute of worthiness of the individual differentiation as well as the formation of a fair work environment for every employee consists of a core element for the Company's achievement of its strategic objectives and its development.

b) **Human Rights and Training Systems**

The main purpose of the Company is the development and evolution of its people. Through institutionalized procedures the best employees who take wider responsibilities or higher positions are highlighted. That ensures the development of the employees, meritocracy and the Company's success.

The Company supports its people to learn, develop and achieve their goals and assures them the right of association. It implements training programs, which all employees can participate in, aiming to the improvement of their skills, their constant professional development and their better respondence to the fulfillment of the Company's objectives.

Performance evaluation is a key tool for the development of employees' skills and career management as well as the recognition of the work and the contribution in cases of fulfilling satisfactory operating results.

The Company considers that equal treatment of the employees is the fairer and best way of creating an environment that ensures an optimal level of performance. Equal treatment policy, without gender, age, religion or nationality discrimination, exists – without being exhausted - in the fields of recruitment, training, salaries and dismissals.

c) **Health and Safety**

The formation of an environment of health and safety in the workplace, through a coordinated effort of management and personnel, consist of a basic priority of the Company since they effectively contribute to the development and progress of the Company. For this reason the Company continuously invests on this sector:

The Company takes the following main measures:

- It conducts risk reviews in health and safety matters
- It conducts systematic measurements to the air quality, the noise level and the suitability of brightness in its premises
- It has drafted an office evacuation draft and has created special groups of employees who are in charge of the implementation of the plan and conducts evacuation tests of the buildings twice a year.
- It trains and informs regularly the employees on matters of fire safety, emergency situation management, provision of first aid (there is a special group trained and certified in KARPA and the use of defibrillators that exist in the Company's buildings.

Branches

Group's branches consist of the shopping centers "The Mall Athens" and "Mediterranean Cosmos" located at Maroussi, A. Papandreou str. 35 and at the 11^{th} km of the National Road Thessaloniki – Neon Moudanion respectively.

CORPORATE GOVERNANCE DECLARATION

This Corporate Governance Declaration constitutes a special part of the Annual Report of the BoD in accordance with articles 152 and 153 of Law 4548/2018.

A. Corporate Governance Code

The Company, pursuant to Law 3873/2010 has enacted and implements a Corporate Governance Code, which can be found in its website www.lamdadev.com

B. Corporate Governance principles that the Company follows in addition to laws and regulations

The Company, with a view to implementing a structured and adequate system of Corporate Governance, has adopted and follows a set of specific corporate practices beyond statutory requirements, which are outlined below:

- Clear segregation of duties between the responsibilities of the Chair, who is a non-executive director, and those of the CEO.
- The majority of the Board members are non-executive directors.
- Establishment of a Compensation & Nomination Committee charged with the tasks of: assisting the Board in all matters of compensation, benefits and incentives for Directors, executives and employees of the Company; strengthening the administrative centres of the Company; and ensuring the efficient management of the Company, by identifying, presenting and nominating suitable candidates to fill vacancies on the Board, and by approving the reasoned recommendations of the CEO for hiring and promoting senior management officers.
- Establishment of a Regulatory Compliance Unit.
- Establishment of a Risk Management Unit.
- Implementation of:
  - Code of Conduct setting forth the core values and basic principles of operation of the Company.
  - Procedures for the evaluation of the Board, its Chair and Committees at least every two years.
  - Anti-Corruption Policy and related procedures aiming at promoting all business with transparency and ethics.
  - Conflict of Interest Policy applicable to the Board of Directors and the employees of the Group.

C. Description of the internal control and risk management system with regard to the preparation procedure of the financial statements

C.1. Internal Control System

The Group implements a "control activities" mechanism for the preparation procedure of financial statements, aiming to prevent or identify material errors on time, in order to ensure the credibility and efficiency of operations and the compliance with laws and regulations. The selection and placing of material accounts and Group companies under this safeguard mechanism is performed using specific qualitative and quantitative significance criteria.

Regarding the preparation of financial statements the main areas, in which these "control activities" are established are the following:

Organization - Allocation of Competencies

- The assignment of authorities and responsibilities, both at the Senior Management and the executives of the Group, enhances the efficiency of the Internal Control System, while simultaneously safeguarding the segregation of duties.
- The Company ensures the adequate staffing of financial departments with qualified personnel possessing the expertise and experience required for the fulfilment of their assigned duties.

Monitoring of the accounting process

- Establishing a single centralized policy for the monitoring of the Group subsidiaries' accounting departments.
- Launching a program for the integration and monitoring of intercorporate transactions, tailored to meet the needs of the Group.
- Conducting automatic checks and verifications between the various information systems.

Process for the safeguarding of assets

- Setting up safety mechanisms for the Company's fixed assets, inventories, cash on hand and in banks and other assets.
- Following a program of regular physical inventories to verify stock balance.

Supervision - Audit

- Establishment of Audit Committee procedure for auditing the preparation of financial statements.
- Inclusion of the audit of the interim financial statements preparation procedure in the scope of the Internal Audit Unit's audit plan.

C.2. Information System Security

The Company has developed an integrated framework for monitoring and controlling its IT systems. This framework consists of a set of control mechanisms (networks security, access, security back-ups, etc.), a complete plan for the recovery of information infrastructures in case of disaster (Disaster Recovery Plan), and updates of software and hardware in order to meet all needs and necessities. Policies and procedures have been updated to cover the entire scope of the Group's information systems activities, among which the change management procedure with regard to information systems and services and the provision of detailed job, roles and duties descriptions for all the parties involved in the preparing of financial statements. Finally, limited access rights have been set for the system users according to their assigned tasks, and an entry log system is kept, in order to allow the immediate and efficient control of all users.

C.3. Risk Management

The Company has established a Risk Management Unit (the RMU) and has strengthened its efficiency with the addition of a Risk Management Officer. The aim of the RMU is to foster a risk management culture and to contribute to the identification, recording, evaluation and management of risks across all levels and operations. In view of the above, an introductory course in the principles of risk management was conducted with the help of HR consisting of thirteen (13) sessions ranging from three (3) to two (2) hours in length, adjusted according to the participants' extent of involvement and previous experience in risk management. Seventy-eight (78) executives from the majority of the Company's divisions took this course. Moreover, a standard tender was conducted in 2020 for the procurement of a risk management tool, with the participation of global computerised systems suppliers. The final selection of the system and the execution of the agreement with the supplier have been completed, with the configuration of the system being next in line. The system will be complementary to, and in line with, the organisation's risk management procedures, and it will be progressively used by all the Divisions and Operational Units of the Company.

The Board is the competent body that has the ultimate responsibility to monitor and evaluate the internal control and risk management system. Responsible for monitoring compliance with the system are: a. The

Board's Audit Committee; and b. the Company's Internal Audit Unit, as set forth in detail in the Corporate Governance Code published on the Company website (www.lamdadev.com).

C.4 Compliance Unit

A Compliance Unit (CU) is established, presided over by the Chief Legal and Compliance Counsel of the Group. The key mission of the CU is to supervise and monitor the regulatory requirements to which the Group is subject, and to coordinate the departments involved in the implementation of the necessary steps, with a view to ensuring constant compliance. The competences of the CU are described in detail in the CU Operating Regulation.

In addition, an innovative and integrated Whistleblowing mechanism was first established in 2020, charged with the task of enhancing transparency and integrity in the Group. To this end, the organisation has established a policy and procedure mix for the internal allocation of tasks and responsibilities; put in place a new configured internal Whistleblowing platform for exclusive use by the Group; adopted a newly-designed communication strategy with the target of promoting the whole undertaking to the outside of the Group; and, finally, developed an interactive and easy to understand audiovisual material aiming at training and raising awareness among stakeholders. The aforementioned Whistleblowing system is scheduled to be launched soon.

D. Additional information that are required by sections (c), (d), (f), (h) and (i) of article 10 par. 1 of the 2004/25/EC Directive of the European Parliament and of the Board, of the 21st April 2004, regarding the public offers of acquisitions

- The additional information pursuant to section (c) of article 10 par. 1 of the 2004/25EC Directive can be found in the section of the current Directors Report that presents the additional information pursuant to article 4 par. 7 of Law 3556/2007
- With regard to the additional information pursuant to section (d) of article 10 par. 1 of the 2004/25/EC Directive, there is not any kind of titles issued by the Company which confer special control rights to their holders
- With regard to the additional information pursuant to section (f) of article 10 par. 1 of the 2004/25/EC Directive, there does not exist any limitations whatsoever with regard to voting rights.
- The additional information pursuant to section (h) of article 10 par. 1 of the 2004/25/EC Directive, relevant with the amendment of the Articles of Association of the Company and the appointment and replacement of a member of the Board of Directors, are included in another section of the current Directors Report that presents the additional information pursuant to article 4. par. 7 of Law. 3556/2007.
- The additional information pursuant to section (i) of article 10 par. 1 of the 2004/25/EC Directive can be found in the section of the current Directors Report that presents the additional information pursuant to article 4 par. 7 of Law 3556/2007.

E. Information regarding the mode of operation of the General Meeting of the Shareholders and its authorities, as well as the description of the Shareholder rights and their exercise

E.1. General Meeting of the Shareholders

The General Meeting is the supreme body of the Company; it is convened by the Board of Directors and has the authority to decide on all matters that concern the Company. Shareholders have the right to participate to the General Meeting, either in person or through a legally authorized representative, in accordance with the legal procedure that is in effect.

The Board of Directors ensures that the preparation and the proceedings of the General Meeting of Shareholders facilitate the effective exercise of shareholder rights, within the framework of the Articles of Association, thus their participation, especially the shareholders with minority rights, the foreign shareholders and those living in isolated areas.

E.2. Shareholder participation in the General Meeting

Every shareholder is allowed to participate and vote at the General Meeting of the Company that appears with that capacity in the records of the entity that holds the transferable securities of the Company at the commencement of the fifth (5th) day before the date of the General Meeting, and, in the case of the Second General Meeting, at the start of the fourth (4th) day before the date of the Second General Meeting. The exercise of these rights does not require the blocking of the shares of the holder, nor the observance of any other equivalent procedure. The shareholder can appoint a representative if he or she wishes. In other respects, the Company complies with the provisions of Codified Law 4548/2018.

E.3. Procedure for participating and voting through a representative

Shareholders may participate in the General Meeting and vote either in person or by proxy. Each shareholder may appoint up to three (3) proxies and legal entities/shareholders may appoint up to three (3) individuals as proxies. In cases where a shareholder owns shares of the Company that are held in more than one Investor Securities Account, the above limitation does not prevent the shareholder from appointing separate proxies for the shares appearing in each Account. A proxy holding proxies from several shareholders may cast votes differently for each shareholder.

It is noted that provided that the Board of Directors establishes that the previous material and technical resources adjustment is still in place, ensuring the identification of shareholders and the security of the electronic communication, and allowing for the transmission of the meeting or for a two-way communication, the shareholders may participate at the general meetings by electronic means, i.e. without physical participation at the venue of the general meeting. This participation may take place via real time transmission of the meeting or real time two-way communication, enabling shareholders to address the general meeting from a remote location. The company's Board of Directors shall be responsible to ascertain whether the above requirements, such as are necessary to ensure the technical feasibility and security of the participation in the general meeting by electronic means, are met.

Provided that the board of directors ascertains that the previous material and technical resources adjustment is still in place, ensuring the identification of shareholders and the security of the electronic communication, the company's shareholders shall be able to exercise their voting rights at a General Meeting from a remote location, either by voting by correspondence or by electronic means. In such an event, the company shall distribute ballot forms beforehand either in electronic format via its website or in paper form at its registered office. The exercising of voting rights by electronic means may take place before or during the General Meeting. The shareholders voting by correspondence shall be counted in the calculation of quorum and majority, on the condition that the Company receives the relevant ballots at least by the beginning of the General Meeting. The company's Board of Directors shall be responsible to establish whether the above requirements, such as are necessary to ensure the technical feasibility and security of the shareholders' distant participation in the General Meeting, are met.

In any case, the Board of Directors shall include in the Notice of the General Meeting all the necessary information on the possibility of distant voting and the participation in the General Meeting by electronic means. Should the Board of Directors ascertains that the technical requirements, as necessary to secure the holding of a General Meeting by electronic means or the shareholders' distant voting at the General Meeting, are not met, then it shall mention this fact in the notice of the general meeting.

E.4. Minority rights

All issues pertaining to minority matters and rights shall be regulated in accordance of article 23 of the codified Articles of Association:

1. All issues pertaining to minority matters and rights shall be regulated in accordance with the provisions of Law 4548/2018, as in force.

2. Upon request of shareholders that represent at least 10% of the Relevant Equity Shares as well as of the Minority Shareholder, provided that the latter holds at that time in aggregate at least 10% of the Relevant Equity Shares, which request is submitted to the Company with the timeframe of Article 141, par. 6 of Law 4548/2018, the Board of Directors is obliged to provide the General Meeting with the following information: (a) non-confidential information regarding any event or development that occurs within the Company or which comes to the attention of the Company and which could reasonably be expected to cause a material change to the Group's business or the ceasing of operations or operation of any material operating subsidiaries, lead to the de-listing of the shares of the Company and/or conversion of the Company into a private company or make the Company unable to perform its material obligations relating to the acquisition by the Minority Shareholder of 12.83% of the share capital of the Company on 21.12.2017; and (b) material details of any formal third party written offer or approach (coming to the attention of the Board of Directors) which might reasonably be expected to lead to any sale or disposal or a series of sales or disposals by the shareholder Consolidated Lamda Holdings S.A. (or by persons affiliated to such shareholder) of securities (including shares, preferred shares, any convertible equity securities as well as rights to acquire or convert into shares and/or shareholder loans) that exceed in aggregate 5% of the securities issued from time to time by the Company or by any holding company, in which the share capital structure of the Company is replicated in all material respects, to any third party that is not an affiliate entity with such shareholder (or does not constitute a shareholder, partner, representative or agent of such affiliated entity established in any jurisdiction directly or indirectly with the purpose to hold such shares for it or another affiliated company) such sale or series of sales being completed through transfer of legal ownership against consideration during any twelve (12) month period starting on 03.07.2014 or any successive twelve month period, unless in the case of a bona fide sale on an arm's length basis by a securities holder where such holder holds those securities solely as collateral for any loan, credit, claim or liability properly granted on an arm's length basis .

In accordance of article 10 paragraph 11 and 12 of the codified Articles of Association:

"Minority Shareholder" means the legal entity "VOXVOCE HOLDINGS LIMITED" and any other person which enters into its position by acquiring at least 10% of the Relevant Equity Shares of the Company, acting legally and without breaching any relevant contractual obligations.

"Relevant Equity Shares" means the share capital of the Company, as is outstanding from time to time, excluding any shares issued under the stock option plan as approved by resolution of the General

Meeting as in force and under any other stock option plan being approved pursuant to Article 113 of Law 4548/ 2018.

E.5. Investor Relations and Corporate Announcements Department

The Company has established and maintains an Investor Relations and Corporate Announcements Department responsible, *inter alia,* for:

- providing information on annual or extraordinary general meetings and the resolutions adopted by them;
- communicating and sharing information and data with Central Securities Depositories and mediators for shareholders identification purposes;
- maintaining channels of communication with shareholders;
- informing shareholders, in conformity with the provisions of article 17 of Law 3556/2007 (A` 91), on the facilities and information provided by the Company;
- monitoring the exercise of share rights, especially as regards shareholders' participation percentages and the exercise of voting rights in general meetings.

F. Composition and operation of the Board of Directors and any other administrative, managing or supervisory bodies or committees of the Company

F.1. Board of Directors

F.1.1. Role of the Board

The Board of Directors shall be competent to decide upon any issue pertaining to the administration, and management of the assets of the Company and the fulfilment of its corporate purpose, with the law and excluding the issues, responsible to decide is the General Meeting of the Shareholders. The Board of Directors effectively exercises its leadership role and manages its issues for the benefit of the Company and all the shareholders, ensuring that the Management implements the corporate strategy. In addition, ensures fair and equal treatment of all shareholders, including shareholders with minority rights and foreign shareholders.

F.1.2. Size and the composition of the Board

The Board consists of executive, non-executive and independent non-executive directors. The directors' capacity as executive or non-executive members is determined by the Board of Directors. Independent non-executive directors are appointed by the Company's General Meeting of Shareholders and may not be less than one-third (1/3) of the total number of directors and, in any case, may not be less than two (2). They also need to meet all the independence criteria set by Law 3016/20202 and Law 4706/2020.

The size and composition of the Board enable the efficient fulfilment of its responsibilities, and reflect the size, activity and ownership status of the Company. Article 10 of the Company's articles of association includes provisions on the size, term of office and appointment of the members of the Board. More specifically:

- The Company is administered by a Board of Directors consisting of minimum five (5) to maximum fifteen (15) Members that are elected by the Shareholders' General Meeting and that may be Shareholders. The Members may be either natural or legal persons. In the case that a legal person is Member of the Board of Directors, it is required to designate a natural person to exercise its powers as member of the Board of Directors. The elected Members of the Board of Directors may be reelected. The General Meeting may, as and when it considers appropriate, elect Substitute Members, up to a number that shall not surpass that of the ordinary Members.

- Three (3) calendar days prior to any general meeting of shareholders which is convened for the purposes of electing new members of the Board of Directors the Minority Shareholder (as defined below) is entitled to appoint for as long as it holds at least 10% of the Relevant Equity Shares (as defined in paragraph 12 of the present article) one (1) member of the Board of Directors pursuant to the provisions of Article 79 of Law 4548/ 2018. Such member of the Board can be removed at any time by decision of the Minority Shareholder and be replaced by other member until the expiration of the relevant office term. In the event that, and for as long as, the Minority Shareholder does not hold at least 10% of the Relevant Equity Shares the above appointed person shall automatically cease to be a member of the Board of Directors.

- The term of office of Board Directors members shall be five (5) years and may be extended until the first Ordinary General Meeting convened after the expiration of the said term, but cannot exceed six (6) years in total.

It is noted that:

- "Minority Shareholder" means the legal entity "VOXVOCE HOLDINGS LIMITED" and any other person which enters into its position by acquiring at least 10% of the Relevant Equity Shares of the Company (as defined in paragraph 12 of the present article), acting legally and without breaching any relevant contractual obligations.
- "Relevant Equity Shares" means the share capital of the Company, as is outstanding from time to time, excluding any shares issued under the stock option plan as approved by resolution of the General Meeting as in force and under any other stock option plan being approved pursuant to Article 113 of Law 4548/ 2018.
- The verb "hold", in relation to shares, refers to shares being held directly and/or held through a proxy/agent.

The same article also sets forth provisions on the substitution of directors, detailed in another section of the Annual Report.

The establishment of the Board of Directors takes place in the first subsequent meeting following any appointment of its members by the General Meeting or upon any vacancy in the positions of the Chair, Vice-Chair or the CEO.

The Board of Directors shall elect, among its members and for its term of office, the Chair, Vice Chair and CEO of the Company. The Board of Directors may elect one or more Vice Chairs or/and one or more CEOs of the Company out of its Members only, while determining their responsibilities.

The Chair of the Board heads the meetings of the Board of Directors. When the Chair is absent or hindered from his duties, he shall be replaced by his deputy. If a Vice-Chair has been elected, the Vice Chair is the Chair's deputy, while if there are more than one Vice-Chairs, they shall replace the Chair in the order in which they were elected. If the Vice-Chair is prevented from attending a meeting or if there is no Vice-Chair and if no substitute for the Chair has been appointed, the Chair is substituted by the longest-serving Member of the Board of Directors. When the Chair or the Vice-Chair withdraws for any reason, the Board of Directors elects his substitute during its first meeting after the withdrawal. The newly elected Chair shall stay in office for the remaining of the term of office of the member to be replaced.

The Company's current Board of Directors was elected by the Extraordinary General Meeting of Shareholders on 22 December 2020 with a five-year term of office and is composed, after the resignation of Mr Georgios Gerardos on 28 January 2021, of thirteen (13) members. Out of the total members of the Board, one is an executive director and the remaining members are non-executive directors, four (4) of which are independent non-executive directors.

The Board of Directors consists of the following members:

Anastasios Giannitsis, Chairman, non-executive member
Evangelos Chronis, Vice – Chairman, non-executive member
Odissefs Athanasiou, Chief Executive Officer, executive member
Fotios Antonatos, non-executive member
Eftichios Vassilakis, non-executive member
Ioannis Zafiriou, independent non-executive member
Vassilios Katsos, non-executive member (who is not appointed by the General Meeting, as he has been appointed directly by «VOXCOVE HOLDINGS LTD», a shareholder of the Company, pursuant to the right provided under Art. 10 of the Articles of Association in connection with Art. 79 of Law 4548/ 2018).
Chariton Kyriazis, independent non-executive member
Ulysses Kyriacopoulos, non-executive member
Evgenia Paizi, non-executive member
Kalypso – Maria Nomikou, independent non-executive member
Ioanna Papadopoulou, independent non-executive member
Aris Sermpetis, non-executive member

The Board of Directors CV's are posted on the Company's website (www.lamdadev.com).

The Board of Directors is supported by a Secretary, Mr. I. Giannakopoulos who is the Company's Chief Legal and Compliance Counsel and attends its meetings. The BoD Secretary's role is to provide support to the Chairman and other Board members, both as a group and individually and ensure that the Board of Directors complies with relevant laws and regulations as well as the internal rules of the Company. All Board members have access to the BoD Secretary's services.

A brief CV of Mr. I. Giannakopoulos is posted on the Company's website (www.lamdadev.com).

F.1.3. Meetings

The Board of Directors convenes at the Company's registered office whenever required by Law, the Articles of Association or the needs of the Company.

The Board of Directors may convene by teleconference where some or all of its Members may participate. In this case, the invitation to the Members of the Board of Directors includes the necessary information and technical instructions for their participation in the meeting.

The Board of Directors may validly convene in places other that the Company's registered office, whether in Greece or abroad, provided that in the said meeting are attending in person or by proxy all its members and that none of them objects to its taking place or to the taking of decisions.

During the year 2020, were held in total seventeen (17) meetings of the Board of Directors. The table below presents the participation of the members of the Board of Directors in these meetings:

Surname/Name	Position	Participation in the BoD meetings	Participation via representatives	Participation percentage	Comments
Giannitsis Anastasios	Chairman, Non-Executive Member	17	-	100%	
Chronis Evangelos	Vice Chairman, Non-Executive Member	17	-	100%	
Athanasiou Odissefs	Chief Executive Officer, Executive Member	17	-	100%	
Antonatos Fotios	Non-Executive Member	17	-	100%	
Afendoulis Dimitris	Non-Executive Member	13	-	100%	He resigned on 30.07.2020
Sermpetis Aris	Non-Executive Member	4	-	100%	BoD Member since 07/09/2020
Paizi Evgenia	Non-Executive Member	17	-	100%	
Vassilakis Eftichios	Non-Executive Member	14	-	82%	
Karagiannis Ioannis	Non-Executive Member	10	-	100%	BoD Member until 24/06/2020
Katsos Vassilios	Non-Executive Member	7	-	100%	BoD Member since 24/06/2020
Kyriacopoulos Ulysses	Non-Executive Member	16	-	94%	
Gerardos George	Independent Non-Executive Member	14	1	88%	
Kyriazis Chariton	Independent Non-Executive Member	15	1	94%	
Zafiriou Ioannis	Independent Non-Executive Member	7	-	100%	BoD Member since 24/06/2020
Papadopoulou Ioanna	Independent Non-Executive Member	1	-	100%	BoD Member since 22/12/2020
Nomikou Kalypso-Maria	Independent Non-Executive Member	1	-	100%	BoD Member since 22/12/2020

*Mr. Serbetis replaced the resigned member, Mr. Afendoulis.
**Mr. Katsos replaced Mr. Karagiannis.

F.1.4. Evaluation of the Board of Directors

The Board of Directors has established a procedure for its evaluation, according to which the directors are requested by the Chair to appraise the operation of the Board and its Committees, the performance of the directors and the adequacy of the skills and know-how required to discharge their duties, through a relevant questionnaire. The results of the evaluation are submitted to the Board of Directors for discussion and the Chair takes the necessary steps to address any shortcomings.

The Board also performs an appraisal of its Chair, at least every two years. The appraisal is carried out under the authority of the Vice-Chair or another non-executive director. Directors are called to evaluate the efficiency of the Chair in discharging the duties assigned to him/her, and his/her overall presence, through the completion of a relevant questionnaire.

F.1.5. Remuneration of the Board of Directors

The remuneration of the Board members is set forth in the Remuneration Policy approved by the General Meeting of 25.6.2019, as published on the Company website (www.lamdadev.com). The Remuneration Policy was drafted according to the provisions of Law 4548/2018 and its aim is to harmonize the objectives and incentives of the Members of the Board with those of the Company's shareholders, taking into account the wage and working conditions of the Company's employees. It also contributes to the establishment and maintenance of long-term commercial and business value, to the setting of business strategy and to the service of both long-term interests and the viability of the Company through benefits and incentives programs provided for in said policy, in order:

- to attract and retain as Members of the Board, people with skills, knowledge and experience;
- to prevent or minimize conflicts of interest;
- to properly and effectively identify and manage risks related to the pursuit of the Company's business activities in general.

F.1.6. Stock ownership of Board Members and Senior Management Officers

The members of the Board and the senior management hold a significant percentage of Company shares, which intensifies their engagement in the fulfilment of the Company's objectives and harmonizes their personal goals with those of the Company's shareholders. The following table shows the number of shares held on 31.12.2020.

BoD Members & Senior Management Officers	**Number of Shares 31.12.2020**	**Share Capital Percentage 31.12.2020**
Executive directors	1,578,868	0.89%
Non-Executive directors	75,203	0.04%
I. Total number of directors.	***1,654,071***	***0.94%***
II. Total number of Senior Management Officers	***482,293***	***0.27%***
III. Total (I+II)	***2,136,364***	***1.21%***

F.2. Board of Directors Committees

F.2.1. Audit Committee

The purpose of the Audit Committee is to assist the Company's Board of Directors in its duties with regard to financial information, internal audit and monitoring of the ordinary audit. Recently, the duties of the Audit Committee included the supervision over matters pertaining to the security of Company information and information systems and the Company's sustainable development policy.

The Audit Committee is composed of four (4) members, three (3) of which are members of the Board and one (1) which is not a member of the Company's Board of Directors but a third party outside the Company. The members of the Audit Committee are in their majority independent from the Company, within the meaning of Article 4 of Law 3016/2002 and article 9 of Law 4706/2020.

The members of the Audit Committee are elected by the Company's General Meeting of Shareholders, which is also competent to determine the term of office of the Audit Committee's members. The Chair of the Committee is elected by its members and is independent from the Company.

The current Audit Committee was elected by the Company's Extraordinary General Meeting of Shareholders of 22 December 2020 for a three-year term of office. The Chair of the Committee was elected by its members at the meeting that was held on the very same day. The Audit Committee is composed of the following members:

- Chariton Kyriazis, Chairman of the Audit Committee and Independent Director;
- Ioannis Zafiriou, Member of the Audit Committee and Independent Director;
- Evgenia Paizi, Member of the Audit Committee and Non-executive Director;
- Konstantinos Sfakakis, Member of the Audit Committee, Independent from the Company and completely unrelated to it.

Moreover, all Audit Committee members have sufficient knowledge of the sector in which the Company is operating. At least one member of the Committee, Mr. Konstantinos Sfakakis has sufficient knowledge of auditing and accounting, and, as such, he is the Audit Committee member that, according to law, must have the required, under the provisions of Law 4449/ 2017, sufficient knowledge of auditing or accounting, and must attend mandatorily the meetings of the Audit Committee pertaining to the approval of the financial statements.

The Audit Committee operates in conformity with a detailed operating regulation as published on the Company's web page (www.lamdadev.com).

Regarding the activities of the Audit Committee during the year 2020, the relevant Report of the Chairman, C. Kyriazis is stated verbatim below:

"Introduction of the Chairman of the Audit Committee
In my capacity as Chairman of the Audit Committee of the Company "LAMDA Development - Holding and Real Estate Development Société Anonyme", I submit to you the Report for the Year 2020, which refers to the Commission's work based on its responsibilities as assigned and presented in detail in its Operating Regulation, as published on the Company's website https://www.lamdadev.com

Composition
The current Audit Committee, established according to the terms and provisions of article 44, par 1(c) of Law 4449/2017, as amended by article 74 of Law 4706/2020, was elected by resolution of the Company's Extraordinary General Meeting of Shareholders dated 22.12.2020, following which the Audit Committee was established as a body and its Chair was elected by decision of the Audit Committee that convened at the very same day, according to article 44, par. 1(e) of Law 4449/2017, as amended by article 74, par. 4 of Law 4706/2020. More specifically, the Audit Committee is composed of:

1. *Chariton Kyriazis, Chair of the Audit Committee, Non-Executive Member of the Board of Directors of the Company and Independent within the meaning of article 9, paras 1 & 2 of Law 4706/2020, and in any case meeting the criteria of article 4, Law 3016/ 2002, as currently in force;*

2. *Ioannis Zafiriou, Member of the Audit Committee, Non-Executive Member of the Board of Directors of the Company and Independent within the meaning of article 9, paras 1 & 2 of Law 4706/2020, and in any case meeting the criteria of article 4, Law 3016/ 2002, as currently in force;*
3. *Evgenia Paizi, member of the Audit Committee, Non-Executive Member of the Board of Directors of the Company; and*
4. *Konstantinos Sfakakis, member of the Audit Committee, Third Person maintaining no relationship with the Company, Independent within the meaning of article 9, paras 1 & 2 of Law 4706/2020, and in any case meeting the criteria of article 4, Law 3016/ 2002, as currently in force;*

Moreover, all Audit Committee members, have sufficient knowledge of the sector, in which the Company is operating. At least one member of the Committee, Mr. Sfakakis, has sufficient knowledge in auditing and accounting.

Meetings

During the fiscal year 2020 a total of nine (9) meetings were held. The following table shows the participation of the members in the meetings of the Committee:

Surname/Name	***Audit Committee Meetings 2020***									*Participation percentage*
	9 Jan	*20 Jan*	*7 Apr*	*24 Jun*	*23 Jul*	*22 Sep*	*26 Nov*	*16 Dec*	*22 Dec*	
Kyriazis Chariton	√	√	√	√	√	√	√	√	√	*100%*
Afendoulis Dimitrios (until 30.7.2020)[1]	√	√	√	√	√					*100%*
Paizi Evgenia (since 7.9.2020) [1]						√	√	√	√	*100%*
Sfakakis Konstantinos	√	√	√	√	√	√	√	√	√	*100%*
Zafiriou Ioannis (since 24.06.2020)[2]				√	√	√	√	√	√	*100%*

Note: 1. On 30.7.2020, the Company's Board of Directors was notified about the resignation of Mr Dimitrios Afendoulis. The latter was replaced on 7.9.2020 by decision of the Board, by Ms Evgenia Paizi, a non-executive director, for the remaining term of office of the resigned Audit Committee member. 2. Mr Ioannis Zafiriou was elected new member of the Audit Committee by decision of the Ordinary General Meeting of Shareholders dated 24.6.2020.

As regards the activities of the Audit Committee, the issues examined during the fiscal year 2020 were the following:

A. External Audit

- *The Audit Committee monitored and examined the process of the statutory audit of the Company's individual and consolidated statements for the financial year 2019 and the first-half of the financial year 2020 as well as the content of the chartered auditor-accountant's additional reports. It also monitored and reviewed the external audit of the interim financial statements for the period 1.1.2019-30.9.2019, which was necessary due to the issue of a Company Common Bond Loan.*
- *In this context, the Audit Committee discussed with the chartered auditor-accountant matters concerning the Audit Plan for financial year 2020 (the audit of which was completed in 2021) and ascertained that it covers the Key Audit Matters in accordance with the main sectors of business and financial risks of the Company. It has ascertained the correctness and completeness of the statutory audit procedure in accordance with the relevant regulations.*
- *The Audit Committee reviewed in their entirety the fees of the external auditors-accountants of PriceWaterhouseCoopers (PwC) for the auditing work carried out in 2019; approved the supplementary fee corresponding to the necessary work for the audit of the information related to the*

Common Bond Loan Prospectus; and it reviewed and approved additional fees for non-audit work, pursuant to the applicable Company's Policy. It is recalled that, according to European Regulation 537/2014, there are restrictions on services that may be provided statutory auditors and audit firms to listed companies and their subsidiaries. The Company, in order to comply with the provisions of the aforementioned Regulation and the relevant HAASOB's (Hellenic Accounting and Auditing Standards Oversight Board) directives, has established a Policy for the Assignment of Non-Audit Services, which includes, inter alia, limitations to the total fees for non-audit services that can be assigned annually and which is meticulously applied.

- *The Audit Committee confirmed the auditor's independence. PwC has stated in writing its independence, as well as the independence of its executives involved in the statutory audit. In addition, PWC stated that during the exercise of its duties, there was no external direction, recommendation or instruction that could affect its professional judgement and audit reports, as requested from time to time.*
- *The Audit Committee confirmed that according to L. 4449/2017 the conditions for changing the statutory auditor carrying out the statutory audit of fiscal year 2019 were not met.*

B. Financial Reporting Procedure

- *The Audit Committee reviewed and evaluated the financial reporting procedure followed for the preparation of the Semi-Annual and Annual Financial Statements, ascertained their rightful execution and informed the Board of Directors, respectively.*
- *The Audit Committee discussed with the Management, the Legal Counsel, the Chief Internal Auditor and the statutory auditor about the key issues included in the financial reports, according to the Key Audit Matters and the other proposals of the aforementioned persons.*
- *The Audit Committee submitted its proposals on the Semi-Annual and Annual Financial Reports to the Board of Directors based on the findings of the relevant audit.*
- *As regards the interim summary financial statements of the Company and the Group (1st and 3rd quarters of 2020), the Audit Committee proposed the inclusion of the audit of the preparation of said financial statements in the Internal Audit Unit's Audit Plan for the year 2020 and, having been informed: a) by the Chief Internal Auditor about the positive result of the audit and about the works carried out in order to ascertain compliance of the Company's financial services with the procedures applying to the preparation of the individual and consolidated financial statements; and b) about the key financial data by the Financial Director; the Audit Committee proposed their approval to the Board of Directors.*

C. Procedures of the Internal Control and Risk Management Systems and Internal Audit Unit

- *The Audit Committee was informed, by means of a written statement of the Chief Internal Auditor, about the independence of the Internal Audit Unit.*
- *The Audit Committee evaluated the adequacy and efficiency of the Corporate Governance System and of the entire set of Company policies and procedures in force, by means of an audit carried out to this end by the Internal Audit Unit, and notified the results thereof to the Chairman of the Board and the CEO.*
- *The Audit Committee proceeded to review the effectiveness and efficiency of the Company's risk management procedures and of its supervision by the Board, in order to ascertain whether the main risks of the Company have been successfully identified, recorded and addressed, and notified its proposals to the Chairman of the Board and the CEO.*
- *The Audit Committee held meetings with external auditors, independent valuators, the Financial Director and the Chief Internal Auditor, in order to discuss extensively about the impact of COVID-19 on the financial results and the business of the Group, especially as regards real property values, and the measures taken to ensure business continuity of the Group.*

- *The Audit Committee was briefed on the pending legal cases of the Company by means of a detailed presentation by the Company's Legal Counsel.*
- *The Audit Committee reviewed and performed an appraisal as to the adequacy and efficiency of the Internal Audit Unit's work, and was briefed about all the audits carried out within the reported period, the findings thereof, the corrective actions agreed with the senior management and the timeline for their implementation. In addition, it was given a follow up on the progress of the corrective actions' implementation according to the set implementation timeline.*
- *The Audit Committee approved the revision of the Internal Audit's annual audit plan for the year 2020 proposed by the Chief Internal Auditor, which was deemed necessary, due to the movement restrictions imposed in 2020 and the measure of teleworking adopted to prevent the spread of the COVID-19 pandemic, measures that hampering access to the physical records, but also in order to include new audits related to the COVID-19 pandemic and Corporate Governance.*
- *The Audit Committee evaluated the annual audit plan for the year 2021, taking into account the main business and financial risks, and the results of previous audits.*
- *The Audit Committee evaluated the scope of work and the staffing adequacy of the Internal Audit Unit at the request of the Chief Internal Auditor and proposed to the CEO a cutback in non-auditing work, and the increase of staff capacity of the Unit.*
- *The Audit Committee evaluated the new Conflict of Interest Policy, as revised by the Chief Internal Auditor and proposed its approval to the Board of Directors.*
- *The Audit Committee examined cases of conflict of interest with members of the Board of Directors and had such cases recorded in detail, and reviewed the agreed plan for dealing with them.*
- *During financial year 2020, and in addition to the Committee meetings, the Chairman of the Committee had 6 meetings with the Head of Internal Audit in order to be informed of the progress of internal audits and of other matters pertaining to the competencies of the Internal Audit Unit. In addition, the Chairman conducted meetings with the Chairman of the Board and the CEO for matters relevant to Internal Audit Unit of the Company, and on the System of Corporate Governance for the Hellinikon project.*
- *The Chairman of the Committee carried out an appraisal of the Chief Internal Auditor's performance in the context of the annual evaluation of the Group's senior officers for the year 2020.*
- *The Audit Committee tabled a motion for the approval of the revised Audit Committee Operating Regulation (revision date 22.09.2020).*
- *The Audit Committee performed self-evaluation of its work for the year 2019 and made an appraisal of its operation and the overall skills and qualifications of its members by filling out a relevant questionnaire, the conclusions of which were extensively discussed.*

D. Sustainable Development

- *Sustainable Development is an integral part of the Company's long-term strategy. Its primary goal is to provide visitors, partners (tenants and suppliers) and employees with a safe, high-quality environment, by conducting business with responsibility and respect to society as a whole and to the natural environment.*
  In the interests of ensuring the valid and timely information of all stakeholders about its actions, performance and future goals, the Company prepared and published in 2020 its first Corporate Social Responsibility Report. In order to prepare the Corporate Social Responsibility Report, as published in its entirety on the Company website (https://www.lamdadev.com), the Company applied the most widely recognised and strict global standards, i.e. the Global Reporting Initiative standards (GRI Standards).

The Audit Committee gave the Board of Directors regular updates on a case-by-case basis regarding the aforementioned matters falling within its competence, *Finally, it must be mentioned that during the exercise of its duties, the Committee had unrestricted and complete access to all information requested from the Management, and Company provided all necessary infrastructure and facilities to effectively execute its duties.*

Maroussi, 13 April 2021

The Chairman of the Audit Committee
C. Kyriazis

F.2.2. Compensation & Nomination Committee

The Compensation & Nomination Planning Committee is to assist the Board of Directors in all matters concerning:

A. the general principles governing the management of the Company's human resources, and especially the policies on compensation, benefits and incentives for the Board of Directors' executive members and the executives and employees of the Company, in accordance with the market conditions and the socio-economic context in general

B. the empowerment of the company's administrative centres, thus the assurance of the effective management of the Company by identifying, presenting and nominating suitable candidates for the filling of vacancies in the Board of Directors and approve the documented recommendations of CEO for hiring and promoting executives.

The members of the Compensation & Nomination Planning Committee are appointed by the Company's Board of Directors.

The Committee is composed of three (3) non executive members and one (1) substitute member, which is substitute of the Chairman. The Chairman of the Compensation & Nomination Planning Committee and his substitute, are nominated by the Company's Board of Directors.
The Compensation & Nomination Committee consists of the following members:

- Fotios Antonatos, Chairman
- Ulysses Kyriacopoulos, Member
- Zafiriou Ioannis, Member

Mr. Evangelos Chronis is appointed a substitute member of the Chairman.

The Compensation & Nomination Committee operates in accordance with a detailed Operating Regulation, which has been posted on the Company's website (www.lamdadev.com).

G. Diversity Policies that are applicable to administrative, managerial and supervisory authorities of the Company

The Company is committed to international standards for diversity and equal opportunities. It provides equal opportunities to all employees and candidates across all levels of hierarchy, regardless of race, colour, religion, origin, sex, sexual orientation, age, disability, marital status, or any other characteristic protected by law, and expressly prohibits discrimination or harassment based on these factors.

All decisions relating to recruitment, promotion, training, performance evaluation, remuneration and benefits, disciplinary offences and dismissal are free from any illegal discrimination. It should be noted that no incidents of discrimination have been reported in the Company, and that there is a gender balance in the

Company's personnel. The table below shows the gender representation ratios in the personnel and the senior management of the Company.

Gender representation ratios	Women %	Men %
LAMDA Development		
Personnel	49	51
Senior management	42	58

The constructive use of diversity, respect and value of individuality, and fostering a fair and meritocratic workplace for all employees without exception, are integral parts of the Company's strategic goals and development.

The Board of Directors

Driven by the principles of diversity, the Company's Board of Directors possesses the collective knowledge, skills and expertise necessary to discharge its responsibilities. Moreover, the Board maintains age diversity and sufficient gender representation according to the provisions of Law 4706/2020 (i.e. 25% of the Board's total members with rounding off to the previous whole number). The current composition of the Board has the advantage of a variety of views, concerns and experiences contributing to sound decision-making. The table below shows the diversity and necessary knowledge and skills of the Company's Board of Directors and the members of its Committees.

Members of the Board and its Committees	Independence	Gender	Real Estate Sector	Business / Management / Administration	Architecture / Engineering	Legal	Economics/Finance/Accounting	Corporate Transformation / Restructuring	Corporate Governance	Sustainable Development	Risk Management	Information Security	International Experience
A. Giannitsis		M	✓	✓		✓	✓	✓	✓	✓	✓		✓
E. Chronis		M	✓	✓				✓					✓
O. Athanasiou		M	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
F. Antonatos		M	✓	✓		✓		✓	✓	✓	✓		✓
E. Vassilakis		M	✓	✓			✓	✓	✓	✓	✓		✓
I. Zafiriou	✓	M	✓	✓		✓	✓	✓	✓	✓	✓		✓
V. Katsos		M	✓	✓			✓	✓	✓	✓	✓		✓
C. Kyriazis	✓	M	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
U. Kyriacopoulos		M	✓	✓	✓		✓	✓	✓	✓			✓
K. M. Nomikou	✓	F	✓	✓		✓	✓	✓	✓	✓	✓		✓
E. Paizi		F	✓	✓			✓	✓	✓		✓		✓
I. Papadopoulou	✓	F		✓			✓	✓	✓	✓	✓		
A. Sermpetis		M	✓		✓								✓
K. Sfakakis*	✓	M	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓

** Audit Committee Member*

Average Age of BoD members (as of 31/12/2020): 64.8
Standard deviation of BoD members age:10.1

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS OF LAMDA DEVELOPMENT S.A. (Par.7 & 8, Article 4, Law 3556/2007)

1. Structure of the Company's share capital

The Company's share capital on 31.12.2020 amounts to euros 53,021,014.50 divided into 176,736,715 shares, with a nominal value of 0.30 euros each. All shares are listed for trading in the Securities Market of the Athens Exchange.

The shares of the Company are common registered with a voting right. Each share of the Company embodies all the rights and the obligations that are specified by the Law and the Company's Articles of Association. The liability of the shareholders is limited to the nominal value of the shares they hold.

2. Restrictions on the transfer of shares of the Company

The Company shares may be transferred as provided by the law and the Articles of Association provide no restrictions as regards the transfer of shares.

3. Significant direct or indirect participations in accordance with the provisions of articles 9 – 11 of L. 3556/2007

On 31.12.2020, the following shareholders held directly or indirectly, more than 5% of the share capital of the Company, in accordance with the provisions of articles 9-11 of L.3556/2007:

Shareholder	Shares	Percentage of Share Capital 31.12.2020
Consolidated Lamda Holdings S.A.	75,941,062	42.97%
Voxcove Holdings LTD	17,682,144	10.00%
Brevan Howard Capital Management Limited (BHCML) / Tryfon Natsis & Despoina Natsi	11,233,029	6.36%

On 31.07.2020 the Company announced that pursuant to the TR1 notification dated 29.07.2020 and submitted by Mr Tryfon Natsis (and which replaces the TR1 submitted with respect to the same transactions on 27.07.2020), on 24.07.2020, Mr Tryfon Natsis held directly through a joint account that he maintains with Ms Despoina Natsi, 3.53% of the total shares and voting rights in the Company, and controlled in totak 6.36% of the total voting rights in the Company, due to the investment discretion that he has in the following funds i.e. Brevan Howard TN Macro Master Fund Limited (BTN), Brevan Howard Master Fund Limited (BHM) and Brevan Howard Multi-Strategy Master Fund Limited (BMS), which on 24.07.2020 acquired in total 2.83% of the shares and voting rights in the Company. The abovementioned investment funds are managed by Brevan Howard Capital Management Limited (BHCML), an entity with registered office in Jersey, authorised and regulated by Jersey Financial Services Commission.. It is also noted in the same TR1 notification that BHM, BTN and BMS funds are Cayman based and have their own board of directors. Each of these funds is beneficially owned by feeder funds, one Cayman based and one Delaware based. These feeder funds, which have the same boards of directors as BHM, BTN and BMS, are beneficially owned by the investors within the feeder funds. BHM, BTN and BMS have appointed BHCML as manager. Tryfon and

Despina Natsis own shares in the Company in their joint account. Tryfon is a Co-Founder of Brevan Howard and has investment discretion in the BHM, BTN and BMS funds.

No other physical or legal entity possesses more than 5% of the share capital of the Company, on the above date.

4. Shares providing special control rights

None of the Company's shares carry special control rights, without prejudice to point 6 herein.

5. Voting rights restrictions

No restrictions on voting rights are foreseen in the Articles of Association of the Company.

6. Agreements among the shareholders of the Company

As per the Company's announcements dated 02.07.2014 and 23.09.2014 , on 26.08.2014 investment funds, all managed by the Investment Firm Blackstone / GSO Capital Partners LP (hereinafter the "**GSO Investment Funds**"), the Company and Consolidated Lamda Holdings S.A. entered in an agreement (hereinafter the "**Shareholders Agreement**") pursuant to which, for as long as the GSO Investment Funds hold in total, directly or indirectly, at least 10% of the voting rights of the Company, the GSO Investment Funds shall be entitled to nominate one member of the Board of Directors of the Company, their consent as shareholders will be required in order for the Company's General Meeting of the Shareholders to decide on a significant change of the business scope of the Company or the delisting of its shares from the regulated market, and in addition the GSO Investment Funds will benefit from customary anti-dilution rights, and the other minority protection rights.

According to the Deed of Adherence dated 28.12.2017, which was signed among GSO Coastline Credit (Luxembourg) Partners S.A.R.L., GSO Palmetto Opportunistic Investment (Luxembourg) Partners S.A.R.L., GSO Special Situations Master Fund S.A.R.L., GSO Cactus Credit Opportunities Oasis Credit (Luxembourg) Partners SARL on the one side (hereinafter referred to as the "Transferors"), whose rights are controlled by GSO Capital Partners LP, and Voxcove Holdings Limited (hereinafter the "New Shareholder") on the other side, it was agreed that, in view of the transfer of 10,227,206 shares from the Transferors to the New Shareholder, the latter shall adhere to the Shareholders' Agreement dated as of 26.08.2014 and signed between "GSO Shareholders" (as defined in the agreement), GSO Capital Partners LP, Consolidated Lamda Holdings SA and the Company. Under this Deed of Adherence, the New Shareholder enters into the above Shareholders' Agreement and is bound by all its terms.

7. Rules governing the appointment and replacement of the members of the Board of Directors, as well as for amendment of the Article of Association deviating from those provided for in Law 4548/2018

In accordance with the amended Article 10 of the Articles of Association, which regulates among other the appointment and replacement of the members of the Board of Directors, the following are provided:

"ARTICLE 10

1. The Company is administered by a Board of Directors consisting of minimum five (5) to maximum fifteen (15) Members that are elected by the Shareholders' General Meeting and that may be Shareholders. The Members may be either natural or legal persons. In the case that a legal person is Member of the Board of Directors, it is required to designate a natural person to exercise its powers as member of the Board of

Directors. The elected Members of the Board of Directors may be reelected. The General Meeting may, as and when it considers appropriate, elect Substitute Members, up to a number that shall not surpass that of the ordinary Members.

2. Three (3) calendar days prior to any general meeting of shareholders which is convened for the purposes of electing new members of the Board of Directors the Minority Shareholder (as defined in paragraph 11 of the present article) is entitled to appoint for as long as it holds at least 10% of the Relevant Equity Shares (as defined in paragraph 12 of the present article) one (1) member of the Board of Directors pursuant to the provisions of Article 79 of Law 4548/ 2018. Such member of the Board can be removed at any time by decision of the Minority Shareholder and be replaced by other member until the expiration of the relevant office term. In the event that, and for as long as, the Minority Shareholder does not hold at least 10% of the Relevant Equity Shares the above appointed person shall automatically cease to be a member of the Board of Directors.

3. The term of office of Board Directors members shall be five (5) years and may be extended until the first Ordinary General Meeting convened after the expiration of the said term, but cannot exceed six (6) years in total.

4. In the event of resignation or death or in any other way termination of membership vacant board positions shall be filled by substitute members, if any, elected by the General Meeting, pursuant to article 10, paragraph 1 of the Articles of Association summoned in the order in which they were elected.

5. In the case that the filling of vacancies is not possible, whether because no substitute members have been elected by the General Meeting, or because their number is exhausted, the Board of Directors may either elect directors to fill in the vacancies, or carry on with the administration and representation of the Company with the remaining directors and without replacing the former directors, on the condition that the remaining number of directors is superior to one half of the initial number of directors as it was before the occurrence of the aforementioned events. That said, the number of Board members cannot, at any time, be inferior to three (3). The choice of one of the above solutions is made by the Board of Directors at its absolute discretion. The Board of Directors may substitute only some of the vacant members provided that the Members after the partial substitution exceed one half of the total number of the members before the occurrence of the vacancy or vacancies.

6. The aforementioned right of the Board of Directors to elect Directors to replace vacant members, does not apply if vacant members have been appointed by the Board of Directors pursuant to paragraph 2 of the present article. Pursuant to paragraph 2 of this article, the sole responsible to decide the replacement of vacant Members of the Board which have been appointed by the Board of Directors is the Minority Shareholder.

7. The right of the Board of Directors to continue to manage and represent the Company through any *remaining members and without having replaced any vacant members shall not prejudice the right of the shareholder mentioned in paragraph 2 of the present article to exclusively replace any vacant member that has been appointed by such Shareholder pursuant to paragraph 6 of the present article.*

8. Should there be an election for replacing members, these shall be elected by the Board of Directors upon decision of its remaining members, provided their number is not inferior to three (3), and shall stay in office for the remaining of the term of office of the member to be replaced. The decision pertaining to the election is subject to the publication formalities and shall be announced by the Board of Directors at the first subsequent General Meeting, which has the power to replace the elected members even if no such item is entered on the agenda. The right of the General Meeting set out above to elect permanent members in replacement of those mentioned in paragraph 5 of the present article shall not exist in relation to members that have been appointed by the shareholders pursuant to paragraph 2 of the present article given the exclusive right of replacement granted to such shareholders pursuant to paragraphs 6 and 7 of the present article.

9. The election of directors in replacement of vacancies shall be compulsory when the number of the remaining directors is inferior or equal to half of the initial number of the Members of the Board of Directors, as it was before the occurrence of one or more vacancies. A vacant Member of the Board of Directors appointed pursuant to paragraph 2 of this article must be replaced by the appointment of a Member of the Board of Directors pursuant to paragraphs 6 and 7 of this article.

10. In any case, the remaining members of the Board of Directors, regardless of their number, may convene a General Meeting with the express purpose of electing a new Board of Directors. In this case, prior to such General Meeting the shareholder mentioned in paragraph 2 of the present article shall fully exercise their rights under the abovementioned paragraphs.

11. "Minority Shareholder" means the legal entity "VOXVOCE HOLDINGS LIMITED" and any other person which enters into its position by acquiring at least 10% of the Relevant Equity Shares of the Company (as defined in paragraph 12 of the present article), acting legally and without breaching any relevant contractual obligations.

12. "Relevant Equity Shares" means the share capital of the Company, as is outstanding from time to time, excluding any shares issued under the stock option plan as approved by resolution of the General Meeting as in force and under any other stock option plan being approved pursuant to Article 113 of Law 4548/ 2018.

13. The verb "hold", in relation to shares, refers to shares being held directly and/or held through a proxy/agent."

In addition, in relation to the amendment of the Company's Articles of Association, article 19, par. 2 and 3 of the amended and in force Articles of Association, the following are provided:

"ARTICLE 19

…

2.Without prejudice to paragraph 3 of the present article, all issues pertaining to the convocation, quorum, decision-making majority requirements and General Meeting competencies, as well as to participation and voting rights in the General Meeting, are regulated in accordance with the provisions of Law 4548/2018, as in force, In addition to the competence of the General Meeting, the Board of Directors may also be competent to decide that a bond will be issued, except for when the bonds to be issued are convertible into shares, subject to the second subparagraph of paragraph 4 of Article 16 hereof, or if they carry a right to participate in profits.

3.Any material change in the Company's business (resulting into the Company ceasing to be active in the development of real estate as its core business activity), any amendment of Article 2 of the present Articles of Association as well as any ceasing of operations of any material subsidiaries of the Company or any agreement by the Company to implement such abovementioned material change or amendment of Article 2 or the aforementioned ceasing of operations shall be treated as a matter which falls under Article 130(3) of Law 4548/ 2018 and the exclusive competence of the General Meeting which validly resolves on such matter only if no objections are raised by shareholders that hold 10% of the Relevant Equity Shares (as defined under article 10 of the present articles of association).

….."

8. Authority of the Board of Directors or certain of its members regarding the issuance of new shares or the purchase of own shares pursuant to articles 24 and 114 of Law 4548/2018

A. According to the provisions of article 24, paragraph 1 of the L. 4548/2018 and in combination with the provisions of article 6 of the Articles of Association of the Company, within five years since the relative decision of the General Meeting of the Shareholders with which an increase in the share capital is conducted, the Board of Directors has the right by a 2/3 majority decision of its members, to increase the share capital by issuing new shares. The amount of the increase cannot exceed more than three times the amount of the share capital that has already been paid in, at the date the relative decision was made by the General Meeting. The abovementioned authority of the Board of Directors may be renewed by the General Meeting of the shareholders for a time period that does not exceed five years for each renewal.

B. According to the provisions of article 114 of the L. 4548/2018, by virtue of a decision of the General Meeting, which is made by increased quorum and majority, a stock option plan may be introduced in favour of members of the Board of Directors and personnel of the Company, and of affiliated companies according to article 32 of the L. 4308/2014, in the form of the option to purchase shares, according to the terms of this decision, a summary of which ispublicized. The decision of the General Meeting especially specifies the maximum number of shares that can be issued, which cannot exceed 10% of the existing shares, the price and the terms of distribution of the shares to the beneficiaries. The Board of Directors decides on any other relevant details not otherwise determined by the General Meeting, issues the stock option certificates and the shares to the beneficiaries who have exercised their option, increasing respectively the capital and certifying the relative increase of it, according to the paragraph 3 of article 113 of the L. 4548/2018.

Pursuant to the above provisions, the Extraordinary General Meeting of the Shareholders on 22.12.2020 decided a Stock Incentive Award (stock option) according to the provisions of article 113 Law 4548/2018 that will be offered to Officers and employees of the Company and its affiliates within the meaning of article 32 of Law 4308/2014. The Options are divided into a) "Initial Options" for up to 5,500,000 Company shares (i.e. 3.112% of the Company's share capital), and b) "additional options" for up to 2,750,000, Company shares (i.e. 1.556% of the Company's share capital). Exercise price under the Award is set to EUR 6.70. In order to fulfil the Options that will be exercised under the Award, the Company shall proceed to a corresponding capital increase and issue of new shares according to the provisions of article 113, Law 4548/2018. The Term of the Award is set to six (6) years, commencing in December 2020 and ending in December 2026. In addition to the foregoing special authorisations expressly provided herein, the Extraordinary General Meeting authorises the Board to specify the Participants of the Award, the special terms applying to the award and the exercise of the Options, and any other term that may be deemed necessary or suitable for the implementation of the Award, in accordance with the applicable laws and the Company's best practices, within the scope of the Board of Directors powers and competencies.

C. Pursuant to the provisions of article 49 and 50 of the L. 4548/2018, as it applies, subject to prior approval by the General Meeting of the Shareholders, the Company may acquire its own shares, under the responsibility of the Board of Directors, provided that the par value of the shares acquired, including the shares previously acquired and still held by the Company, does not exceed the one tenth (1/10) of its paid-up share capital. The resolution of the General Meeting must also set the terms and conditions of the acquisitions, the maximum number of shares that may be acquired, the effective period of the approval granted, which may not exceed 24 months, and, in the case of acquisition for value, the maximum and minimum consideration.

In implementation of the above provisions the Annual General Meeting of the Shareholders of the Company, on 25.06.2019 decided on the purchase of own shares within a period of 24 months, i.e. from 26.06.2019 until 25.06.2021, up to 10% of its paid-up share capital, at a maximum purchase price of 12.00 euros per share and a minimum purchase price equal to the nominal value of the share, that is 0.30 euros per share and instructed the Board of Directors to implement this decision in cases where it deemed necessary. The Board of Directors of the Company during its meeting on 25.06.2019 decided that the Company may proceed to the materialization of the abovementioned decision, as best served its interests.

During the period from 01.01.2020 to 31.12.2020 the Company did not purchase any own shares.

Following the aforementioned sales of own shares, the Company on 31.12.2020 did not hold any own shares.

9. Significant agreements put in force, amended or terminated in the event of a change in the control of the Company, following a public offer

In the event of a change in the control of the Company, due to the disposal of all shares held by Consolidated Lamda Holdings S.A., the Shareholders Agreement is considered automatically expired.

Furthermore, in case of the loss of the control of the Company by Consolidated Lamda Holdings S.A., shall be considered as an event of default with respect to the following bond loan contracts:

A. LAMDA Development S.A.: Common Bond Loan of €320 million (capital balance at 31.12.2020) with 320,000 common, bearer bonds of the Company, with a nominal value of €1,000 each, trading in the category of Fixed Income Securities of the Regulated Market of the Athens Exchange.

B. LAMDA DOMI S.M.S.A.: Syndicated bond loan with the banks HSBC France, Eurobank, Alpha Bank and Piraeus Bank, loan balance €83.7 million at 31.12.2020.

C. LAMDA FLISVOS MARINA S.A.: Syndicated bond loan with Piraeus Bank, loan balance €5.6 million at 31.12.2020.

D. PYLAIA S.M.S.A.: Syndicated bond loan with the banks Eurobank, Alpha Bank and Piraeus, loan balance €72 million at 31.12.2020.

10. Every agreement that the Company has concluded with members of its Board of Directors or with its employees, which foresees compensation in case of resignation or dismissal without substantial cause or termination of the term of office or employment due to a public offer

The Company has no agreements with members of the Board of Directors or with its employees, which foresee compensation in case of resignation or dismissal without substantial cause or termination of the term of office or employment as a result of a public offer

[Translation from the original text in Greek]

Independent auditor's report

To the Shareholders of Lamda Development S.A.

Report on the audit of the separate and consolidated financial statements

Our opinion

We have audited the accompanying separate and consolidated financial statements of Lamda Development S.A. (Company and Group) which comprise the separate and consolidated statement of financial position as of 31 December 2020, the separate and consolidated income statements and statements of comprehensive income, changes in equity and cash flow statements for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects the separate and consolidated financial position of the Company and the Group as at 31 December 2020, their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate and consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Company and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

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The non-audit services that we have provided to the Company and its subsidiaries, in the period from 1 January 2020 and during the year ended as at 31 December 2020, are disclosed in note 35 to the separate and consolidated financial statements.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Valuation of Investment Property	
(Notes 2.6, 4.1a and 6 in the separate and consolidated financial statements) Investment property comprises owned land, owned buildings and leased buildings held for the purpose of generating long-term lease revenue or capital gains, as well as property for future development. The Group measures investment property at fair value in accordance with International Accounting Standard 40. As stated in Note 6 of the financial statements, the fair value of the Group's investment property as at 31 December 2020 amounts to €1,002 million. The loss from the revaluation of the aforementioned investment property for the year ended 31 December 2020 amounted to € 44 million for the Group. The valuation of all the Group's investment property was carried out by certified external valuers who performed their valuations in accordance with International Valuation Standards. Fair value is primarily based on discounted future cash flows which stem from future flows underline tenant lease contracts that are in place. External factors such as rental rates for similar properties, discount rates associated with each tenant's operating activity, and current market conditions are also taken into account. Alternatively, fair value is based on comparative prices, adjusted where necessary	We have conducted the following procedures regarding the assessment of the valuation of Investment Property: • We obtained an understanding of the processes followed by management for the valuation of investment properties. • We obtained the valuation reports, that were prepared by certified external valuers, and compared the fair value of investment properties to the book values in the Group's accounting records. • We have assessed and confirmed the independence and objectivity of the certified external valuers of the Group. • With the assistance of external valuation experts in real estate valuation, for the investment properties with the highest fair value, we assessed the appropriateness of the methodologies used and the reasonableness of the key assumptions, such as discount rates, market rents and exit yields. • We examined, on a sample basis, the accuracy and relevance of the data used by Management's certified external valuers to determine the fair value of the Group's investment properties. This data mainly comprised information on property leases, future rentals, the discount rate, and other data and assumptions included in the valuation reports.

Key audit matter	How our audit addressed the key audit matter
due to differences in the physical condition, location or condition of the property in question. In order to determine the fair value of investment property, certified external valuers take into account factors directly associated with the property concerned, such as existing leases, rentals, and any restrictions on the use of the property. They then use assumptions, based on available information in the real estate market, at the date of preparation of the financial statements, relating to expected future market rentals, discount rates and exit yields in order to determine appropriate valuations. As at the valuation date, the independent registered valuers have included a material valuation uncertainty clause in their reports as a result of the COVID-19 pandemic. This clause highlights the difficulties in undertaking valuations due to the absence of relevant transactional evidence that demonstrates current market pricing. Therefore, less certainty and a higher degree of caution, should be attached to the point estimate valuation. This represents an increase in the significant estimation uncertainty in the valuation of investment properties. We focused on this matter because of the: • Relative size of the investment property to the total assets; • Significant assumptions and estimates made by Management in the investment property valuation process; • Sensitivity of valuations to key input assumptions, specifically discount rates, exit yields and future rental income following the expiry of existing lease contracts; • Wider challenges currently facing the real estate market and particularly the retail and hospitality sectors as a result of COVID-19 pandemic.	• We attended meetings with management's external certified valuers to understand the methodology and key assumptions underlying the property valuations. We discussed any adjustment made to the key valuation assumptions and we assessed whether these adjustments were appropriate in light of the COVID-19 pandemic. • Concerning future rentals, we compared the rental income and the lease timetable with existing lease contracts on a sampling basis. In addition, we evaluated the discounted rate as well as other data and assumptions with historical financial information and our knowledge of the real estate industry. Our audit procedures concluded that the valuations carried out were based on reasonable assumptions and appropriate data that are consistent with the prevailing market conditions, taking into consideration the COVID-19 outbreak, which resulted in an increase in estimation uncertainty in the fair value of investment properties. Finally, we confirmed that the disclosures included in Note 6 of the separate and consolidated financial statements were sufficient and appropriate in line with the requirements of International Accounting Standard (IAS) 40. The disclosures in Notes 4.1.a and 6, in relation to the material valuation uncertainty within the separate and consolidated financial statements were sufficient and appropriate to highlight the increased estimation uncertainty as a result of the outbreak of COVID-19.

Key audit matter	How our audit addressed the key audit matter
Impact of COVID 19 *(Note 2.1 in the consolidated financial statements)* The outbreak of the novel coronavirus COVID 19 in Greece and rest of the world is rapidly evolving and the socio-economic impact is unprecedented. It has been declared as a global pandemic and is having a major impact on economies and financial markets. The breakout of Covid-19 has had a significant impact on the Group's business, its revenue, profitability and liquidity, as a result of a number of restrictions and measures and from a macroeconomic perspective. Group management has assessed the impact of the pandemic outbreak of Covid-19 on its business, future revenues, profits, cash flows and liquidity position of the Group for the next 12 months. The outbreak of Covid-19 together with government restrictions and other measures have resulted in the lockdown of the Group's shopping malls which has adversely impacted future cash flows. Management has analysed its future cash flows to assess the potential impact of a prolonged period of lockdown on Group's operations due to Covid-19 and the appropriateness of the going concern assumption. The most significant impact to the financial statements has been in relation to the valuation of investment, revenues and profitability. No material impairment provisions were necessary for lease receivables as the majority of the outstanding balances are secured by bank letters of guarantee. The impact on the valuation of the Group's investment properties is described in the Key Audit Matter above "Valuation of Investment Property". At the balance sheet date, the Group had already taken a number of mitigating actions with respect to its financing activities which included the raising of additional debt for purposes of refinancing its short term debt into long term debt as well as providing additional	The procedures we carried out to address the impact of the pandemic on the valuation of the Group's investment properties are described in the above key audit matter "Valuation of Investment Properties". We performed the following procedures in assessing the appropriateness of the going concern basis of accounting used in preparing the financial statements: • We discussed and assessed management's base case assumptions used for purposes of estimating the impact of COVID-19 on its future cash flows, as well as its plans to mitigate potential liquidity shortfalls. • We have evaluated the financial position of the Group, taking into account, among other things, the compliance with the required financial ratios underlying loan agreements, for the next 12 months. • We evaluated management's conclusion that there are no material uncertainties with respect to going concern. • We reviewed the adequacy and suitability of the relevant disclosures made by management in the financial statements. Following the performance of the above procedures, we satisfied ourselves that, even though the impact of COVID-19 is expected to negatively impact the future operating results and cash flows of the Company and the Group for the next 12 months, management's use of the going concern basis of accounting is appropriate. Finally, the relevant disclosures in the financial statements on the effects of Covid-19 are appropriate.

Key audit matter	How our audit addressed the key audit matter
liquidity for ongoing capital and other requirements. In addition, subsequent to the balance sheet date, management successfully concluded project financing for the initial 5 years for the Hellinikon Development amounting to €1.7bln (including letters of guarantee). After considering all of these factors, amongst others and including compliance with the required financial ratios underlying loan agreements, management have concluded that preparing the financial statements on a going concern basis remains appropriate. (Note 2.1). The Covid-19 pandemic is considered a key audit matter given the impact that it had on the Group's operations, profitability, liquidity and the valuation of its investment properties, as well as the potential risk that Management's assessment of the potential impact of the pandemic may not be representative of the eventual outcome.	

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Statements of Board of Directors members, the Board of Directors Report, the Corporate Governance Declaration, the Explanatory Report of the Board of Directors and the Table of Use of Raised Funds (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the separate and consolidated financial statements does not cover the Other Information and except to the extent otherwise, explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
We considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018 and the Corporate Governance Statement required by article 152 of Law 4548/2018 has been prepared.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Board of Directors' Report for the year ended at 31 December 2020 is consistent with the separate and consolidated financial statements.
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150, 151, 153 and 154 of Law 4548/2018.
- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 152 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the separate and consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's and Group's financial reporting process.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company.

2. Appointment

We were first appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 16 June 2004. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 17 years.

pwc

Athens, 16 April 2021

The Certified Auditor

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Annual Consolidated Financial statements for the year ended December 31, 2020

Statement of financial position (Company and Consolidated)

		GROUP		COMPANY	
all amounts in € thousands	**Note**	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
ASSETS					
Non-current assets					
Investment property	6	1.002.228	1.039.312	1.840	1.840
Right-of-use assets	17	104.033	195	7.087	841
Property, plant and equipment	7	50.869	4.946	5.175	1.940
Intangible assets	8	16.645	-	-	-
Investments in subsidiaries	9	-	-	310.562	312.971
Investments in joint ventures and associates	9	34.859	39.881	3.737	7.759
Deferred tax assets	21	5.066	7.260	4.765	7.113
Receivables	11	29.479	29.702	9.882	10.131
		1.243.179	**1.121.296**	**343.049**	**342.596**
Current assets					
Inventories	10	7.416	9.605	-	-
Trade and other receivables	11	50.704	32.702	49.501	18.875
Current tax assets		3.108	4.281	3.088	2.974
Cash and cash equivalents	12	883.155	702.776	829.352	651.664
		944.383	**749.364**	**881.942**	**673.512**
Total assets		**2.187.562**	**1.870.660**	**1.224.991**	**1.016.108**
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent					
Share capital and share premium	14	1.024.576	1.023.856	1.024.576	1.023.856
Other reserves	15	8.329	6.891	2.936	2.852
Retained earnings/(Accumulated losses)		(26.995)	26.593	(203.660)	(202.147)
		1.005.909	1.057.340	823.852	824.561
Non-controlling interests		94.663	85.746	-	-
Total equity		**1.100.572**	**1.143.086**	**823.852**	**824.561**
LIABILITIES					
Non-current liabilities					
Borrowings	16	699.399	336.424	313.162	-
Lease liability	17	182.797	78.239	6.351	802
Deferred tax liabilities	21	116.338	121.705	-	-
Derivative financial instruments	20	2.251	776	-	-
Employee benefit obligations	18	2.308	1.684	1.285	976
Other non-current liabilities	19	16.655	2.057	-	10.949
		1.019.747	**540.885**	**320.797**	**12.726**
Current liabilities					
Borrowings	16	14.106	102.673	-	89.128
Lease liability	17	2.358	436	769	62
Trade and other payables	19	49.931	83.533	79.572	89.631
Current tax liabilities		848	45	-	-
		67.243	**186.689**	**80.341**	**178.820**
Total liabilities		**1.086.990**	**727.574**	**401.139**	**191.547**
Total equity and liabilities		**2.187.562**	**1.870.660**	**1.224.991**	**1.016.108**

These consolidated and separate financial statements of LAMDA Development SA for the year ended December 31, 2020 have been approved for issue by the Company's Board of Directors on April 14, 2021.

The notes on pages 51 to 123 are an integral part of these financial statements.

Income Statement (Company and Consolidated)

all amounts in € thousands	Note	GROUP 01.01.2020 to 31.12.2020	GROUP 01.01.2019 to 31.12.2019	COMPANY 01.01.2020 to 31.12.2020	COMPANY 01.01.2019 to 31.12.2019
Revenue	22	67.796	81.706	1.536	1.431
Dividends		203	271	35.769	8.546
Net gain/(loss) from fair value adjustment on investment property	6	(43.630)	71.494	-	-
Loss from inventory impairment	10	308	222	-	-
Cost of inventory-land sale	10	(2.509)	-	-	-
Other direct property operating expenses	23	(13.262)	(11.797)	-	-
Expenses related to the development of the Hellinikon site		(9.354)	(6.276)	(9.951)	(5.664)
Employee benefits expense	24	(13.606)	(15.681)	(7.750)	(10.177)
Depreciation	7,8,17	(7.514)	(885)	(1.371)	(970)
Impairment provision relating to subsidiaries, joint ventures and associates	9	-	-	(3.000)	(665)
Provision for impairment of receivables from subsidiaries	31	-	-	(1.723)	(1.104)
Other operating income / (expenses) - net	25	(8.389)	(5.890)	(3.939)	(3.631)
Operating profit/(loss)		**(29.957)**	**113.164**	**9.570**	**(12.233)**
Finance income	26	928	40	2.065	1.136
Finance costs	26	(32.603)	(27.258)	(10.763)	(9.585)
Share of net profit of investments accounted for using the equity method	9	2.284	1.858	-	-
Profit/(loss) before income tax		**(59.347)**	**87.806**	**872**	**(20.683)**
Income tax expense	27	3.142	(24.950)	(2.385)	(89)
Profit/(loss) for the year		**(56.205)**	**62.855**	**(1.513)**	**(20.772)**
Profit/(loss) attributable to:					
Equity holders of the parent		(51.741)	49.875	(1.513)	(20.772)
Non-controlling interests		(4.464)	12.980	-	-
		(56.205)	**62.855**	**(1.513)**	**(20.772)**
Earnings/(losses) per share attributable to the equity holders of the Parent during the year (expressed in € per share)					
Basic	32	(0,29)	0,62	(0,01)	(0,26)
Diluted	32	(0,29)	0,62	(0,01)	(0,26)

The notes on pages 51 to 123 are an integral part of these financial statements.

Statement of comprehensive income (Company and Consolidated)

all amounts in € thousands	GROUP 01.01.2020 to 31.12.2020	GROUP 01.01.2019 to 31.12.2019	COMPANY 01.01.2020 to 31.12.2020	COMPANY 01.01.2019 to 31.12.2019
Profit/(loss) for the year	**(56.205)**	**62.855**	**(1.513)**	**(20.772)**
Cash flow hedges, after tax	(609)	(590)	-	-
Currency translation differences	(1)	1	-	-
Change in income tax rate	-	(34)	-	(34)
Items that may be subsequently reclassified to profit or loss	**(609)**	**(622)**	**-**	**(34)**
Actuarial gains/(losses), after tax	(197)	(302)	(114)	(160)
Change in income tax rate	-	1	-	1
Items that will not be subsequently reclassified to profit or loss	**(197)**	**(301)**	**(114)**	**(160)**
Other comprehensive income for the year	**(807)**	**(923)**	**(114)**	**(194)**
Total comprehensive income for the year	**(57.012)**	**61.932**	**(1.627)**	**(20.965)**
Profit/(loss) attributable to:				
Equity holders of the parent	(52.349)	49.139	(1.627)	(20.965)
Non-controlling interests	(4.663)	12.793	-	-
	(57.012)	**61.932**	**(1.627)**	**(20.965)**

The notes on pages 51 to 123 are an integral part of these financial statements.

Statement of changes in equity (Consolidated)

all amounts in € thousands	Attributable to equity holders of the parent: Share capital	Other reserves	Retained earnings / (Accumulated losses)	Total	Non-controlling interests	Total equity
GROUP						
1 January 2019	**376.663**	**6.900**	**(28.447)**	**355.117**	**79.500**	**434.616**
Total Income:						
Profit for the year	-	-	49.875	49.875	12.980	62.855
Other comprehensive income for the year:						
Cash flow hedges, after tax	-	(403)	-	(403)	(187)	(590)
Actuarial gains/(losses), after tax	-	(302)	-	(302)	-	(302)
Currency translation differences	-	1	-	1	-	1
Change in income tax rate	(34)	1	-	(34)	-	(34)
Total comprehensive income for the year	**(34)**	**(702)**	**49.875**	**49.139**	**12.793**	**61.932**
Transactions with the shareholders:						
Other reserves	-	693	(693)	-	-	-
Share capital increase	650.000	-	-	650.000	(3.052)	646.948
Costs directly attributable to issuing new shares	(10.000)	-	-	(10.000)	-	(10.000)
Dividends to non-controlling interest	-	-	-	-	(3.496)	(3.496)
Sale of treasury shares	7.227	-	5.857	13.084	-	13.084
	647.227	**693**	**5.164**	**653.085**	**(6.548)**	**646.537**
31 December 2019	**1.023.856**	**6.891**	**26.593**	**1.057.340**	**85.746**	**1.143.086**
1 January 2020	**1.023.856**	**6.891**	**26.593**	**1.057.340**	**85.746**	**1.143.086**
Total Income:						
Loss for the year	-	-	(51.741)	(51.741)	(4.464)	(56.205)
Other comprehensive income for the year:						
Cash flow hedges, after tax	-	(416)	-	(416)	(193)	(609)
Actuarial gains/(losses), after tax	-	(191)	-	(191)	(6)	(197)
Currency translation differences	-	(1)	-	(1)	-	(1)
Total comprehensive income for the year	**-**	**(608)**	**(51.741)**	**(52.349)**	**(4.663)**	**(57.012)**
Transactions with the shareholders:						
Statutory reserves	-	1.847	(1.847)	-	-	-
Costs directly attributable to issuing new shares	720	-	-	720	-	720
Employees share option scheme	-	198	-	198	-	198
Dividends to non-controlling interest	-	-	-	-	(329)	(329)
Business combinations (note 9)	-	-	-	-	13.909	13.909
	720	2.045	(1.847)	918	13.580	14.498
31 December 2020	**1.024.576**	**8.329**	**(26.995)**	**1.005.909**	**94.663**	**1.100.572**

The notes on pages 51 to 123 are an integral part of these financial statements.

Statement of changes in equity (Company)

all amounts in € thousands	Share capital	Other reserves	Retained earnings / (Accumulated losses)	Total equity
COMPANY				
1 January 2019	**376.663**	**3.012**	**(187.233)**	**192.442**
Total Income:				
Loss for the year	-	-	(20.772)	(20.772)
Other comprehensive income for the year:				
Actuarial gains/(losses), after tax	-	(160)	-	(160)
Change in income tax rate	(34)	1	-	(34)
Total comprehensive income for the year	**(34)**	**(160)**	**(20.772)**	**(20.965)**
Transactions with the shareholders:				
Share capital increase	650.000	-	-	650.000
Costs directly attributable to issuing new shares	(10.000)	-	-	(10.000)
Sale of treasury shares	7.227	-	5.857	13.084
	647.227	-	5.857	653.085
31 December 2019	**1.023.856**	**2.852**	**(202.147)**	**824.561**
1 January 2020	**1.023.856**	**2.852**	**(202.147)**	**824.561**
Total Income:				
Loss for the year	-	-	(1.513)	(1.513)
Other comprehensive income for the year:				
Actuarial gains/(losses), after tax	-	(114)	-	(114)
Total comprehensive income for the year	**-**	**(114)**	**(1.513)**	**(1.627)**
Transactions with the shareholders:				
Costs directly attributable to issuing new shares	720	-	-	720
Employees share option scheme	-	198	-	198
	720	198	-	918
31 December 2020	**1.024.576**	**2.936**	**(203.660)**	**823.852**

The notes on pages 51 to 123 are an integral part of these financial statements.

Cash Flow Statement (Company and Consolidated)

all amounts in € thousands	Note	GROUP 01.01.2020 to 31.12.2020	GROUP 01.01.2019 to 31.12.2019	COMPANY 01.01.2020 to 31.12.2020	COMPANY 01.01.2019 to 31.12.2019
Cash flows from operating activities					
Cash generated from / (used in) operations	28	(16.609)	45.355	(44.832)	(16.279)
Interest paid and interest related finance cost		(19.755)	(21.257)	(3.929)	(7.128)
Interest expense on lease liabilities	17	(4.341)	(3.468)	(97)	(50)
Income taxes paid		(2.265)	(11.457)	(46)	(1)
Net cash inflow (outflow) from operating activities		**(42.970)**	**9.174**	**(48.807)**	**(23.408)**
Cash flows from investing activities					
Purchase of property, plant and equipment and investment property	6,7,8	(11.723)	(21.494)	(3.455)	(1.451)
Proceeds from sale of ppe and investment property	6,7	-	25	-	-
Dividends/pre-dividends received		-	271	19.466	8.546
Interest received		769	45	707	7
Loans to/from related parties		-	(3.995)	-	(3.645)
Proceeds from repayment of loans to related parties	31	-	-	648	-
Payments of consideration for the aqcuisition of interest held in participation minus cash equivalents at the date of the acquisition	9	(8.394)	(9.296)	(13.944)	(9.296)
(Purchase)/sale of financial instruments held at fair value through profit or loss		-	593	-	-
(Increase)/decrease in the share capital of participations	9	(5.260)	(7.550)	15.824	(5.329)
Restricted cash		-	-	-	13.112
Net cash inflow (outflow) from investing activities		**(24.608)**	**(41.401)**	**19.245**	**1.945**
Cash flows from financing activities					
Share capital increase	14	-	650.000	-	650.000
Costs directly attributable to issuing new shares	14	(4.865)	(4.415)	(4.865)	(4.415)
Purchase/sale of treasury shares	14	-	13.084	-	13.084
Dividends paid at non-controlling interests		(329)	(4.790)	-	-
Loans received from related parties	31	(10.000)	-	(10.373)	-
Loans received/repayment of loans from related parties	31	-	10.000	-	10.000
Borrowings received	16	530.000	97.270	320.000	-
Repayment of borrowings	16	(254.602)	(106.049)	(89.128)	(7.000)
Repayment of lease liabilities	17	(2.759)	(260)	(1.144)	(788)
Borrowings transaction costs	16	(9.488)	(824)	(7.240)	-
Restricted cash		-	13.112	-	-
Net cash inflow (outflow) from financing activities		**247.957**	**667.129**	**207.249**	**660.881**
Net increase (decrease) in cash and cash equivalents		**180.379**	**634.901**	**177.688**	**639.419**
Cash and cash equivalents at the beginning of the year		702.776	67.875	651.664	12.245
Cash and cash equivalents at end of year		**883.155**	**702.776**	**829.352**	**651.664**

The notes on pages 51 to 123 are an integral part of these financial statements.

Notes to the consolidated and separate financial statements

1. General information

These financial statements include the annual financial statements of the company LAMDA Development S.A. (the "Company") and the consolidated annual financial statements of the Company and its subsidiaries (together "the Group") for the year ended December 31, 2020. The names of the subsidiaries are presented in note **Error! Reference source not found.** of the financial statements.

The main activities of the Company comprise investment, development, leasing and maintenance of innovative real estate projects, in Greece as much as in countries of S.E. Europe (Serbia, Romania and Montenegro) through its subsidiaries. The Group's most significant investments are: three shopping and leisure centers (The Mall Athens and Golden Hall in Athens and Mediterranean Cosmos in Thessaloniki), office complex in Greece and Romania and Flisvos Marina in Faliro. Following the transfer to the purchaser of the sold shares of HELLINIKON S.A., the Company will undertake the integrated metropolitan regeneration of Hellinikon Airport site (note 34).

The Company is incorporated and domiciled in Greece, the address of its registered office is 37^{A} Kifissias Ave., 15123, Maroussi with the Number in the General Electronic Commercial Registry: 3379701000 and its website address is www.lamdadev.com. The Company Consolidated Lamda Holdings S.A. ("parent" of the Company), which is domiciled in Luxembourg, at 31.12.2020 holds 42.97% of the Company's share capital and the Group's financial statements are included in its consolidated financial statements.

These financial statements have been approved for issue by the Board of Directors on April 14, 2021 and are subject to the final approval of LAMDA Development SA's Ordinary General Assembly.

2. Summary of significant accounting policies

2.1. Basis of preparation

These Company and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and Interpretations by the International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union, and present the financial position, results of operations and cash flows on a going concern basis which assumes that the Company has plans in place to avoid material disruptions to its operations and available financial resources to meet its operating requirements. In this respect Management has concluded that (a) the going concern basis of preparation of these financial statements is appropriate, and (b) all assets and liabilities are appropriately presented in accordance with the Company's accounting policies.

The management's decision to apply the going concern principle is based on the assumptions that are related to the possible impact of the spread of coronavirus COVID-19.

The impact due to the coronavirus pandemic COVID-19

Following the government`s measures, the operation of the Group's three Shopping Centers was suspended from 13.03.2020 to 17.05.2020. In addition, according to the Legislative Content Act (GG A' 68), which was ratified with the article 1 of Law 4683/2020 (GG A' 83), the associate shopkeepers/tenants were exempted from the obligation to pay the 40% of the total rent for the months of March, April, May and June 2020. In addition, and beyond the existing provisions, the Group has decided to provide an additional discount of 30%, thus a total discount of 70%, on the initial contracted rent only for April and May 2020. The government has extended the measure for a discount on the rent concessions by 40% for the months of July, August and September to certain retail sectors, mainly in the Food & Beverage and cultural units.

Moreover, the Group has completely lost the revenues from the relevant car park operations, the advertising income as well as the turnover rent for the period from 13.03.2020 to 17.05.2020 (since shopping centers were closed during that period). These revenues have also been reduced during the period from 18.05.2020 to 06.11.2020 and from 14.12.2020 to 31.12.2020 due to the decrease in the footfall and the tenants' revenues.

Subsequently, the Group as a lessee of the shopping center Mediterranean Cosmos in Pylaia Thessaloniki and following the abovementioned provisions of the previously mentioned Legislative Content Act, has received a reduction in the fixed portion of the payable rent for the period March - June 2020 as well as for November and December according to recent legislative acts, amounting in total to €720k.

The outcome of the abovementioned legislative acts along with the Group`s decision to provide additional discount to tenants, the decrease in the revenues from the relevant car park operations, the advertising income as well as the turnover rent has been fully depicted in the financial results of the Group for the period from 01.01.2020 to 31.12.2020.

Specifically, during the respective period, the Group's Shopping Centers total EBITDA declined by €27.4m approximately. However, taking into account the effect of the non-controlling interests and the income tax, the impact on the Group's Net Asset Value (NAV) amounted to approximately €17.5m or €0.10 per share approximately. Also, it has to be noted that apart from the decline in the operating profits, Group's Shopping Centers have suffered fair value losses of €30.7m in total. Taking into account the effect of the non-controlling interests, the impact on the Group's Net Asset Value (NAV) amounted to approximately €26.4m or €0.15 per share approximately.

Note that, on July 24, 2020, the Company repaid the total outstanding principal amounting to €81.1m and all corresponding interest, as this obligation was directly linked to the issuance of a €320m Corporate Bond through a public offering and subsequent listing for trading in the Organized Market category on the Athens Exchange.

The Group carefully monitors the events regarding the spread of coronavirus COVID-19. Until today, the Group has taken precautious measures for the safety of its employees as well as it has acted immediately in compliance with obligations as imposed each time by the official competent authorities.

In note 3 "Financial risk management" there is information on the approach of the total risk management of the Group, as well as on the general financial risk that the Group faces on an ongoing basis.

This consolidated and Company condensed interim financial information have been prepared under the historical cost convention, except for the investment property and the derivative financial instruments which are presented at fair value.

The preparation of financial information in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the group's accounting policies. In addition, the use of certain estimates and assumptions is required that affect the balances of the assets and liabilities, the disclosure of contingent assets and liabilities as at date of preparation of the financial information and the amounts of income and expense during the reporting period. Although these estimates are based on the best knowledge of management in relation to the current conditions and actions, the actual results can eventually differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial information are disclosed in note 4.

2.2. New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1 January 2020. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 3 (Amendments) 'Definition of a business'

The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. It further clarifies that, to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. Finally, it introduces an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The adoption of the amendments had no significant impact on the financial statements of the Group.

IAS 1 and IAS 8 (Amendments) 'Definition of material'

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRSs. The adoption of the amendments had no significant impact on the financial statements of the Group.

IFRS 9, IAS 39 and IFRS 7 (Amendments) 'Interest rate benchmark reform'

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The adoption of the amendments had no significant impact on the financial statements of the Group.

Standards and Interpretations effective for subsequent periods

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions' (effective for annual periods beginning on or after 1 June 2020)

The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications.

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions – Extension of application period' (effective for annual periods beginning on or after 1 April 2021)

The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before 30 June 2022. The amendment has not yet been endorsed by the EU.

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) 'Interest rate benchmark reform – Phase 2' (effective for annual periods beginning on or after 1 January 2021)

The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for the change in its hedging relationships and the information it should disclose.

IAS 16 (Amendment) 'Property, Plant and Equipment – Proceeds before Intended Use' (effective for annual periods beginning on or after 1 January 2022)

The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities. The amendment has not yet been endorsed by the EU.

IAS 37 (Amendment) 'Onerous Contracts – Cost of Fulfilling a Contract' (effective for annual periods beginning on or after 1 January 2022)

The amendment clarifies that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract. The amendment has not yet been endorsed by the EU.

IFRS 3 (Amendment) 'Reference to the Conceptual Framework' (effective for annual periods beginning on or after 1 January 2022)

The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date. The amendment has not yet been endorsed by the EU.

IAS 1 (Amendment) 'Classification of liabilities as current or non-current' (effective for annual periods beginning on or after 1 January 2023)

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

IAS 1 (Amendments) 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Disclosure of Accounting policies' (effective for annual periods beginning on or after 1 January 2023)

The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments have not yet been endorsed by the EU.

IAS 8 (Amendments) 'Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates' (effective for annual periods beginning on or after 1 January 2023)

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRS Standards 2018–2020 (effective for annual periods beginning on or after 1 January 2022)

The amendments set out below include changes to four IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 9 'Financial instruments'

The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

IFRS 16 'Leases'

The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

There are no other new standards or amendments to standards, which are obligatory for financial years that begin during current year that may have significant impact on the Group's financial statements.

2.3. Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re measurement are recognized in profit or loss.

Any contingent consideration to be transferred by the group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the group's accounting policies.

Investments in subsidiaries are accounted for in the separate financial statements at cost less impairment basis. In addition, the acquisition cost is adjusted to reflect changes in price resulting from any modifications of contingent consideration.

The Company determines at each reporting date whether there is any objective evidence that the investment in the subsidiary is impaired. If this is the case, management determines recoverable amount as the higher amount between the value in use and the fair value less the cost to sell. When the carrying amount of the subsidiaries exceeds the recoverable amount, the respective impairment loss is recognized in the income statement. The determination of the recoverable amount of each subsidiary depends directly on the fair value of investment property held by the subsidiary or joint venture, as the investment property is the most significant asset in the company's balance sheet. The impairment that has been recognized in previous reporting periods are examined at each balance sheet date for possible reversal.

(b) Transactions with non-controlling interest

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiary

When the group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Under the equity method, the investment is initially recognised at cost. The group's investment in associates includes goodwill identified on acquisition (net of any accumulated impairment loss).

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amount previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

The group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment in associates. When the group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of the impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to "share of profit/(loss) of associates" in the income statement.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed to ensure consistency with the policies adopted by the Group.

Investments in associates are accounted for in the separate financial statements at cost less impairment basis. The Group and the Company determines at each reporting date whether there is any objective evidence that the investment in the associates is impaired. If this is the case, management determines recoverable amount as the higher amount between the value in use and the fair value less the cost to sell. When the carrying amount of the associates exceeds the recoverable amount, the respective impairment loss is recognized in the income statement. The determination of the recoverable amount of each subsidiary depends directly on the fair value of investment property held by the associate, as the investment property is the most significant asset in the company's balance sheet. The impairment that has been recognized in previous reporting periods are examined at each balance sheet date for possible reversal.

(e) Joint ventures

From 1/1/2014 applies IFRS 11 according to which the Group will account for joint ventures on an equity basis because it provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. By implementing the new standard, the Group will account for joint ventures on an equity basis.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been adjusted where necessary to ensure consistency with the policies adopted by the Group. The financial statements of the joint venture are prepared for the same reporting date with the parent company. The change in accounting principle has been applied from 1 January 2013.

Investments in joint ventures are accounted for in the separate financial statements at cost less impairment basis. The Group and the Company determines at each reporting date whether there is any objective evidence that the investment in the joint ventures is impaired. If this is the case, management determines recoverable amount as the higher amount between the value in use and the fair value less the cost to sell. When the carrying amount of the joint ventures exceeds the recoverable amount, the respective impairment loss is recognized in the income statement. The determination of the recoverable amount of each joint venture depends directly on the fair value of investment property held by the joint venture, as the investment property is the most significant asset in the company's balance sheet. The impairment that has been recognized in previous reporting periods are examined at each balance sheet date for possible reversal.

2.4. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's management and are disclosed in the financial statements based on this internal allocation. The Management is responsible to allocate resources to and assesses the performance of the operating segments of an entity as well as for the Group's strategic decisions.

2.5. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euro, which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet

ii. Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate of the dates of the transactions) and

iii. All resulting exchange differences are recognised in a separate component of equity.

During consolidation procedure, exchange differences arising from the translation of the net investment in foreign entities' are recognised in equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.6. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property.

Investment property comprises freehold land, freehold buildings, property held under finance leases and property that is being constructed to be developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs (see note 2.19). Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Valuations are performed semi-annually by independent external valuers in accordance with the guidance issued by the International Valuation Standards Committee.

Fair value measurement on property under construction is only applied if the fair value is considered to be reliably measured. Otherwise, it is recognized at cost and remain at cost (less impairment) until (a) the fair value can be reliably measured or (b) the construction is completed.

Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases, income from concession arrangements and assumptions about rental income from future leases in the light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of leasehold land classified as investment property. Others, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Changes in fair values are recognised in the income statement. Investment properties are derecognised when they have been disposed or its use has been terminated and no cash flow is expected from its disposal.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under IAS 16. Any resulting increase in the carrying amount of the property is recognised in profit or loss to the extent that it reverses a previous impairment loss, with any remaining increase recognised in other comprehensive income and increase directly to equity in revaluation surplus within equity.

In general, where an investment property undergoes a change in use it is transferred evidenced by:
(a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property
(b) commencement of development with a view to sale, for a transfer from investment property to inventory;
(c) the expiration of owner-occupied property, for a transfer from owner-occupied property to investment property or
(d) commencement of an operating lease to a third party, for a transfer from inventories to investment property.

2.7. Property, plant and equipment

The property, plant and equipment include: lease hold land, vehicles and machinery, software, furniture, fittings and equipment.

All property, plant and equipment ("PPE") is shown at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items as well as possible borrowing costs.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group higher than the initially expected according to the initial return of the financial asset and under the assumption that the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on PPE is calculated using the straight-line method to allocate their cost of each asset to its residual value over its estimated useful life, in order to write down the cost in its residual value. The expected useful life of property, plant and equipment is as follows:

- Buildings (and leasehold improvements)	10-20	years
- Transportation equipment, machinery, technical installations & other equipment	5-10	years
- Furniture and fittings	5 – 10	years
- Software	up to 10	years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (impairment loss) (see note 2.8). In case of write-off of assets that have been fully depreciated, the remaining amount is recognised as loss in the income statement.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the income statement.

2.8. Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisition of subsidiaries and joint ventures is included in 'intangible assets'. Goodwill on acquisitions of associates is included in 'investments in associates'.

Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units which represent each entity for the purpose of impairment testing.

(b) Concessions and rights

The intangible assets refer to the fair value of a) the operation permit for the Marina up to 2047, b) the favorable relationship with Public Real Estate Property Company S.A. ("ETAD") up to 2020 and c) the tenant relationships of the Marina up to 2031 at cost minus depreciation and impairment loss. Depreciation is calculated using the straight-line method to allocate the cost of each asset to its estimated useful life, which is from 1 to 27 years.

2.9. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Assets that are subject to amortisation as well as investments in subsidiaries, joint ventures and associates are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of the impairment's estimation, the assets are categorized at the lower level for which the cash flows can be determined separately.

Specifically, for the investments in subsidiaries, joint ventures and associates that own directly or indirectly investment property (which comprise the largest part of the Group) the valuations of the investment property are taken into account as described in note 6.

Impairment losses are recognised as an expense to the income statement, when they occur.

2.10. Financial assets

Classification and measurement

IFRS 9 keeps to a large extent the existing requirements of IAS 39 for the classification and measurement of Financial Liabilities. However, it eliminates the previous categories of IAS 39 for financial assets: held to maturity, loans and receivables and available-for-sale. In accordance with IFRS 9, financial instruments are subsequently measured at fair value through profit or loss, at amortized cost, or at fair value through other comprehensive income.

The classification is based on two criteria:

- the business model in which the financial asset is held, either the objective is to hold for the purpose of collecting contractual cash flows or the collection of contractual cash flows as well as the sale of financial assets and

- whether the contractual cash flows of the financial asset exclusively consists of a capital and interest repayment on the outstanding balance ("SPPI" criterion).

The Company uses the following categories for measuring financial assets:

Financial assets measured at amortized cost. At this category are classified the financial assets that are retained under the business model with the aim to be held and the collection of contractual cash flows that meet the "SPPI" criterion. This category includes all the Group's financial assets, except for investments in mutual funds and bonds that are measured at fair value through profit or loss.

Financial assets classified in this category mainly include the following assets:

- Cash and cash equivalents
- Trade receivables

Trade receivables are amounts owned to customers for the sale of products or the provision of services within the ordinary course of business. If the receivables are collected inside the normal business cycle of the business, which is not more than one year, they are recorded as current assets, if not, they are presented as non-current assets. Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less the provision for impairment.

- Loans to subsidiaries that are included in "Trade and other receivables"

It includes non-derivative financial assets with fixed or determinable payments that are not traded on active markets and are not intended to be sold. They are included in current assets, except for those with a maturity of more than 12 months from the Statement of Financial Position date that are included in non-current assets.

Purchases and sales of financial investment assets are recognized at the date of the transaction which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at their fair value including transaction costs and cease to be recognized when the rights to receive cash flows from investments expire or are transferred and the Group has transferred substantially all the risks and rewards of ownership. Loans and receivables are measured subsequent to their initial recognition at amortized cost using the effective interest method.

Financial assets measured at fair value through profit or loss. Investments in mutual funds and bonds are included. These investments do not meet the criteria to be classified at amortized cost as the business model in which they are held aims to sell them within a short period of time. Under IAS 39, the Group's investments in mutual funds were classified as financial assets at fair value through profit or loss.

Following initial recognition, financial assets classified at fair value through profit or loss are measured at fair value including sale or disposal costs. Gains or losses arising from the revaluation of fair value are recognized in total at the income statement at the "Other operating income / expenses (net)" item.

Expected credit losses

The Group has trade and other receivables (including operating leases) as well as other financial assets that are measured at amortized cost and are subject to the new model of expected credit losses in accordance with IFRS 9.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the recognized impairment loss was immaterial.

IFRS 9 requires the Group to adopt the model of expected credit losses for each of the above asset classes.

The adoption of IFRS 9 led to a change in the accounting treatment of impairment losses for financial assets, as it replaced the treatment of IAS 39 for recognition of realized losses by recognizing the expected credit losses.

Trade and other receivables

The Group applies the simplified approach of IFRS 9 for the calculation of expected credit losses. The provision for impairment is always measured in an amount equal to the expected credit losses over the life of the receivable. For the purposes of determining the expected credit losses in relation to trade and other receivables, the Group uses a credit loss provisioning table based on the maturity of the outstanding claims. Credit loss projections are based on historical data taking into account future factors in relation to debtor and the economic environment. The adoption of the above standard did not have a significant impact on the interim financial statements of the Company and the Group due to the guarantees received, the strict policy forecasts and the historically low losses incurred. All assumptions, accounting policies and calculation techniques applied for the calculation of expected credit losses will continue to be subject of review and improvement.

Loans to subsidiaries

Expected credit losses are recognized on the basis of the following:

- expected 12-month credit losses are recognized on initial recognition, reflecting part of the cash flow losses, during the lifetime, that will arise if there is a breach within 12 months after the reporting date weighted by the probability of default. The requirements of this category are referred to as in step 1.

- expected credit losses, over the lifetime, are recognized in the event of a significant increase in credit risk detected subsequent to the initial recognition of the financial instrument, reflecting cash flow deficiencies arising from all probable default events over the lifetime of a financial instrument, weighted with the probability of default. The requirements of this category are referred to as in step 2.

- expected credit losses, over the lifetime, are always recognized for receivables with impaired credit value and are reported as in step 3. A financial asset is considered impaired when one or more events have occurred that have a detrimental effect on its estimated future cash flows financial asset.

Other financial assets measured at amortized cost

For the other financial assets of the Group measured at amortized cost, the general approach is used. These financial assets are considered to be low credit risk and any provision for impairment is limited to the expected credit losses over the next 12 months. The adoption of IFRS 9 had no significant impact on the financial statements of the Company and the Group.

2.11. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.12. Derivative financial instruments and hedging activities

The Group uses derivative financial instruments to hedge the risks related to future rate fluctuation. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The Group designates certain derivative financial instruments as:

1) hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge), or
2) hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedge).

The Group has contractual agreements for certain derivative instruments that designates as cash flow hedges. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in equity. The gain or loss relating to the ineffective portion is recognized immediately in Group's results (income statement) within "Other operating income / (expenses) – net". Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss (when the forecast sale that is hedged takes place).

Respectively, the Group has contractual agreements for interest rate swaps which are designated and qualify as fair value hedges in the income statement. The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in the income statement within "finance income / (cost) net". The gain or loss relating to the ineffective portion is recognized in the income statement within "Other operating income / (expenses) - net". Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (when a forecast transaction occurs).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement.

Certain derivative instruments that are not qualify as hedging instruments and no longer meet the criteria for hedge accounting, are classified as derivatives available for sale and accounted for at fair value through profit or loss. Changes in the fair value of any of these derivative instruments are recognized immediately in the income statement within "Other operating income / (expenses) – net".

At 31.12.2020 the Group does not own instruments for fair value hedging. At the same date the Group owned instruments of cash flow hedging applying risk hedge accounting, hence the changes of the fair value were registered at special reserve in the equity (note 19).

2.13. Inventories

The Group's inventories and mainly land, evidenced by the commencement of development with a view to sale are reclassified as inventories at their deemed cost, which is the fair value at the date of reclassification. They are subsequently carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less costs to complete redevelopment and selling expenses. Write offs and impairments are recognised as losses in the income statement when they arise.

Borrowing costs that refer directly to the construction or production of inventories are capitalized as part of the inventory cost (note 2.19).

2.14. Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.15. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less and low risk.

In the consolidated balance sheet, bank overdrafts are shown within borrowings in current liabilities.

2.16. Share Capital

The share capital comprises of ordinary shares, share premium as well as the treasury shares that were acquired by the Company. The share capital represents the value of the company's shares that have been issued and are in circulation.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the company's equity share capital, the consideration paid, including any directly attributable incremental costs, net of tax, is deducted from equity attributable to the company's equity holders until the shares are cancelled. Profit or loss from sale of treasury shares net of direct to the transaction expenses and taxes, is included in equity as reserves.

2.17. Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer).

Trade payables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.18. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.19. Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Also, the respective borrowing cost is added to the investment property and to the inventory.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.20. Deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated using the financial statements of every company included in the consolidated financial statements, along with the applicable tax law in the respective countries. Management periodically evaluates position in relation to the tax authorities and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognized for temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority or different taxable entities where there is an intention to settle the balances on a net basis.

2.21. Employee benefits

(a) Short-term benefits

Short-term employee benefits in cash and in items are recognized as an expense when they become accrued.

Right of leave provision

The right of annual leave and long-service leave for employees are recognized when these result. A provision is recognized for the estimated obligation of annual leave and long-service leave as result of services that were offered up until the balance sheet date.

(b) Retirement benefits

The Group participates in retirement schemes in accordance with the Greek legislation by paying into publicly administered social security funds on a mandatory basis. Benefits after retirement include both defined contribution plans and defined benefits plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate social security fund. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

A defined benefit plan comprise retirement benefit plans according to which the Group pays to the employee an amount upon retirement that is based on the employee's period of service, age and salary.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The current service cost of the defined benefit plan, recognised in the income statement in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognized immediately in the income statement.

The cost of interest is calculated by applying the discount rate to the net defined benefit liability for the defined benefits plans. The net interest is included in employee benefit expense in the income statement.

(c) Termination benefits

Termination benefits are payable whenever an employee's employment is terminated by the Group, before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes these benefits earlier than: a) when the Group cannot withdraw these benefits any longer and b) when the Company recognizes expenses from reorganization that is included in the scope of IAS 37 where the payment from termination benefits are included. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(d) Share-based compensation

The Group implements a number of stock option plans in which the Company receives services from its employees in exchange for equity securities of the parent company, Lamda Development SA. The fair value of employee services received in exchange for equity securities is recognized as an expense with a corresponding increase in equity. The total amount to be recognized as an expense is determined in relation to the fair value of the rights granted:

- including any market performance conditions (eg the entity's share price)

- excluding the impact of any service and non-market performance vesting conditions (eg profitability, sales growth targets and remaining an employee of the entity over a specified time period), and

- including the impact of any non-vesting conditions (eg the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

In addition, in some cases employees may provide the service before the due date of the allowance and therefore the fair value is calculated at the date of the option so that the entity can recognize the expense during the period in which it was granted. service and the date of option.

When the options are exercised, the Company issues new shares. Receipts received, net of any direct transaction costs, are credited to the share capital (nominal value) and to the share premium.

The granting of options by the Company to the employees of the group's subsidiaries is accounted for as a capital contribution. The fair value of the services provided by the employees, which is measured in relation to the fair value at the date of grant, is recognized during the vesting period as an increase in the investment in a subsidiary with corresponding credit of the net position in the financial statements of the parent company.

2.22. Grants

Government grants are recognised at fair value when it is virtually certain that the grant will be received and the group will comply with anticipated conditions.

Government grants relating to expenses are deferred and recognized in the income statement over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight line basis over the expected lives of the related assets.

At the balance sheet, there were no government grants.

2.23. Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date (note 4.1). The discount rate used to determine the present value reflects current market assessments of the time value of money and the increases specific to the liability.

2.24. Revenue recognition

Revenue comprises the fair value of revenues from rents, services and management of real estate, as well as real estate purchases and sales, net of value added tax (VAT), rebates and followed by the eliminations in Group inter-company revenue. Revenue is recognised as follows:

(a) Income from investment property

Income from investment properties includes operating lease income, income from maintenance and management of real estate, concession rights and commercial cooperation agreements.

The income from operating leases is recognized in the Income Statement using the straight-line method over the duration of the lease. The most significant part of the income from operating leases refers to the annual base remuneration that each tenant pays into the shopping centers (Base Remuneration – standard remuneration deriving from the commercial cooperation agreement), which is adjusted annually by CPI plus indexation which varies from tenant to tenant. When the Group provides incentives to its customers, the cost of these incentives is recognized over the duration of the lease or commercial cooperation, using the straight line method, reducing income.

The income from maintenance and management of real estates, concessions and commercial cooperation agreements is recognized during the period for which the concession and commercial cooperation services are provided.

(b)Berthing services

Berthing services are recognized in the income statement at the year that the services offered with reference to the completion of the specific transaction calculated based on the services offered, as a proportion of the total services to be offered.

(c) Sale of real estate

Revenue from the sale of real estate is only recognized in the financial statements when the final contract has been signed.

When the outcome of a contract cannot be reliably estimated, the revenue is recognized only to the extent that the contract costs incurred will probably be recoverable. Contract expenses are recognised when incurred.

(d) Income from commissions

Revenue comprises commission from the sale of goods at the time that the inventory is sold to retail customers, exclusive of value added tax (VAT) and discounts.

(e) Interest income

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues accreting the discount as interest income. Afterwards, interests are calculated by using the same rate on the impaired value (new carrying amount).

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.25. Leases

(a) Group company as the lessee

Assets and liabilities arising from leases are initially measured at the present value of future leases. Lease liabilities contain the present value of the following payments:

• Fixed amount payments deducting any claims related to rent incentives
• Variable amount payments based on an index or percentage
• Payments that are expected to be made by the lessee as guaranteed residual values
• Payments related to the price of exercising the right of purchase, when the exercise of the right by the lessee is almost certain
• Payments for penalties for early termination of the lease, if it is considered reasonable that the lessee will proceed to the termination of the contract

Rent payments are discounted using the imputed rental rate. If this interest rate cannot be determined, then the lessee uses the incremental borrowing rate, which is the rate at which the lessee would borrow funds to purchase an asset of similar value in a similar economic environment and under the same trading conditions. and conditions.

The right to use an asset is measured at cost and includes the following items:
• The amount of the initial measurement of the lease liability
• Rent payments made before or at the start of the lease deducting any lease incentives received
• Any initial costs directly related to the lease
• Costs related to the restoration of the lease

Each rent payment is divided between the liability and the financial expense. The financial expense is charged to the income statement at the time of the lease and is calculated at a fixed interest rate on the balance of the liability for each period. The value of the right of use is amortized using the straight-line method with equal charges either during the useful life of the asset with a right of use or during the term of the contract depending on which period is shorter. In the case that the right of use concerns an investment property, then the value of the right of use is depreciated through the income statement as a change in the fair value of investment property.

Payments related to short-term leases as well as contracts where the value of the asset is of small value are recognized as an expense in the income statement at the time of the lease. Leases with a duration of up to 12 months are defined as short-term contracts. Less valuable assets include mainly office equipment and computer equipment.

(b) Group company as the lessor

Assets leased to third parties under operating leases are included in investment properties and measured at fair value (note 2.6). Note 2.24 describe the accounting principle of revenue recognition from leases.

2.26. Dividend distribution

Dividend distribution to the Company’s shareholders is recognised as a liability in the Group’s financial statements when the dividend distribution is approved by the Company’s Ordinary General Assembly. The first dividend is recognised at its payment.

3. Financial risk management

3.1 Financial risk factors

The Group’s activities are exposed to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group’s financial performance.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group’s operating units. The Board provides written principles and directions for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest-rate risk and credit risk.

In addition to the aforementioned, as described in note 2.1 in relation to the macroeconomic environment in Greece, the national and international discussions with respect to the terms of Greece's financing program have resulted in an unstable macroeconomic and financial environment in the country. Possible negative developments can not be forecast, nevertheless Management continually assesses the situation to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's operations.

Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so as to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group’s Greek operations. Despite the aforementioned uncertainties, the Group’s operations continue without any disruption. However, Management is not able to accurately predict the likely developments in the Greek economy and its impact on the Group activities. Also, please see note 2.1 in relation to the impact of coronavirus COVID-19.

(a) Market risk

i) Foreign exchange risk

The Group operates in Greece and Balkan countries and is exposed to foreign exchange risk arising from various currency exposures. The major part of the Group’s transactions is denominated in Euro. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group’s stable policy is to avoid purchasing foreign currency in advance and contracting FX future contracts with external counter-parties.

The Group has certain investments in foreign operations whose net assets are exposed to foreign currency translation risk during their financial statements are converted for consolidation purposes. In relation to the operations abroad, the most important operations relate to Serbia where the currency translation rate does not show a large diversion.Also, the Group operations outside Greece does not include significant commercial transactions and therefore the Group does not have a foreign exchange risk.

ii) Inflation risk

The Group is exposed to fluctuations in demand and offer of real estate in the domestic market which are affected by the macroeconomic developments in the country and the developments in the domestic real estate market. Any extraordinary negative changes of the above may have a correspondingly negative impact on business activity, operating cash flows, fair value of the Group's investment property, in the equity.

Decrease in the demand or increased offer or shrinking of the domestic real estate market could adversely affect the Group's business and financial situation, as well as negatively affect the Group's investment property occupancy, the base consideration that is set in the contract, the level of demand and ultimately the fair value of these properties. Also, the demand of spaces in the Group’s investment property may decrease due to the difficult economic condition or due to increased competition. The above may result to lower occupancy rates, renegotiation of the terms of lease contracts, higher costs required for the lease contracts, lower revenue from base remuneration, as well as of lease contracts with possible lower duration.

The Group enters into long term operating lease arrangements for a minimum of 6 years that are adjusted annually according to the Consumer Price Index plus margin up to 2%.

iii) Cash flow and fair value interest rate risk

The Group’s operating cash flows’ exposure to the risk of changes in market interest rates relates primarily to the Group’s borrowings which are contracted in floating rates based on Euribor. This risk is partially hedged through cash and cash equivalents held at floating rates.

The group analyses its interest rate exposure and manages the interest rate risk through refinancing, renewal of existing loans, alternative financing and hedging.

Specifically, in order for the Group to be covered by the changes in interest, it managed the interest rate risk by using interest rate swaps to turn the floating interest rates into fixed, regarding part of the subsidiary's LAMDA DOMI SMSA loan in the amount of €62.7m at 31.12.2020 as well as part of the subsidiary's PYLAIA SMSA loan in the amount of €54m at 31.12.2020. The change in the fair value has been recognized in the statement of comprehensive income and the income statement.

The sensitivity analysis below is based on change in a variable holding all other variables constant. Actually, such a scenario is unlikely to happen, and changes in variables can be related for example to change in interest rate and change in market price.

At December 31, 2020 an increase / decrease by 0.25% on the Group's borrowings floating interest rate at functional currency, would have an impact of +/- €0.25m in finance cost at Group level and no effect at Company level whereas such an increase / decrease by 0.25% would have no effect on profit before tax for the year and equity respectively.

(b) Credit risk

Credit risk is managed on Group basis. Credit risk arises from credit exposures to customers, including outstanding receivables, as well as cash and cash equivalents.

Sales are made mainly to customers with an assessed credit history and credit limits. Also, certain sale and collection terms are applied.

Income will be significantly affected in case the tenants are unable to fulfil their contractual obligations due to either restriction in their financial activities or instability of the local banking system.

However, the Group at December 31, 2020 has a well-diversified tenant mix consisting mainly of profitable companies with good reputation. The customers' financial condition is monitored on a recurring basis. The Company's management does not expect significant losses from impaired receivables except for those that have been provided for.

The maximum exposure to credit risk at the reporting date is the carrying value of the trade and other receivables in the balance sheet.

The deposits and cash of the Group and the Company are rated in Moody's. The credit limit in relation to cash and cash equivalents is presented as follows:

	GROUP		COMPANY	
Moody's Rating	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Caa1	574.924	692.254	529.040	651.510
Caa2	305.467	2	300.142	2
Aa3	143	9.636	100	101
N/A	2.350	372	-	-
	882.884	**702.264**	**829.283**	**651.613**

The remaining amount in cash and cash equivalents is related to cash in hand and time deposits.

At 31.12.2020 the Group's cash and cash equivalents are concentrated mainly in 2 bank institutions in Greece higher than 10%, which shows significant concentration of credit risk. No significant credit losses are anticipated in view of the credit status of the banks that the Group keeps current accounts.

(c) Liquidity risk

The current or prospective risk to earnings and capital arising from the inability of the Group to collect outstanding receivables without incurring significant losses as well as to ensure timely the required liquidity in order to meet its obligations on time. The Group ensures the timely liquidity through the regular monitoring of liquidity needs and collection of amounts due to from tenants, maintaining credit accounts and through prudent cash management. The Company's liquidity is monitored by management on a regular basis.

The table below analyses the Group and Company financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

GROUP

all amounts in € thousands	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
31 December 2020				
Borrowings	14.106	35.987	170.944	607.404
Interest rate swaps - cash flow hedges	-	513	1.195	2.278
Trade and other payables	28.221	16.655	-	-
	42.327	**53.155**	**172.139**	**609.682**

all amounts in € thousands	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
31 December 2019				
Borrowings	102.673	166.597	32.423	167.949
Interest rate swaps - cash flow hedges	-	287	717	931
Trade and other payables	75.381	2.057	-	-
	178.055	**168.941**	**33.140**	**168.880**

COMPANY

all amounts in € thousands	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
31 December 2020				
Borrowings	-	-	-	313.162
Trade and other payables	79.572	-	-	-
	79.572	**-**	**-**	**313.162**

all amounts in € thousands	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
31 December 2019				
Borrowings	89.128	-	-	-
Trade and other payables	84.046	10.949	-	-
	173.173	**10.949**	**-**	**-**

At December 31, 2020 the short-term loans refer mainly to the syndicated bond loan of the subsidiary LAMDA Prime Properties SMSA with Alpha Bank amounting to €4.9m which is extended until 31.03.2021. The refinancing of the above-mentioned syndicated bond loan is finalized at 29.03.2021. Also, the subsidiary "LOV SMSA" ("LOV") signed on June 23rd, 2020 with National Bank of Greece SA (NBG) the Bond Programme and Subscription Agreement for the issuance of a bond loan of an amount of up to €220m ("Bond Loan") with a duration of 7 years comprising of three (3) distinct series. At 31.12.2020 the short-term part of the above-mentioned bond loan amount to €4.9m. A reference is made in note 16 of the annual financial statements of the year that ended at December 31, 2020.

On July 21, 2020 the Company issued a 7 year7-year common bond loan by means of a Public Offering and listing to trading of Bonds in the fixed income securities category of the regulated market of the Athens Stock Exchange, raising funds amounting to €320 m. Following the above issuance, the Company repaid the total outstanding principal amounting to €81.1m and all the corresponding interest of the secured syndicated bond loan with Alpha Bank, Piraeus Bank and Eurobank on July 24, 2020, as this obligation was directly linked to the issuance of the Corporate Bond with a public offering and listing to trading in the Organized Market category on the Athens Stock Exchange (Section 4.1.2 Reasons for Issuing the CBL and Use of Funds of the Prospectus). The Company's Common Bond Loan at a consolidated and corporate level must meet the ratio Adjusted Assets to Adjusted Total Liabilities ≥135%.

Above developments in relation to the loans strengthens significantly the Group’s liquidity leading to decrease in the short-term borrowings as at 31.12.2020.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. Cash and cash equivalents are considered assets with high credit risk since the current macroeconomic environment in Greece affects significantly the local banks. We do not anticipate any losses deriving from the banks’ credit ratings where the Group holds its accounts.

Futher to the above, the Group and the Company have contingencies in respect of guarantees for good performance and other matters arising in the ordinary course of business, for which no significant additional burdens are expected to arise as described in note 30.

3.2 Capital risk management

The Group and Company objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group and Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including ‘current and non-current borrowings’ as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as ‘equity’ as shown in the consolidated statement of financial position plus net debt. It is noted that at 31.12.2020 Group’s cash exceeds Group’s borrowings and therefore “debt” is used instead of “net debt”.

During 2020, as well as in 2019, the Group and Company's strategy was to maintain the gearing ratio (net debt / total equity) at best level.

The Company at 07.04.2021 signed with Eurobank SA and Piraeus Bank S.A. an agreement for the update of the basic business terms for the syndicated bank loans to be provided to the Company and/or the Group’s subsidiaries for the purposes of financing the Hellinikon Project.

The gearing ratio as at 31.12.2020 in order to be comparable to the gearing ratio as at 31.12.2019 is calculated as follows:

all amounts in € thousands

GROUP	**31.12.2020**	**31.12.2019**
Total borrowings (note 16)	713.505	439.098
Total equity	1.100.572	1.143.086
Borrowings / Equity	**65%**	**38%**

all amounts in € thousands

COMPANY	**31.12.2020**	**31.12.2019**
Total borrowings (note 16)	313.162	89.128
Total equity	823.852	824.561
Borrowings / Equity	**38%**	**11%**

3.3 Fair value estimation

The Group and the Company use the following hierarchy for determining and disclosing the fair value of the assets and liabilities by valuation method.

Level 1: based on quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: based on valuation techniques whereby all inputs having a significant effect on the fair value are observable, either directly or indirectly and includes quoted prices for identical or similar assets or liabilities.

Level 3: based on valuation techniques whereby all inputs having a significant effect on the fair value are not observable market data.

The financial instruments that are measured at fair value are the investment property (note 6) and the derivative financial instruments (note 20).

4. Critical accounting estimates and judgements

Estimates and judgements of the Management are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months concern the following:

(a) Estimate of fair value of investment property

The best evidence of fair value is current prices in an active market for similar lease and other contracts. When there is absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the Group considers information from a variety of sources including:

i) Current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;

ii) Recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

iii) Discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The disclosures for the fair value estimations of the investment property are presented in note 6.

(b) Estimate of the carrying value of the investement in subsidiaries, associates and joint-ventures

The Management on an annual basis, evaluates if there are indications for impairment regarding its investments in subsidiaries, associates and joint ventures. When there are indications for impairment the Management evaluates the recoverable value of the investments and compares it with the current value in order to decide if there is a reason for an impairment provision. The Management determines the recoverable value as the biggest amount between the current amount and the fair value minus any disposal costs. Fair value is determined mainly by the fair value of the investment property that its investment owns as at December 31st each year, as this is the most significant amount of its assets.

Disclosures regarding the valuation of the current value of investments in subsidiaries, associates and joint ventures are presented in note 9.

(c) Provisions related to contingent liabilities and legal issues

The Group's companies are currently involved in various claims and legal proceedings. Periodically, the Management review the status of each significant matter and assess potential financial exposure, based in part on the advice oflegal counsel. If the potential loss from any claim or legal proceeding is considered probable and the amount can be reliably estimated, the Group and the Company recognize a provision for the estimated loss. Significant judgment is required in both the determination of probability and the determination as to whether an exposure is reasonably estimable. As additional information becomes available, the Group and the Company reassess the potential liability related to pending claims and litigation and may revise assessments of the probability of an unfavorable outcome and the related estimate of potential loss. Such revisions in the estimates of the potential liabilities could have a material impact on the Group's or the Company's financial position and results of operations. In note 30 all significant contingencies and legal issues are desclosured, as well as the Management's estimation over them.

4.2 Critical management estimates in applying the entity's accounting policies

There are no areas that require management estimates in applying the Group's accounting policies.

5. Segment information

The Group is operating into the business segment of real estate in Greece and in other neighbouring Balkan countries. The BoD (which is responsible for the decision making) defines the segments according to the use and of the investment property and their geographical location.

Management monitors the operating results of each segment separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue and EBITDA (Earnings before interest, tax, depreciation and amortization). It is noted that the Group applies the same accounting policies as those in the financial statements in order to measure the performance of the operating segment. Group financing, including finance costs and finance income, as well as income taxes are monitored on a group basis and are included within the administration segment without being allocated to the profit generating segments.

A) Group's operating segments

The segment information for the year ended December 31, 2020 was as follows:

all amounts in € thousands	Real estate GREECE			BALKANS	Administrative and Management Services	Eliminations among segments	Total
	Shopping centers	Investments in Marinas	Other investment property	Other investment property			
Revenue from third parties	52.535	11.240	2.883	2.188	391	(1.440)	**67.796**
Net gains/(losses) from fair value adjustment on investment property and inventories	(44.167)	-	850	(5)	-	-	**(43.322)**
Cost of sales of inventories-land	-	-	-	(2.481)	(28)	-	**(2.509)**
Other direct property operating expenses	(15.373)	-	(1.064)	-	-	3.175	**(13.262)**
Expenses related to the development in the Hellinikon area	-	-	(9.354)	-	-	-	**(9.354)**
Other	(209)	(3.741)	(283)	(332)	(15.695)	(1.735)	**(21.995)**
Share of profit / (loss) from joint ventures and associates and income from dividends	-	8.382	184	(6.079)	-	-	**2.487**
EBITDA	**(7.214)**	**15.882**	**(6.784)**	**(6.709)**	**(15.332)**	**-**	**(20.158)**

The segment of "investments in Marinas" in Greece sector refers to Flisvos Marina which is a new venture for the Group starting from the date of obtaining the control of the subsidiary LAMDA MARINAS INVESTMENTS S.M.S.A. (note 9). The figures of 2019 have not been adjusted.

The segment information for the year ended December 31, 2019 was as follows:

all amounts in € thousands	Real estate GREECE		BALKANS	Administrative and Management Services	Eliminations among segments	Total
	Shopping centers	Other investment property	Other investment property			
Revenue from third parties	79.634	2.613	9	516	(1.065)	**81.706**
Net gains/(losses) from fair value adjustment on investment property and inventories	65.875	5.949	(107)	-	-	**71.716**
Other direct property operating expenses	(14.757)	(1.105)	-	-	4.065	**(11.797)**
Expenses related to the development in the Hellinikon area	-	(6.276)	-	-	-	**(6.276)**
Other	(613)	(359)	(304)	(17.296)	(3.000)	**(21.571)**
Share of profit / (loss) from joint ventures and associates and income from dividends	-	2.633	(504)	-	-	**2.129**
EBITDA	**130.139**	**3.456**	**(907)**	**(16.780)**	**-**	**115.908**

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

all amounts in € thousands	Real estate GREECE			BALKANS		
31 December 2020	Shopping centers	Investments in Marinas	Other investment property	Other investment property	Administrative and Management Services	Total
Assets per segment	**1.013.484**	**163.671**	**74.791**	**36.715**	**898.900**	**2.187.562**
Expenditure of non-current assets	7.389	820	-	-	3.514	11.723
Liabilities per segment	**593.507**	**127.313**	**39.016**	**207**	**326.945**	**1.086.989**

all amounts in € thousands	Real estate GREECE			BALKANS		
31 December 2019	Shopping centers	Investments in Marinas	Other investment property	Other investment property	Administrative and Management Services	Total
Assets per segment	**1.057.046**	**4.973**	**77.692**	**37.032**	**693.916**	**1.870.660**
Expenditure of non-current assets	20.004	-	12	-	1.478	21.494
Liabilities per segment	**551.504**	**-**	**47.959**	**204**	**127.907**	**727.574**

A reconciliation of the Group's total adjusted EBITDA to total profit after income tax is provided as follows:

all amounts in € thousands		
Adjusted EBITDA for reportable segments	**31.12.2020**	**31.12.2019**
EBITDA	(20.158)	115.908
Depreciation of ppe	(7.514)	(885)
Finance income	928	40
Finance costs	(32.603)	(27.258)
Profit/(loss) before income tax	**(59.347)**	**87.806**
Income tax expense	3.142	(24.950)
Profit/(loss) for the year	**(56.205)**	**62.855**

B) Geographical segments

The segment information for the year ended December 31, 2020 was as follows:

31 December 2020 *all amounts in € thousands*	**Total revenue**	**Non-current assets**
Greece	65.609	1.209.658
Balkans	2.188	33.521
	67.796	**1.243.179**

The segment information for the year ended December 31, 2019 was as follows:

31 December 2019 *all amounts in € thousands*	**Total revenue**	**Non-current assets**
Greece	81.698	1.087.659
Balkans	9	33.636
	81.706	**1.121.296**

6. Investment property

		GROUP		**COMPANY**	
all amounts in € thousands	**Note**	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Opening balance at 1 January		1.039.312	852.115	1.840	1.840
Right-of-use assets	17	152	78.615	-	-
Net gain/(loss) from fair value adjustment		(43.630)	71.494	-	-
Capitalised subsequent expenditure		6.394	21.535	-	-
Additional property cost		-	15.553	-	-
Closing balance at 31 December		**1.002.228**	**1.039.312**	**1.840**	**1.840**

The investment property includes property operating lease that amounts to €177.4m and is related to the shopping center Mediterranean Cosmos. The right-of-use of this property according to IFRS 16 "Leases" amounts to €78.1m at 31.12.2020 (note 17).

The fair value for all investment property was determined on the basis of its highest and best use by the Group taking into account each property's use which is physically possible, legally permissible and financially feasible. This estimate is based on the physical characteristics, the permitted use and the opportunity cost for each investment of the Group.

Investment property is valued each semester or more often given that the market conditions or the terms of any existing lease and other contracts show differ significantly from those in the previous reporting period. The valuations are prepared by independent qualified valuers using the Discounted Cash Flows (DCF) method. The cash flows are based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (where possible) external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect each tenant's sector (food and restaurants, electronic appliances, apparel etc.) as well as the current market assessments of the uncertainty in the amount and timing of the cash flows. In some cases, where necessary, the valuation is based on the Comparative Method. The aforementioned valuation methods come under hierarchy level 3 as described in note 3.

The main valuation assumptions as at 31.12.2020 in relation to the ones at 31.12.2019 are presented below.

More precisely, at 31.12.2020, 92% of total fair value of the Group's investment property relates to Shopping Centres and 5% to Office Buildings. For both type of property, the valuation was determined using the DCF approach with the following significant assumptions:

- With regards to the Shopping Centres, The Mall Athens has a freehold status, Mediterranean Cosmos is held under a lease that expires in 2065 and Golden Hall is held under a lease that expires in 2103. As far as the office buildings are concerned, they are owned by the Group.

- In short, the discount rates and exit yields according to the latest valuations at December 31, 2020 are as follows:

	Discount rate		Exit yields	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
The Mall Athens	8,25%	8,25%	6,75%	6,75%
Med.Cosmos	9,25%	9,25%	8,50%	8,50%
Golden Hall	9,00%	9,00%	7,50%	7,50%
Ilida, Maroussi	8,50%	8,50%	7,00%	7,00%
Cecil, Kefalari	8,50%	8,50%	7,50%	7,50%

- In relation to the annual consideration that every tenant of the Malls pays (Base Consideration – fixed consideration that is set in the contract), it is adjusted annually according to the CPI plus a slight indexation which is differentiated between the tenants. The average CPI that has been used over the period is based on escalated average CPI for projections made for period 2021-2028+, range of +0.75% up to +1.90%.

The most significant valuation assumptions of the investment property are the assumption regarding the future EBITDA (including the estimations related to the future monthly lease) of each investment property as well as the estimated yields that are applied for the investment property's valuation. As a result, the table below presents four basic scenarios in relation to the impact on the valuations of the following investment properties of an increase/decrease in the discount rate by +/-25 basis points (+/-0,25%) per Shopping Mall and office building, as well as an increase/decrease in the exit yields by +/-25 basis points (+/- 0,25%).

all amounts in € thousands	**Discount rate +0,25%**	**Discount rate -0,25%**	**Exit yields +0,25%**	**Exit yields -0,25%**
The Mall Athens	-7,2	7,4	-7,9	8,4
Med.Cosmos	-2,8	2,9	-1,9	2,0
Golden Hall	-4,2	4,3	-3,9	4,2
Malls	**-14,1**	**14,5**	**-13,6**	**14,5**
Ilida, Maroussi	-0,6	0,6	-0,6	0,6
Cecil, Kefalari	-0,2	0,3	-0,2	0,3
Office buildings	**-0,8**	**0,8**	**-0,8**	**0,9**
Total	**-14,9**	**15,3**	**-14,4**	**15,4**

The above-mentioned assessments of investment property have taken into account the financial situation in Greece as described in note 2.1., and the exported result is the best, based on the circumstances, assessment of the Group's investment properties. The changes in the fair value of the investment properties and mainly of the shopping centers, in relation to those of the comparative period, differ as they incorporate the effect in the shopping centers of the spread of the coronavirus COVID-19. According to the independent valuers, given the uncertainty from the evolution of the COVID-19 pandemic and the possible future effects on the real estate markets in our country and internationally and in the absence of sufficient comparative data, conditions of "substantial valuation uncertainty" are created. . For this reason, investment property values go through a period in which they are monitored with a higher degree of attention.

The independent valuers state in their reports that the general environmental risk in which the Group operates has increased during the reporting period, due to the continuing level of uncertainty due to the impact of Covid-19. This environment could have a significant impact on investment property appraisals. The Group's total property portfolio was valued by external valuers at fair value, as estimated by the Royal Institution of Chartered Surveyors (‘RICS).

The spread of Covid-19, officially designated a "pandemic" by the World Health Organization on March 11, 2020, has affected global financial markets. Travel and other transport restrictions have been implemented in most countries. Economic activity is affected in many areas.

At the valuation date, external valuers consider that they can rely less on prior market data for comparative purposes with a view to approach fair value. Due to the above current situation, the valuers are facing an unprecedented situation in terms of their judgment. Their assessment is therefore subject to "material valuation uncertainty" as described in VICA 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty - and a greater degree of caution - accompanies this report than under normal circumstances. External valuers have confirmed that the statement "increased uncertainty" does not mean that one cannot rely on valuations. Instead, the above statement is used to be clear and transparent to all parties, in a professional manner, so that in the current emergency situation, less certainty is given to the valuations than would otherwise be the case. Due to increased valuation uncertainty about the impact of Covid-19, future cash flows incorporated in the valuation models provide for increased rent loss, additional vacancy for leases expiring in 2021, and an increase and time extension of operating expenses that will be covered exclusively by the company for an extended period of time. As a result, the Group's investment properties show reduced fair values compared to 2019 by € 37m. with an impact on the income statement loss of € 44m. There was no change in the valuation methodology used for real estate investments as a result of Covid-19. Management and external valuers are of the opinion that discount rates and exit yields are reasonable based on current market conditions and returns expected by investors for these shoppirng centers, which are considered among the top shopping centers in Greece.

The information provided to the valuers and the assumptions and valuation models used by valuers are reviewed by the investment property management team, the investment property manager and the CFO. The valuers discuss and are present directly to the Audit Committee for an overview of the interim and annual results.

The Management will monitor the trends that will be manifested in the investment property market in the forthcoming months because the full imprint of the consequences of the financial situation in Greece may affect the future values of the Group's investment properties. In this context, the Management also closely monitors the developments regarding the spread of the coronavirus COVID-19 as the short-term effects on the values of the Group's investment properties that are directly related to the net asset value of the Group remain unknown.

Management will observe the trends that will be formed in the investment property market in the next few months since the complete impact of the consequences of the economic situation in Greece may affect the value of the Group’s investment property in the future. In this context, the Management carefully monitors the events regarding the spread of coronavirus, as the short-term impact on the Group's investment property that are directly connected to the Group's net asset value, remain currently unknown.

There are real estate liens and pre-notices over the total investment property of the Group.

7. Property, plant and equipment

all amounts in € thousands	Lease hold land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Software	Assets under construction	Total
GROUP - Cost						
1 January 2019	**836**	**6.379**	**8.550**	**2.978**	**2.742**	**21.484**
Additions	-	48	1.072	37	20.438	21.596
Disposals / Write-offs	(273)	-	(43)	(9)	-	(326)
Transfer to income statement	-	-	-	-	(102)	(102)
Reclassifications	-	-	28	-	(28)	-
Transfer to investment property	-	-	-	-	(21.535)	(21.535)
31 December 2019	**562**	**6.427**	**9.607**	**3.006**	**1.515**	**21.117**
1 January 2020	**562**	**6.427**	**9.607**	**3.006**	**1.515**	**21.117**
Additions	672	247	1.523	55	2.831	5.329
Disposals / Write-offs	-	(54)	-	-	-	(54)
Business combinations (note 9)	36.090	6.956	94	-	-	43.140
31 December 2020	**37.325**	**13.575**	**11.224**	**3.061**	**4.347**	**69.532**
Accumulated depreciation						
1 January 2019	**(501)**	**(5.362)**	**(6.963)**	**(2.782)**	**-**	**(15.608)**
Depreciation charge	(28)	(346)	(323)	(63)	-	(760)
Disposals / Write-offs	146	-	41	9	-	196
31 December 2019	**(383)**	**(5.708)**	**(7.245)**	**(2.835)**	**-**	**(16.172)**
1 January 2020	**(383)**	**(5.708)**	**(7.245)**	**(2.835)**	**-**	**(16.172)**
Depreciation charge	(1.330)	(613)	(503)	(63)	-	(2.509)
Disposals / Write-offs	-	17	-	-	-	17
31 December 2020	**(1.713)**	**(6.304)**	**(7.748)**	**(2.898)**	**-**	**(18.664)**
Closing net book amount 31 December 2019	**179**	**719**	**2.362**	**170**	**1.515**	**4.946**
Closing net book amount 31 December 2020	**35.612**	**7.271**	**3.476**	**163**	**4.347**	**50.869**

all amounts in € thousands	Lease hold land	Vehicles and machinery	Furniture, fittings and equipment	Software	Assets under construction	Total
COMPANY - Cost						
1 January 2019	**367**	**190**	**1.507**	**2.774**	**-**	**4.838**
Additions	-	-	84	13	989	1.086
31 December 2019	**367**	**190**	**1.591**	**2.788**	**989**	**5.924**
1 January 2020	**367**	**195**	**1.648**	**2.807**	**1.272**	**6.289**
Additions	1	113	749	54	2.538	3.455
Disposals / Write-offs	-	(6)	-	-	-	(6)
31 December 2020	**368**	**303**	**2.397**	**2.861**	**3.810**	**9.738**

Accumulated depreciation						
1 January 2019	**(264)**	**(102)**	**(1.182)**	**(2.642)**	**-**	**(4.190)**
Depreciation charge	(12)	(17)	(78)	(52)	-	(159)
31 December 2019	**(275)**	**(118)**	**(1.261)**	**(2.695)**	**-**	**(4.349)**
1 January 2020	**(275)**	**(118)**	**(1.261)**	**(2.695)**	**-**	**(4.349)**
Depreciation charge	(12)	(19)	(133)	(52)	-	(216)
Disposals / Write-offs	-	2	-	-	-	2
31 December 2020	**(288)**	**(135)**	**(1.394)**	**(2.747)**	**-**	**(4.563)**
Closing net book amount 31 December 2019	**92**	**76**	**387**	**113**	**1.272**	**1.940**
Closing net book amount 31 December 2020	**80**	**168**	**1.003**	**115**	**3.810**	**5.175**

At 31.12.2020, the Company's investment on the software upgrade SAP 4/HANA is included in assets under construction, the implementation of which has been extended and is expected to be completed in 2021. Also, office development works for the premises at Hellinikon are included in assets under construction and are expected to be completed during the first semester of 2021.

Property, plant and equipment are not secured by mortgages.

8. Intangible assets

all amounts in € thousands	**Goodwill**	**Other intangible assets**	**Total**
GROUP - Cost			
1 January 2019	**-**	**-**	**-**
Additions	-	-	-
31 December 2019	**-**	**-**	**-**
1 January 2020	**-**	**-**	**-**
Business combinations (note 9)	9.587	8.602	18.189
31 December 2020	**9.587**	**8.602**	**18.189**
Accumulated depreciation			
1 January 2019	**-**	**-**	**-**
Depreciation charge	-	-	-
31 December 2019	**-**	**-**	**-**
1 January 2020	**-**	**-**	**-**
Depreciation charge	-	(1.544)	(1.544)
31 December 2020	**-**	**(1.544)**	**(1.544)**
Closing net book amount 31 December 2019	**-**	**-**	**-**
Closing net book amount 31 December 2020	**9.587**	**7.058**	**16.645**

At Group level, the intangible assets are recognized at the date of the business acquisition in LAMDA MARINAS INVESTMENTS S.M.S.A. The goodwill which was recognized at the date of the business acquisition was revalued at 31.12.2020 and the impairment occurred. The other intangible assets that occurred at the date of the business acquisition take into consideration the fair value of a) the operation permit for the Marina up to 2047, b) the favorable relationship with ETAD up to 2020 and c) the tenant relationships of the Marina up to 2031.

Impairment test

As at 31 December 2020, the Company had an impairment test over its assets. The work performed was based on expected future cash flows, taking into account the following key assumptions:

· Right to use Marina Flisvos until 2047.
· Average revenue growth equal to 4.6% by 2025 and 1.8% thereafter annually.
· Average increase in operating expenses equal to 4% by 2025 and 1% thereafter annually.
· Right of use cost of Marina Flisvos as calculated according to the decision of the Arbitration Court of 23/06/17 which provides for the payment of a rent of € 4.7 million (plus 3.6% stamp) for 2016 and for the following years 2017-2020 the rent payable will amount to € 4.0 million, increased by 10% (plus 3.6% stamp) on the amount of the turnover of LAMDA Flisvos Marina SA during the preceding year.
· Tax liability from 2021 onwards.
· Discount rate after taxes equal to 8%.

Following the completion of the aforementioned work, the Management estimates that the net value of the Company amounting to € 38.9m. is fully recoverable based on current conditions.

The Company does not hold intangible assets as at 31.12.2020.

9. Investments in subsidiaries, joint ventures and associates

The Group’s composition on December 31, 2020 is as follows:

Company	Country of incorporation		% interest held	Company	Country of incorporation		% interest held
LAMDA DEVELOPMENT S.A. - Parent	Greece						
Subsidiaries							
PYLAIA S.M.S.A.	Greece	Indirect	68,3%	Property Development DOO	Serbia		100,0%
LAMDA DOMI S.M.S.A.	Greece	Indirect	68,3%	LAMDA Development Montenegro DOO	Montenegro		100,0%
LAMDA MALLS A.E.	Greece		68,3%	LAMDA Development Romania SRL	Romania		100,0%
L.O.V. S.M.S.A.	Greece		100,0%	Robies Proprietati Imobiliare SRL	Romania	Indirect	90,0%
LAMDA Estate Development S.M.S.A.	Greece		100,0%	LAMDA Development Sofia EOOD	Bulgaria		100,0%
LAMDA Prime Properties S.M.S.A.	Greece		100,0%	TIHI EOOD	Bulgaria	Indirect	100,0%
LAMDA ILIDA OFFICE S.M.S.A.	Greece		100,0%	LOV Luxembourg SARL	Luxembourg	Indirect	100,0%
Malls Management Services S.M.S.A.	Greece		100,0%	Hellinikon Global I SA	Luxembourg		100,0%
MC Property Management S.M.S.A.	Greece		100,0%	LAMDA Development (Netherlands) BV	Netherlands		100,0%
KRONOS PARKING S.M.S.A.	Greece	Indirect	100,0%	Robies Services Ltd	Cyprus		90,0%
LAMDA ERGA ANAPTYXIS S.M.S.A.	Greece		100,0%	**Joint ventures**			
LAMDA LEISURE A.E.	Greece		100,0%	LAMDA AKINITA S.A.	Greece		50,0%
ATHENS OLYMPIC MUSEUM	Greece		99,0%	Singidunum-Buildings DOO	Serbia	Indirect	80,0%
GEAKAT S.A.	Greece		100,0%	**Associates**			
LAMDA Real Estate Management S.A.	Greece		100,0%	ATHENS METROPOLITAN EXPO S.A.	Greece		11,7%
LAMDA MARINAS INVESTMENTS S.M.S.A.	Greece		100,0%	METROPOLITAN EVENTS	Greece	Indirect	11,7%
LAMDA Flisvos Marina S.A.	Greece	Indirect	64,4%	SC LAMDA MED SRL	Romania	Indirect	40,0%
LAMDA Flisvos Holding A.E.	Greece	Indirect	83,4%				

Notes on the above-mentioned participations:

- The country of the establishment is the same with the country of operating.
- The interest held corresponds to equal voting rights.
- The investments in joint ventures correspond to the Group’s strategic investments mainly due to the exploitation of investment property inside Greece and abroad.

- The investments in associates do not have significant impact to the Group's operations and results however they are consolidated with the equity method since the Group has control over their operations.
- The Group has contingencies in respect of bank guarantees as well as pledged shares deriving from its borrowings.

(a) Investments of the Company in subsidiaries

The Company's investment in subsidiaries is as follows:

all amounts in € thousands				31.12.2020			31.12.2019	
Name	**Country of incorporation**	**% interest held**	**Cost**	**Impairment**	**Carrying amount**	**Cost**	**Impairment**	**Carrying amount**
L.O.V. S.M.S.A.	Greece	100%	133.368	-	133.368	159.368	-	159.368
LAMDA MALLS A.E.	Greece	68,3%	51.496	-	51.496	51.496	-	51.496
LAMDA Estate Development S.M.S.A.	Greece	100%	45.461	27.599	17.861	45.461	27.599	17.861
LAMDA Prime Properties S.M.S.A.	Greece	100%	9.272	-	9.272	9.272	-	9.272
LAMDA ILIDA OFFICE S.M.S.A.	Greece	100%	1.000	-	1.000	650	-	650
GEAKAT S.A.	Greece	100%	15.023	10.030	4.993	15.023	10.030	4.993
LAMDA ERGA ANAPTYXIS S.M.S.A.	Greece	100%	9.070	940	8.130	9.070	390	8.680
LAMDA Real Estate Management S.A.	Greece	100%	1.310	1.310	-	1.210	1.210	-
LAMDA LEISURE A.E.	Greece	100%	2.350	2.350	(0)	1.050	-	1.050
MC Property Management S.M.S.A.	Greece	100%	745	-	745	745	-	745
Malls Management Services S.M.S.A.	Greece	100%	1.224	-	1.224	1.224	-	1.224
LAMDA MARINAS INVESTMENTS S.M.S.A.	Greece	100%	16.415	-	16.415	-	-	-
ATHENS OLYMPIC MUSEUM	Greece	99%	416	-	416	-	-	-
LAMDA DEVELOPMENT SOFIA E.O.O.D.	Bulgaria	100%	363	363	-	363	363	-
PROPERTY DEVELOPMENT D.O.O.	Serbia	100%	11.685	11.685	-	11.685	11.685	-
LAMDA DEVELOPMENT ROMANIA SRL	Romania	100%	741	741	-	741	741	-
ROBIES SERVICES LTD	Cyprus	90%	1.823	1.823	-	1.823	1.823	-
LAMDA DEVELOPMENT (NETHERLANDS) BV	Netherlands	100%	92.488	27.200	65.288	84.528	27.200	57.328
LAMDA DEVELOPMENT MONTENEGRO D.O.O.	Montenegro	100%	800	800	-	800	800	-
LOV LUXEMBOURG SARL (indirect)	Luxembourg	100%	318	-	318	268	-	268
HELLINIKON GLOBAL I S.A.	Luxembourg	100%	36	-	36	36	-	36
Investment in subsidiaries			**395.402**	**84.840**	**310.562**	**394.811**	**81.840**	**312.971**

The movement in investment in subsidiaries is as follows:

	COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**
Opening balance at 1 January	**312.971**	**308.307**
Increase/(decrease) in share capital	(15.824)	5.329
Provision for impairment	(3.000)	(665)
Business combinations	12.393	-
Change in consolidation method	4.022	-
Closing balance at 31 December	**310.562**	**312.971**

Increase/Decrease in share capital

The Company proceeded to a share capital increase in its subsidiaries as follows: €7.96m in the company Lamda Development (Netherlands) BV, €1.30m in LAMDA LEISURE A.E., €0.35m in LAMDA ILIDA OFFICE SA, €0.10m in LAMDA Real Estate Management S.A. and €0.05m in LOV Luxembourg SARL. In addition, during 2020, the company ATHENS OLYMPIC MUSEUM was established, and the Company contributed €0.42m. Also, the Company decreased its share capital in LOV S.M.S.A. for the amount of €26.0m.

Provision for impairment

	all amounts in €
LAMDA Real Estate Management S.A.	(100)
LAMDA LEISURE A.E.	(2.350)
LAMDA ΕΡΓΑ ΑΝΑΠΤΥΞΗΣ S.M.S.A.	(550)
Total	**(3.000)**

Acquisition held in participation – Business combination

Acquisitions of businesses within the scope of IFRS 3 are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the income statement as incurred.

Goodwill is measured as the excess of (a) the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over (b) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in the income statement.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

The Company at 23.01.2020 agreed to acquire from the company under the name “D- Marinas B.V.” of DOGUS Group, the remaining 50% of the shares issued by LAMDA DOGUS INVESTMENTS S.A., which currently held 83.39% of the shares issued by LAMDA Flisvos Holding S.A., a shareholder of the 77.23% of LAMDA Flisvos Marina S.A. and manager of the Flisvos Marina. The purchase price of the aforementioned shares amounts to €12.393k and was funded through the use of proceeds deriving from the share capital increase of 2019, according to the decision of the Annual General Assembly of 24.06.2020 in relation to the partial redirection of funds raised by the share capital increase of 2019.

On completion of the transfer, LAMDA DEVELOPMENT S.A. has become the sole shareholder of LAMDA MARINAS INVESTMENTS S.M.S.A., wholly controlling LAMDA Flisvos Marina S.A. Therefore, LAMDA Flisvos Marina S.A. which is the manager of Flisvos Marina is fully consolidated in the Company’s financial statements. As a result, the transaction is a business acquisition and has been recognized as business combinations under IFRS 3 Business Combinations in the Company’s annual financial statements for the year ended December 31, 2020.

The acquisition was accounted for using the business combination method. Therefore, the total transferred assets as well as the total liabilities of LAMDA MARINAS INVESTMENTS S.M.S.A. were valued at fair value.

The following table summarizes the provisional fair values of assets and liabilities of the sub-group LAMDA MARINAS INVESTMENTS SMSA at the date of acquisition 20.02.2020:

Statement of financial position	**GROUP**
all amounts in € thousands	
Property, plant and equipment	43.140
Right-of-use assets	100.140
Intangible assets	8.602
Deferred tax assets	1.048
Trade and other receivables	1.259
Cash and cash equivalents	5.551
Total assets	**159.740**
Share capital and share premium	8.044
Retained earnings/(Accumulated losses) and other reserves	21.240
Total equity	**29.284**
Borrowings	6.480
Lease liability	100.141
Employee benefit obligations	193
Deferred tax liabilities	4.883
Other liabilities	18.759
Total liabilities	**130.456**
Total equity and liabilities	**159.740**
Fair value of acquired interest in assets	**29.284**
Provisional fair value of current participation	(12.616)
Provisional fair value of acquired interest attributable to noncontrolli	(13.862)
Goodwill	9.587
Total purchase consideration	**12.393**

The consideration for the acquisition of 50% of the company LAMDA MARINAS INVESTMENTS S.M.S.A. amounts to €12.4m. The consideration was higher than the fair value of the acquired assets by €9.6m (goodwill). The value of the above-mentioned goodwill remains the same as at 31.12.2020 following the annual impairment test.

Non-controlling interests

The Group's non-controlling interests amount to €94.7m at 31.12.2020 (31.12.2019: €85.7m) out of which €81.8m (31.12.2019: €85.9m) comes from the subsidiary LAMDA MALLS SA. Non-controlling interests represent 31.7% on the LAMDA MALLS SA sub-group's equity, which subsidiaries by 100% are LAMDA DOMI SMSA and PYLAIA SMSA. The Group's non-controlling interests of €13.0m at 31.12.2020 (31.12.2019: €0) come form the sub-group LAMDA MARINAS INVESTMENTS S.M.S.A. and represent 35.6% of the equity.

The main financial statements of LAMDA MALLS SA's sub-Group are presented below:

Statement of financial position	**GROUP**	
	31.12.2020	**31.12.2019**
all amounts in € thousands		
Investment property	502.644	519.436
Other non-current assets	11.144	11.198
Receivables	8.291	7.588
Cash and cash equivalents	33.025	36.432
	555.103	**574.654**
Deferred income tax liabilities	47.816	52.864
Long-term borrowings	151.922	155.995
Long-term lease liability	77.949	78.145
Other non-current liabilities	3.115	1.668
Short-term borrowings	2.525	919
Short-term lease liability	145	342
Trade and other payables	13.523	13.635
	296.994	**303.567**
Total equity	**258.110**	**271.087**

Income statement	**GROUP**	
all amounts in € thousands	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**
Revenue	31.230	45.505
Net gains from fair value adjustment on investment property	(23.367)	28.427
Other operating income / (expenses) - net	(12.433)	(13.296)
Finance costs - net	(9.159)	(7.880)
Profit/(loss) before income tax	**(13.729)**	**52.756**
Income tax expense	2.419	(11.760)
Profit/(loss) for the year	**(11.310)**	**40.996**

Comprehensive income statement	**GROUP**	
all amounts in € thousands	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**
Profit/(loss) for the year	(11.310)	40.996
Other	(631)	(638)
Other comprehensive income for the year	(11.940)	40.358
Total comprehensive income for the year	**(11.940)**	**40.358**

Cash flow statement	**GROUP**	
all amounts in € thousands	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**
Cash flows from operating activities	7.735	21.413
Cash flows to investing activities	(7.102)	(22.417)
Cash flows to financing activities	(4.040)	6.357
Net increase in cash and cash equivalents	**(3.407)**	**5.353**

The main financial statements of LAMDA MARINAS INVESTMENTS S.M.S.A. are presented below:

Statement of financial position	**GROUP**	
	31.12.2020	**20.02.2020**
all amounts in € thousands		
Property, plant and equipment	42.353	43.140
Right-of-use assets	96.845	100.140
Intangible assets	16.645	18.189
Deferred tax assets	-	1.048
Trade and other receivables	2.184	1.259
Cash and cash equivalents	5.643	5.551
	163.671	**169.327**
Borrowings	5.577	6.480
Lease liability	99.877	100.141
Employee benefit obligations	217	193
Deferred tax liabilities	2.651	4.883
Other liabilities	18.991	18.759
	127.313	**130.456**
Total equity	**36.358**	**38.871**

Income statement	**GROUP**
	20.02.2020 to
all amounts in € thousands	**31.12.2020**
Revenue	11.240
Employee benefits expense	(1.332)
Depreciation	(6.280)
Other operating income / (expenses) - net	(2.409)
Finance income/(costs) net	(4.897)
Profit/(loss) before income tax	**(3.677)**
Income tax expense	1.185
Profit/(loss) for the year	**(2.491)**

Comprehensive income statement	**GROUP**
	20.02.2020 to
all amounts in € thousands	**31.12.2020**
Profit/(loss) for the year	(2.491)
Other	(21)
Other comprehensive income for the year	(2.512)
Total comprehensive income for the year	**(2.512)**

(b) Investments of the Company and the Group in joint ventures

The Company's investment in joint ventures is as follows:

COMPANY			**31.12.2020**			**31.12.2019**		
Name	**Country of incorporation**	**% interest held**	**Cost**	**Impairment**	**Carrying amount**	**Cost**	**Impairment**	**Carrying amount**
LAMDA AKINITA S.A.	Greece	50,00%	4.454	1.883	2.571	4.454	1.883	2.571
LAMDA MARINAS INVESTMENTS S.M.S.A.	Greece	50,00%	-	-	-	4.022	-	4.022
Investment in joint-ventures			**4.454**	**1.883**	**2.571**	**8.476**	**1.883**	**6.593**

The Group's investment in joint ventures is as follows:

GROUP			31.12.2020			31.12.2019		
Name	Country of incorporation	% interest held	Cost	Share of interest held	Carrying amount	Cost	Share of interest held	Carrying amount
LAMDA AKINITA S.A.	Greece	50,00%	4.454	(1.906)	**2.549**	4.454	(1.886)	**2.568**
LAMDA MARINAS INVESTMENTS S.M.S.A.	Greece	50,00%	-	-	**-**	4.022	951	**4.973**
SINGIDUNUM-BUILDINGS DOO	Serbia	79,99%	54.105	(25.034)	**29.071**	48.645	(19.750)	**28.895**
TOTAL			**58.559**	**(26.939)**	**31.620**	**57.122**	**(20.686)**	**36.436**

The movement of the Company and the Group in investment in joint ventures is as follows:

	GROUP		COMPANY	
all amounts in € thousands	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Opening balance at 1 January	**36.436**	**27.035**	**6.593**	**6.593**
Increase/(decrease) in share capital	5.460	7.550	-	-
Share in profit/(loss)	(6.041)	(1.511)	-	-
Adjustment of investment due to acquisition of interest held in participation	8.382	-	-	-
Acquisition of interest held in participation / Change in the consolidation method	(12.616)	-	(4.022)	-
Additions / Liquidations	-	(55)	-	-
Reversal of provision for impairment	-	3.419	-	-
Result from liquidation of participations	-	(1)	-	-
Closing balance at 31 December	**31.620**	**36.436**	**2.571**	**6.593**

Notes on the above-mentioned **joint ventures**:

- The Group accounted for joint ventures on an equity basis because it provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form
- The Group increased its participation in the joint-venture Singidunum Buildings DOO by €5.46m from 77.53% at 31.12.2019 to 79.99% at 31.12.2020, however the control remains 50%-50% between the two shareholders according to the terms of the current shareholders agreement.
- The Group’s most significant joint-venture is Singidunum Buildings DOO as follows:

<u>Singidunum Buildings DOO</u>

	79,99%	77,53%
Statement of financial position	**31.12.2020**	**31.12.2019**
all amounts in € thousands		
Inventories	73.514	76.453
Other non-current assets	60	-
Receivables	174	320
Cash and cash equivalents	150	546
	73.897	**77.318**
Short-term borrowings	37.520	40.020
Trade and other payables	32	27
	37.552	**40.047**
Total equity	**36.346**	**37.271**
(Group's interest)	**79,99%**	**77,53%**
Total equity	**29.072**	**28.897**

Income statement

all amounts in € thousands	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
Revenue	-	-
Net gains/(loss) from fair value adjustment on inventory	(3.427)	1.467
Other operating income / (expenses) - net	(1.852)	(779)
Finance costs - net	(1.099)	(1.207)
Loss before income tax	**(6.378)**	**(520)**
Income tax expense		
Loss for the year	**(6.378)**	**(520)**
(Group's interest)	**79,99%**	**77,53%**
Loss for the year	**(5.102)**	**(403)**

Comprehensive income statement

all amounts in € thousands	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
Loss for the year	(5.102)	(403)
Currency translation differences	-	-
Other comprehensive income for the year	(5.102)	(403)
Total comprehensive income for the year	**(5.102)**	**(403)**

Cash flow statement

all amounts in € thousands	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
Cash flows from operating activities	(2.801)	(426)
Cash flows to investing activities	(555)	(2.852)
Cash flows to financing activities	2.960	2.550
Net increase/(decrease) in cash and cash equivalents	**(396)**	**(728)**

In January 2021, the company agreed to acquire the remaining 20% of the shares of the company Singidunum Buildings DOO through its subsidiary LAMDA Development (Netherlands) BV, which was owned by IMO Property Investments AD Beograd. The price for the purchase of the shares amounted to €6.5m and was paid at 16.03.2021. Following the completion of the transfer, the Group is the only shareholder and obtains the control of Singidunum-Buildings DOO. The main asset of the company is land available for further development and sale which is recognized as inventory.

(c) Investments of the Group and the Company in associates

The Group participates in the following associates' equity:

GROUP			31.12.2020			31.12.2019		
Name	**Country of incorporation**	**% interest held**	**Cost**	**Share of interest held**	**Carrying amount**	**Cost**	**Share of interest held**	**Carrying amount**
ATHENS METROPOLITAN EXPO SA	Greece	11,67%	1.167	-	**1.167**	1.167	-	**1.167**
S.C. LAMDA MED SRL (Indirect)	Romania	40,00%	933	1.139	**2.072**	1.133	1.144	**2.277**
TOTAL			**2.100**	**1.139**	**3.239**	**2.300**	**1.144**	**3.444**

The movement of associates is as follows:

	GROUP		COMPANY	
all amounts in € thousands	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Opening balance at 1 January	**3.444**	**3.494**	**1.167**	**1.167**
Share in profit/(loss)	198	221	-	-
Decrease in share capital	(200)	-	-	-
Dividend contribution	(203)	(271)	-	-
Closing balance at 31 December	**3.239**	**3.444**	**1.167**	**1.167**

10. Inventories

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Land for sale	25.528	28.051	-	-
Property for sale	1.244	1.244	-	-
Merchandise	-	16	-	-
Total	**26.772**	**29.311**	**-**	**-**
Minus: provision for impairment				
Land for sale	(18.678)	(19.028)	-	-
Property for sale	(678)	(678)	-	-
	(19.356)	**(19.706)**	**-**	**-**
Net realisable value	**7.416**	**9.605**	**-**	**-**

At 31.12.2020, the Group sold a plot of land in Bucarest, Romania at Regimentului site at the price of €2.2m with fair value at €2.5m (31/12/2019: €2.5m).

At the reporting date, inventories include mainly plots of land for sale which are fully onwed by the Group and are carried at the lower of cost and fair value. These plots are located in Greece in Aegina at fair value of €5.9m (31.12.2019: €5.5m) and in Montenegro at Budva site at fair value of €1.0m (31.12.2019: €1.0m).

11. Trade and other receivables

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Trade receivables	21.909	12.745	43	49
Less: provision for impairment of trade receivables	(9.241)	(7.237)	-	-
Trade receivables - net	**12.668**	**5.507**	**43**	**49**
VAT receivable and other receivables from Public Sector	11.431	13.060	10.649	11.345
Receivables from refund of property transfer tax	16.323	16.323	-	-
Preliminary expenses related to the development in the Hellinikon site	21.282	9.584	19.160	5.974
Prepaid land lease	9.373	9.582	-	-
Receivables from related parties (note 30)	40	87	574	329
Loans to related parties (note 30)	3.193	2.970	9.681	10.713
Deferred expenses	3.375	1.398	1.936	391
Dividends receivables	203	-	16.303	-
Less: provision for impairment	(342)	(404)	(11)	(4)
Other receivables	2.636	4.297	1.050	208
Total	**80.183**	**62.404**	**59.384**	**29.006**
Receivables analysis:				
Non-current assets	29.479	29.702	9.882	10.131
Current assets	50.704	32.702	49.501	18.875
Total	**80.183**	**62.404**	**59.383**	**29.006**

"Trade and other receivables" are increased in relation to the comparative year mainly due to the addition of the "Trade and other receivables" of the company LAMDA Flisvos Marina AE following the acquisition of the interest held and obtaining the control in February 2020 (note 9). In addition, the impact from the pandemic has increased the receivables from tenants. In respect of the receivables from tenants the Group's policy is to receive bank letter of guarantees from the tenants.

The classification of the item "Trade and Other Assets" of the Group and the Company to financial and non-financial assets and the expected credit loss (ECL) allowance for financial assets as at December 31, 2020 and December 31, 2019 is presented below:

GROUP

	Simplified approach	General approach			
Financial assets		**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount 31.12.2020	65.587				**65.587**
ECL (Expected Credit Loss) allowance	(9.583)	-	-	-	**(9.583)**
Net carrying amount 31.12.2020	**56.004**	**-**	**-**	**-**	**56.004**
Non-financial assets 31.12.2020	24.179	-	-	-	**24.179**
Total trade and other receivables 31.12.2020	80.183	-	-	-	**80.183**

COMPANY

	Simplified approach	General approach			
Financial assets		**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount 31.12.2020	40.033	-	-	70.862	**110.895**
ECL (Expected Credit Loss) allowance	(11)	-	-	(64.085)	**(64.095)**
Net carrying amount 31.12.2020	**40.022**	**-**	**-**	**6.777**	**46.800**
Non-financial assets 31.12.2020	12.585	-	-	-	**12.585**
Total trade and other receivables 31.12.2020	52.607	-	-	6.777	**59.384**

GROUP

	Simplified approach	General approach			
Financial assets		**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount 31.12.2019	46.006		**-**	**-**	**46.006**
ECL (Expected Credit Loss) allowance	(7.642)	-	-	-	**(7.642)**
Net carrying amount 31.12.2019	**38.364**	**-**	**-**	**-**	**38.364**
Non-financial assets 31.12.2019	24.040	-	-	-	**24.040**
Total trade and other receivables 31.12.2019	62.404	-	-	-	**62.404**

COMPANY

	Simplified approach	General approach			
Financial assets		**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount 31.12.2019	9.260	618	-	69.876	**79.753**
ECL (Expected Credit Loss) allowance	(4)	(5)	-	(62.475)	**(62.484)**
Net carrying amount 31.12.2019	**430**	**613**	**-**	**7.400**	**17.270**
Non-financial assets 31.12.2019	11.736		-	-	**11.736**
Total trade and other receivables 31.12.2019	**12.166**	**613**	**-**	**7.400**	**29.006**

Expected credit loss (ECL) allowance - Simplified approach

The Group and the Company apply the simplified approach mainly on restricted cash, prepayments to third parties and other receivables. Specifically, the Group applies the simplified approach on lease receivables by using a credit loss provisioning table based on maturity of outstanding claims whereas the Company on trade receivables from sales to related parties.

The Group taking into account the impact from the Covid-19 pandemic, applied certain ECL approaches at sectors that were significantly affected mainly in the Food & Beverage and cultural units.

Expected credit loss (ECL) allowance - General approach

The Company applies the general approach on receivables from loans and interest from related parties.

The Stage 3 comprises of loan amounting to €55.4m, impaired by €48.6m, that the parent company has granted to its subsidiaries LAMDA Development Romania SRL, LAMDA Development Sofia EOOD, Robies Services Ltd, LAMDA Development Montenegro DOO and Property Development DOO (note 31).

For the above-mentioned loans, interest receivables of €15.5m have been recognized and have been fully impaired. The financial assets of Stage 3 are considered credit impaired and lifetime ECL is recognized.

VAT and Public Sector receivables

Regarding the VAT receivables, the amount is not discounted. The VAT receivables can be presented as receivables to be set-off up to 5 years and can be set-off with VAT payables.

For "VAT receivables and receivables from Public Sector" item no expected credit loss provision has been applied.

Receivables from property transfer tax

Additionally, LOV had to pay for the transfer of specific real property in the past (on 2006), property transfer tax of approximately €13,7m, reserving its rights with regard to this tax and finally taking recourse to the administrative courts against the silent rejection of its reservations by the competent Tax Authority. In 2013 the said recourse was accepted in part and the re-calculation of the owed property tax was ordered, which led to the returning to LOV of an amount of approximately €9,5m. Further to appeals on points of law filed by both parties, the Council of State rejected LOV's appeal and accepted the Hellenic Republic's appeal; consequently the case was referred back to the Administrative Court of Appeals, which initially postponed the issue of a final decision and obliged the parties to adduce evidence for the determination of the market value of the property; after resuming hearing of the case, the Administrative Court of Appeals finally rejected the recourse, determined the taxable value of the property and obliged the competent Tax Authority to re-calculate the transfer tax due upon the new taxable value. Following this decision, LOV had to pay transfer tax of approximately €16,3m. Filing of an appeal on points of law is pending and is estimated by the legal counsels of the Company to have high chances of success. In specific, grounds of appeal challenging re-calculation of transfer tax upon the market value of the property, to the extent it exceeds the objective value, are expected to succeed with very high probability.

Preliminary expenses related to the development in the Hellinikon site

The preliminary expenses related to the development in the Hellinikon site relate to any kind of fees from third parties (indicatively of scholars, civil engineers, technicians, architects or other consultants and other experts) as well as the breakdown of wages and salaries of personner that is occupied for the purposes of the development of the Hellinikon site.

12. Cash and cash equivalents

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Cash at bank	58.884	402.264	5.283	351.613
Cash in hand	271	512	70	50
Short-term deposits	824.000	300.000	824.000	300.000
Total	**883.155**	**702.776**	**829.352**	**651.664**

Taking into account the credit status of the banks that the Group keeps its current accounts, no significant credit losses are anticipated. The above comprise the cash and cash equivalents used for the purposes of the cash flow statement. The significant increase in the short-term deposits occur due to the inflow of funds as a result of the corporate bond issuance at 21st of July, 2020 (note 16). The total net raised funds can be used according to the provisions of the Section 4.1.2 Reasons for Issuing the CBL and Use of Funds of the Prospectus.

No significant credit losses are anticipated in view of the credit status of the banks that the Group keeps current accounts. The above comprise the cash and cash equivalents used for the purposes of the cash flow statement. In relation to the credit risk of banks see note 3.1.b.

13. Financial instruments by category

GROUP - 31.12.2020

all amounts in € thousands	Financial assets at amortized cost
Trade and other receivables	12.668
Cash and cash equivalents	883.155
Receivables from related parties	40
Loans to related parties	3.193
Dividend receivables	203
Other financial receivables	23.576
Total	**922.836**

GROUP - 31.12.2020

all amounts in € thousands	Financial liabilities at amortized cost	Interest rate swaps - cash flow hedges (IRS)
Borrowings	713.505	-
Derivative financial instruments	-	2.251
Trade and other payables	12.182	-
Interest payable	5.697	-
Other financial payables	13.390	-
Total	**744.773**	**2.251**

COMPANY - 31.12.2020

all amounts in € thousands	Financial assets at amortized cost
Trade and other receivables	43
Loans to related parties	9.681
Receivables from related parties	574
Dividend receivables	16.303
Other financial receivables	20.199
Total	**46.800**

COMPANY - 31.12.2020

all amounts in € thousands	Financial liabilities at amortized cost
Borrowings	313.162
Trade and other payables	2.849
Loans from related parties	56.485
Liabilities to related parties	5.974
Interest payable	4.926
Other financial payables	1.458
Total	**384.854**

GROUP - 31.12.2019

all amounts in € thousands	Financial assets at amortized cost	Financial instruments held at fair value through profit or loss
Trade and other receivables	5.507	-
Cash and cash equivalents	702.776	-
Receivables from related parties	87	-
Loans to related parties	2.970	-
Other financial receivables	13.477	-
Total	**724.817**	-

GROUP - 31.12.2019

all amounts in € thousands	Financial liabilities at amortized cost	Interest rate swaps - cash flow hedges (IRS)
Borrowings	439.098	-
Trade and other payables	12.122	-
Interest payable	2.817	-
Derivative financial instruments	-	776
Loans from related parties	10.123	-
Liabilities to related parties	803	-
Other financial payables	44.515	-
Total	**509.477**	**776**

COMPANY - 31.12.2019

all amounts in € thousands	Financial assets at amortized cost
Trade and other receivables	49
Loans to related parties	10.713
Receivables from related parties	329
Other financial receivables	6.178
Total	**17.270**

COMPANY - 31.12.2019

all amounts in € thousands	Financial liabilities at amortized cost
Borrowings	89.128
Trade and other payables	4.759
Loans from related parties	65.449
Liabilities to related parties	2.156
Other financial payables	21.619
Total	**183.111**

14. Share capital

all amounts in € thousands	Number of shares *(thousands)*	Ordinary shares	Share premium (after costs for issuing new shares)	Treasury shares	Total
Opening balance at 1 January 2019	**77.856**	**23.917**	**359.973**	**(7.227)**	**376.663**
Share capital increase	97.015	29.105	620.896	-	650.000
Costs directly attributable to issuing new shares	-	-	(10.000)	-	(10.000)
Sale of treasury shares	1.866	-	-	7.227	7.227
Change in income tax rate	-	-	(34)	-	(34)
Closing balance at 31 December 2019	**176.737**	**53.021**	**970.835**	**-**	**1.023.856**
Opening balance at 1 January 2020	**176.737**	**53.021**	**970.835**	**-**	**1.023.856**
Costs directly attributable to issuing new shares	-	-	720	-	720
Closing balance at 31 December 2020	**176.737**	**53.021**	**971.555**	**-**	**1.024.576**

At 17.12.2019 the Company announces that the share capital increase in cash and pre-emption right in favor of existing shareholders, which was decided by the Extraordinary General Meeting of the Company's shareholders held on 10.10.2019, as was further specified by the resolution of the Company's Board of Directors adopted on 21.11.2019 (hereinafter "the SCI") and took place from 02.12.2019 until 16.12.2019, was successfully completed by raising funds of €650m through the exercise of pre-emption rights and over-subscription rights. As a result, the Company's share capital is increased by €29m through the issue of 97.014.940 new common registered voting shares, with a par value of €0.30 each and an amount equal to €621m is credited to the "share premium" account. Following the above, the Company's share capital amounts to €53m, divided into 176,736,715 common registered voting shares, with a nominal value of €0.30 each. On 23.12.2019, the Company announces the commencement on the Athens Exchange of trading of the 97,014,940 new common registered with voting rights shares, of nominal value of €0.30 each, as a result of the Company's share capital increase.

15. Other reserves

all amounts in € thousands	Statutory - Tax-free reserves	Hedging reserves (1)	Employees share option scheme	Cumulative actuarial gains (1)	Currency translation differences	Total
GROUP						
1 January 2019	**6.856**	**-**	**-**	**1**	**43**	**6.900**
Changes during the year	694	(403)	-	(302)	1	(9)
Change in income tax rate	-	-	-	1	-	1
31 December 2019	**7.549**	**(403)**	**-**	**(300)**	**45**	**6.892**
1 January 2020	**7.549**	**(403)**	**-**	**(300)**	**45**	**6.892**
Changes during the year	1.847	(416)	198	(191)	(1)	1.437
Closing balance at 31 December 2020	**9.396**	**(819)**	**198**	**(492)**	**44**	**8.329**

(1) The reserves from the cumulative actuarial losses and the hedging reserves are disclosed net of deferred tax.

all amounts in € thousands	Statutory - Tax-free reserves	Employees share option scheme	Cumulative actuarial gains (1)	Total
COMPANY				
1 January 2019	**2.970**	**-**	**42**	**3.012**
Changes during the year	-	-	(160)	(160)
Change in income tax rate	-	-	1	1
31 December 2019	**2.970**	**-**	**(117)**	**2.852**

1 January 2020	**2.970**	**-**	**(117)**	**2.852**
Changes during the year	-	198	(114)	84
Closing balance at 31 December 2020	**2.970**	**198**	**(231)**	**2.936**

(1) The reserves from the cumulative actuarial losses are disclosed net of deferred tax.

Statutory reserve - Special and extraordinary reserves - Tax free reserve

(a) A legal reserve is created under the provisions of Greek law (Law 2190/20, articles 44 and 45) according to which, an amount of at least 5% of the profit (after tax) for the year must be transferred to the reserve until it reaches one third of the paid share capital. The legal reserve can only be used, after approval of the Annual General meeting of the shareholders, to offset retained losses and therefore can not be used for any other purpose.

(b) Tax-free and special taxed reserves are created under the provisions of tax law from tax free profits or from income or profits taxed under special provisions.

The above-mentioned reserves can be capitalised or distributed, after the approval of the Annual General meeting, after taking into consideration the restrictions which will apply at each time. The Group does not intent to distribute or capitalise these reserves and therefore did not account for the tax liability which would arise in such case.

Stock option plan

The Stock Acquisition Program Reserve concerns a program for the provision of stock option options to the Company's employees, as well as to the employees of its affiliated companies within the meaning of Article 32 of Law 4308/2014.

The purpose of the Program is to recognize the contribution of the Company's personnel / Executives in increasing the value of the Company and to provide the possibility of long-term capital investment, by creating "ownership interest" and finally, by linking the performance of each participant with corporate performance.

The Board of Directors of the Company, upon the relevant recommendation of the Chief Executive Officer, is solely responsible for the selection at its sole discretion of those Participants, to whom DPAM will be granted, while determining the number of DPAM granted to each Beneficiary, the contribution of each Beneficiary to the work and performance of the Company and the Group, in combination with its operational level of responsibility. Detailed report on the Program is made at the Company's website www.lamdadev.com.

The rights that mature and for whatever reason were not exercised in the respective years, may be exercised in whole or in part until December 2026. Upon exercise of the options, the revenue collected, after deducting any transaction costs, is credited to the share capital. (at nominal value) and at share premium.

The exercise price of the options has been determined by the General Assembly.

The estimated appraisal value of the fair value of the initial options granted during the year ended 31 December 2020 was € 3.33 per option. This value includes all possible scenarios regarding the chances of exercising and the additional rights. The fair value at the date of issue is determined independently, using the model "Binomial options pricing model" which includes Monte Carlo simulation taking into account the exercise price, the duration of the option, the impact of impairment of earnings per share (where significant), the date of purchase of the share and the expected volatility of the share prices, the expected return on dividends, the risk-free interest rate for the duration of the option and the correlations and fluctuations of the group companies.

The assumptions of the model as of December 31, 2020 include:

a) the options are granted in relation to the services provided and mature in 2, 3, or 5 years. Mature rights can be exercised in whole or in part until December 2026.
b) exercise price: € 6.70
c) date of concession: 23 December 2020
d) expiry date: 22 December 2026
e) share price at the date of concession: € 7.11
f) expected volatility of the Company's share price: 36.3%
g) expected dividend yield: 0%
h) interest - free interest rate: 0%.
Expected price volatility is based on historical volatility (based on the remaining life of the rights), adjusted for any expected future changes due to publicly available information.

16. Borrowings

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Non-current				
Borrowings (Common Bond Loan - Public)	313.162	-	313.162	-
Borrowings (Bond Loans - Banks)	386.237	336.424	-	-
Total non-current	**699.399**	**336.424**	**313.162**	**-**
Current				
Borrowings (Bond Loans - Banks)	14.106	102.673	-	89.128
Total current	**14.106**	**102.673**	**-**	**89.128**
Total borrowings	**713.505**	**439.098**	**313.162**	**89.128**

The movements in borrowings are analysed as follows:

12 months ended 31 December 2019 (amounts in € thousands)	**GROUP**	**COMPANY**
Opening balance at 1 January	446.841	96.128
Borrowings (Bond Loans - Banks)	97.270	-
Recognition of interest at fair value	722	-
Borrowings transaction costs - amortization	1.137	-
Borrowings transaction costs	(824)	-
Borrowings repayments	(106.049)	(7.000)
Closing balance at 31 December	**439.098**	**89.128**

12 months ended 31 December 2020 (amounts in € thousands)	**GROUP**	**COMPANY**
Opening balance at 1 January	439.098	89.128
Borrowings (Common Bond Loan - Public)	320.000	320.000
Borrowings (Bond Loans - Banks)	210.000	-
Acquisition of interest held in participation	6.480	-
Recognition of interest at fair value	721	-
Borrowings transaction costs - amortization	1.295	402
Borrowings transaction costs	(9.488)	(7.240)
Borrowings repayments	(254.602)	(89.128)
Closing balance at 31 December	**713.505**	**313.162**

Borrowings are secured by mortgages on the Group's land and buildings (note 6), and in some cases by additional pledges of parent company's shares as well as and/or by assignment of subsidiaries' receivables (note 9) and insurance compensations.

The subsidiary "LAMDA OLYMPIA VILLAGE SMSA" ("LOV") signed on June 23rd, 2020 with National Bank of Greece SA (NBG) the Bond Programme and Subscription Agreement for the issuance of a bond loan of an amount of up to €220m ("Bond Loan") with a duration of 7 years comprising of three (3) distinct series. Two out of three series, amounting to €165.1m, have been disbursed on June 30th, 2020 utilized for the repayment of the outstanding balance – on the disbursed date – (a) of the Bond Loan dated 30.05.2007 (€154.1) and (b) the outstanding balance of the intercompany loan dated 27.04.2020 (€11.0m) between LOV and the Company. At July 31st, 2020 the third series has been partially disbursed, amounting to €44.9m.

Amortization of borrowings transaction costs of €10.2m are included in the total borrowings as at 31.12.2020, out of which €0.6m is applied to current borrowings whereas the rest €9.6m is applied to non-current borrowings. During current reporting period, the issuance costs for the Corporate Bond amounts to €7.2m.

The maturity of non-current borrowings is as follows:

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Between 1 and 2 years	14.215	154.734	-	-
Between 2 and 5 years	107.871	18.670	-	-
Over 5 years	577.313	163.019	313.162	-
	699.399	**336.424**	**313.162**	**-**

The carrying amount of the loans with floating rate approaches their fair value as it is presented in the statement of financial position.

The fair value estimation of the total borrowings is based on inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

At 31.12.2020, the average base effective interest rate of the Group is 0.07% and the average bank spread is 3.05%. Therefore, the Group total effective borrowing rate stands at 3.12% at 31.12.2020.

On July 21, 2020 the Company issued a 7 year7-year common bond loan by means of a Public Offering and listing to trading of Bonds in the fixed income securities category of the regulated market of the Athens Stock Exchange, raising funds amounting to €320 m. Following the above issuance, the Company repaid the total outstanding principal amounting to €81.1m and all the corresponding interest of the secured syndicated bond loan with Alpha Bank, Piraeus Bank and Eurobank on July 24, 2020, as this obligation was directly linked to the issuance of the Corporate Bond with a public offering and listing to trading in the Organized Market category on the Athens Stock Exchange (Section 4.1.2 Reasons for Issuing the CBL and Use of Funds of the Prospectus). The Company's Common Bond Loan at a consolidated and corporate level must meet the ratio Adjusted Assets to Adjusted Total Liabilities ≥135%.

At Group level, at 31.12.2020 the Company's subsidiary LAMDA DOMI SMSA's secured syndicated bond loan of current balance €83.7m, granted by the following banking institutions: Eurobank Ergasias, Alpha Bank, Bank of Piraeus and HSBC France has the following covenants: Loan to value < 60% and Debt Service Ratio > 120%. Also, the secured bond loan of the Company's subsidiary PYLAIA SMSA granted by Eurobank Ergasias, of current balance €72m has the following covenants: Loan to value < 60% and Debt Service Ratio >120%. Whereas, LAMDA OLYMPIA VILLAGE SA's secured bond loan of current balance €207.4m, granted by National Bank of Greece SA (NBG) has the following covenants: Loan to value < 65% and Debt Service Cover ratio > 115%. For the secured Common Bond Loan of Lamda Flisvos Marina S.A. by Piraeus Bank the following financial covenants have to be satisfied i.e. EBITDA over (/) Interest + Principal ≥ 1,15 along with Debt over (/) Equity ≤ 3. Additionally for the secured Common Bond Loan of

Lamda Ilida Office S.M.S.A by Eurobank, Lamda Development S.A. has to meet the following financial covenants i.e. Total Debt over (/) Equity ≤ 1,20 at a company level and Total Debt over (/) Equity ≤ 2,50 at Group level also Total Net Debt over (/) Investment Portfolio ≤ 75% at Group level. As at 31.12.2020, all above mentioned ratios are satisfied at Group and Company level.

At December 31, 2020 the short-term loans refer mainly to the syndicated bond loan of the subsidiary LAMDA Prime Properties SMSA with Alpha Bank amounting to €4.9m which is extended until 31.03.2021, the refinancing was completed at 29.03.2021, duration until 30.06.2027. Also, the subsidiary "LOV SMSA" ("LOV") signed on June 23rd, 2020 with National Bank of Greece SA (NBG) the Bond Programme and Subscription Agreement for the issuance of a bond loan of an amount of up to €220m ("Bond Loan") with a duration of 7 years comprising of three (3) distinct series. As at 31.12.2020, the short term of the above-mentioned bond loan amounts to €4.9m.

The movement in Net Debt is analysed as follows:

GROUP

	Borrowings	Cash and cash equivalents (*)	Total
Net Debt at 01.01.2019	**(446.841)**	**67.875**	**(378.966)**
Cash flows	9.603	634.901	644.504
Other non cash flows items	(1.859)	-	(1.859)
Net Debt at 31.12.2019	**(439.098)**	**702.776**	**263.678**
Net Debt at 01.01.2020	**(439.098)**	**702.776**	**263.678**
Cash flows	(265.910)	180.379	(85.531)
Other non cash flows items	(8.497)	-	(8.497)
Net Debt at 31.12.2020	**(713.505)**	**883.155**	**169.650**

COMPANY

	Borrowings	Cash and cash equivalents (*)	Total
Net Debt at 01.01.2019	**(96.128)**	**12.245**	**(83.883)**
Cash flows	7.000	639.419	646.419
Other non cash flows items	(0)	-	(0)
Net Debt at 31.12.2019	**(89.128)**	**651.664**	**562.536**
Net Debt at 01.01.2020	**(89.128)**	**651.664**	**562.536**
Cash flows	(223.632)	177.688	(45.944)
Other non cash flows items	(402)	-	(402)
Net Debt at 31.12.2020	**(313.162)**	**829.352**	**516.190**

* Net debt is positive due to the fact that cash and cash equivalents include part of the proceeds from the share capital increase after the costs of issuing the new shares (€640m), which was completed in December 2019 as well as part of the proceeds from the Company's Common Bond Loan in July 2020, which remain unallocated at 31.12.2020.

17. Leases

The Group leases fixed assets through operating leases which mainly consist of land plots, offices and motor vehicles. The most valuable lease contract of the Group is the concession agreement until 2065 for the land plot on which the Mediterranean Cosmos shopping center was developed and operates and is leased out by Ecumenical Patriarchate, the Landlord of the plot area as well as the lease of the exploitation rights of Flisvos marina until 2047 from the Public Property Company SA (former Greek Touristic Property SA). The remaining rental contracts are made for a period between 2 and 5 years and may have extension options. The

Company leases motor vehicles from leasing companies and office building space from a subsidiary company of the Group for a period not exceeding the 4 years.

The lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The recognized right-of-use assets for the Group and the Company for the the year ended 31.12.2020 relate to the following types of assets:

Group	Land plot	Motor vehicles	Total
All amounts in € thousands			
Opening balance at 1 January 2019	**78.615**	**268**	**78.883**
Fair value loss	(138)	-	(138)
Depreciation	-	(125)	(125)
Lease derecognition	-	(9)	(9)
Additions	-	61	61
Closing balance at 31 December 2019	**78.478**	**195**	**78.673**

All amounts in € thousands	**Land plot**	**Motor vehicles**	**Marina facilities & berths**	**Office building**	**Total**
Opening balance at 1 January 2020	**78.478**	**195**	**-**	**-**	**78.673**
Recognition of right-of-use due to changes in participation share	-	68	100.072	-	100.140
Remeasurement	152	-	-	-	152
Additions	-	734	-	6.637	7.371
Fair value loss	(573)	-	-	-	(573)
Depreciation	-	(182)	(3.095)	(184)	(3.462)
Modifications	-	(24)	(187)	-	(212)
31 December 2020	**78.057**	**790**	**96.790**	**6.453**	**182.089**

The right-of-use assets for the amount of €78.3m corresponds to the shopping center "Mediterranean Cosmos" operating lease and according to IFRS 16 "Leases" is recognized in the "Investment Property" (note **Error! Reference source not found.**) and also to Flisvos Marina following the transaction of acquisitong of LAMDA MARINAS INVESTMENTS S.M.S.A. (note 9).

Company			
All amounts in € thousands	Office space	Motor vehicles	Total
Opening balance at 1 January 2019	**1.474**	**162**	**1.636**
Fair value loss	-	-	-
Depreciation	(737)	(74)	(811)
Lease derecognition		(9)	(9)
		25	25
Closing balance at 31 December 2019	**737**	**104 -**	**841**

Company

All amounts in € thousands	**Office building**	**Motor vehicles**	**Total**
Opening balance at 1 January 2020	**737**	**104**	**841**
Additions	6.752	652	7.404
Depreciation	(1.032)	(122)	(1.155)
Modifications	(3)	-	(3)
31 December 2020	**6.453**	**634**	**7.087**

The recognized lease liabilities for the Group and the Company are as follows:

Group

All amounts in € thousands	Land plot	Motor vehicles	Total
Lease liability recognised as at 1 January 2019	**78.615**	**268**	**78.883**
Accrued interest expense	3.459	8	3.468
Lease payments	(3.597)	(131)	(3.728)
Derecognition of leases	-	(8)	(8)
	-	61	61
Lease liability recognised as at 31 December 2019	**78.478**	**198**	**78.676**

Analysis of payables :	
Current lease liabilities	436
Non-current lease liabilities	78.239
Total	**78.676**

Group

All amounts in € thousands	Land plot	Motor vehicles	Marina facilities & berths	Office building	Total
Lease liability recognised as at 1 January 2020	**78.478**	**198**	**-**	**-**	**78.676**
Recognition of lease liability due to changes in participation share	-	68	100.072	-	100.140
Remeasurement	152	-	-	-	152
Additions	-	734	-	6.637	7.371
Accrued interest expense	3.462	18	4.407	65	7.951
Lease payments	(3.316)	(200)	(3.366)	(218)	(7.100)
Gain from lease liability derecognition	(719)	-	(1.105)	-	(1.824)
Modifications	-	(24)	(187)	-	(211)
Lease liability recognized as at 31 December 2020	**78.057**	**794**	**99.820**	**6.484**	**185.155**

Analysis of payables :	
Current lease liabilities	2.358
Non-current lease liabilities	182.797
Total	**185.155**

Company

All amounts in € thousands	Office space	Motor vehicles	Total
Lease liability recognised as at 1 January 2019	**1.474**	**162**	**1.636**
Accrued interest expense	45	5	50
Lease payments	(760)	(78)	(838)
Derecognition of leases	-	(8)	(8)
Additions	-	25	25
Lease liability recognised as at 31 December 2019	**759**	**105**	**864**

Analysis of payables :	
Current lease liabilities	821
Non-current lease liabilities	43
Total	**864**

Company

All amounts in € thousands	Office space	Motor vehicles ent	Total
Lease liability recognised as at 1 January 2020	**759**	**105**	**864**
Additions	6.752	652	7.404
Accrued interest expense	84	13	97
Lease payments	(1.107)	(134)	(1.241)
Modifications	(3)	-	(3)
31 December 2020	**6.484**	**636**	**7.120**

Current lease liabilities	769
Non-current lease liabilities	6.351
Total	**7.120**

The lease liabilities are payable as follows:

	Group	Company
No later than 1 year	2.358	769
Between 1 and 2 years	3.001	778
Between 3 and 5 years	9.739	2.329
Over 5 years	170.056	3.244
Total	**185.155**	**7.120**

The Group impact deriving from the implementation of the amendment of IFRS 16 "Covid-19-Related Rent Concessions" corresponds to €1.824k that is recognized in the income statement (note 23) and specifically Other direct property operating expenses (note 23) €719k and Other operating income/expenses net €1.105k.

The Group and the Company have no significant liquidity risk in respect of the lease liabilities whereas there are no significant commitments from lease contracts that have not been in force until the end of current reporting period.

18. Retirement benefit obligations

The amounts that have been recognized in the statement of financial position are as follows:

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Amounts recognized in the statement of financial position				
Present value of obligations	2.308	1.684	1.285	976
Fair value of plan assets	-	-	-	-
Net liability in balance sheet	**2.308**	**1.684**	**1.285**	**976**

The amounts recognised in the income statements are as follows:

Amounts recognized in the income statement	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Service cost	188	97	91	41
Interest cost	20	25	10	16
P/l charge	**208**	**123**	**101**	**57**
Recognition of past service cost	9	14	9	4
Settlement/Curtailment/Termination loss/(gain)	79	116	26	-
Restructuring expense	-	-	-	12
Other expense	(0)	(120)	56	(120)
Total charge in the income statement	**296**	**132**	**192**	**(47)**

The amounts recognised in the other comprehensive income statement are as follows:

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2019**	**31.12.2018**
Remeasurements				
Liability gain/(loss) due to changes in assumptions	(204)	(347)	(102)	(191)
Liability experience gain/(loss) arising during the year	(50)	(32)	(48)	(20)
Total actuarial gain/(loss) recognised in OCI	**(254)**	**(380)**	**(150)**	**(211)**

The movement in the liability recognised in the balance sheet is as follows:

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2019**	**31.12.2018**
Reconciliation of benefit obligation				
Defined Benefit Obligation at start of year	**1.684**	**1.202**	**976**	**812**
Acquisition / change of interest held in participation	193	-	-	-
Service cost	188	97	91	41
Interest cost	20	25	10	16
Benefits paid directly by the Company	(120)	(29)	(33)	-
Settlement/Curtailment/Termination loss	79	116	26	-
Restructuring expense	-	-	-	12
Other	(0)	(120)	56	(120)
Past service cost arising over last year	9	14	9	4
Actuarial (gain)/loss	254	380	150	211
Defined Benefit Obligation at end of year	**2.308**	**1.684**	**1.285**	**976**

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2019**	**31.12.2018**
Movements in Net Liability in the statement of financial position				
Net Liability in BS at the beginning of the year	1.684	1.202	976	812
Acquisition / change of interest held in participation	193	-	-	-
Benefits paid directly	(120)	(29)	(33)	-
Total expense recognized in the income statement	296	132	192	(47)
Total amount recognized in the OCI	254	380	150	211
Net Liability in the statement of financial position	**2.308**	**1.684**	**1.285**	**976**
Cumulative amount recognized in the OCI income/(expense)	(677)	(366)	(305)	(155)

The principal annual actuarial assumptions that were used for accounting purposes are as follows:

	GROUP		COMPANY	
	31.12.2020	**31.12.2019**	**31.12.2019**	**31.12.2018**
Discount rate	0,57%	1,09%	0,57%	1,09%
Price inflation	1,43%	1,43%	1,43%	1,43%
Future pension increases	1,43%	1,43%	1,43%	1,43%

In case that the discount rate changes by – 0.5%, the impact to the Group defined benefit pension plans would change by +€206k. In case that the salaries change by +0.5%, the change to the Group defined benefit pension plans of the Group would change by +€203k.

The estimated future contributions that occur from the defined benefit pension plans after the retirement of the last person in the Group are as follows:

	2020	
	GROUP	**COMPANY**
all amounts in € thousands		
No later than 1 year	151	150
Between 1 and 2 years	-	-
Between 2 and 5 years	196	137
Over 5 years	1.968	1.102
	2.314	**1.389**

19. Trade and other payables

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Trade payables	12.182	12.122	2.849	4.759
Liabilities to related parties (note 30)	-	803	5.974	2.156
Loans from related parties (note 30)	(0)	10.123	56.485	65.449
Social security cost and other taxes/charges	2.611	3.715	1.351	1.619
Liability to the Municipality of Amarousiou [a]	1.422	2.973	1.422	2.973
Liability LOV SMSA based on GG [b]	5.652	17.000	-	-
Advance payment from investment scheme GIG for property in the Hellinikon site [c]	-	13.000	-	13.000
Costs for issuing new shares [d]		5.585		5.585
Unearned income	21.710	2.567	-	-
Accrued expenses	10.997	8.929	6.529	4.581
Accrued interest	5.697	2.817	4.926	396
Provision for completion cost of The Mall Athens	3.297	3.297	-	-
Other liabilities	3.018	2.659	36	60
Total	**66.586**	**85.590**	**79.572**	**100.579**

Analysis of obligations:

	GROUP		COMPANY	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Non-current liabilities	16.655	2.057	-	10.949
Current liabilities	49.931	83.533	79.572	89.631
Total	**66.586**	**85.590**	**79.572**	**100.579**

a) The subsidiary LOV SMSA in the process of issuance of a presidential decree for the approval of the City Building Plan of the area where the mall under the trade name "The Mall Athens" is situated, recognized as additional property cost the amount of €17m. At 03.06.2020 all the procedures provided under the Memorandum of Understanding, whereby the National Bank of Greece S.A. ("NBG") had expressed its intention to contribute and lawfully participate in the issuance process of a Presidential Decree (P.D.), for the approval of the City Building Plan for the area where "The Mall Athens" is situated, have been successfully completed. To this end, in application of the relevant provisions of the P.D. which has already been issued (G.G. 91D/29.02.2020), L.O.V. S.M.S.A. paid the amount of €11m, which corresponds to the fair value of the properties (situated in the aforementioned area) and the total claim held by NBG from the sale price owed to it by the subsidiary of the Municipality of Amaroussion (ATHMONO SA). The remaining additional cost, amount of €6.0m, is related to the assumptions based on the requirements of the presidential decree and can be adjusted during the implementation of the obligations that derive from the presidential decree.
b) The advance that was initially granted from Global Investment Group for the preliminary expenses related to the development in the Hellinikon site, was repaid at 17.01.2020.
c) Decrease of loans from related parties in the amount of €10m related to Consolidated Lamda Holdings SA
d) The significant increase in the "Trade payables" compared to 31.12.2019, is mainly due to the acquisition of interest held in LAMDA Flisvos Marina AE (note 9).

Trade and other payables' carrying amounts value approach their fair value which is calculated according to the fair value hierarchy 3 as described in note 3.3.

20. Derivative financial instruments

	GROUP				COMPANY			
	31.12.2020		31.12.2019		31.12.2020		31.12.2019	
all amounts in € thousands	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Interest rate swaps - cash flow hedges (IRS)	-	2.251	-	776	-	-	-	-
Total	**-**	**2.251**	**-**	**776**	**-**	**-**	**-**	**-**
Non-current	-	2.251	-	776	-	-	-	-
Current	-	-	-	-	-	-	-	-
Total	**-**	**2.251**	**-**	**776**	**-**	**-**	**-**	**-**

The nominal value of interest rate swaps that are hedged (IRS) as at 31.12.2020 is €44.3m series A' and €18.4m series B', for the Company's subsidiary LAMDA DOMI SMSA, and their maturity date is in November 2025 and for the Company's subsidiary PYLAIA SMSA is €54m and their maturity date is in May 2026. The interest rate swaps have been measured at fair value stated by the counterpart bank. As at 31.12.2020 the long-term borrowings floating rates are secured with interest risk derivatives (IRS) ranged according to 3-month Euribor plus 3.07% for the subsidiary LAMDA DOMI SMSA and 3-month Euribor plus 3% for the subsidiary PYLAIA SMSA.

The total fair value of the derivative financial instrument, which is described under hierarchy 2 in note 3, is presented in the statement of financial position as long-term liability since the remaining duration of the loan agreement which is hedged, exceeds 12 months.

The movement in fair value is related to the effective portion of the cash flow hedge and is recognised in special reserves in equity or through the income statement. The effectiveness test of the cash flow hedges is based on discounted cash flows according to the forward rates (3-month Euribor) and their volatility rating.

21. Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The amounts which have been offset are as follows:

	GROUP		COMPANY	
all amounts in € thousands	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Deferred tax liabilities:	**(116.338)**	**(121.705)**	**-**	**-**
Deferred tax assets:	**5.066**	**7.260**	**4.764**	**7.113**
	(111.272)	**(114.446)**	**4.764**	**7.113**

The amounts which have not been offset are as follows:

	GROUP		COMPANY	
all amounts in € thousands	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Deferred tax liabilities:	**(118.801)**	**(122.390)**	**(354)**	**(66)**
Deferred tax assets:	**7.529**	**7.944**	**5.118**	**7.179**
	(111.272)	**(114.446)**	**4.764**	**7.113**

The gross movement on the deferred income tax account is as follows:

all amounts in € thousands	GROUP 31.12.2020	GROUP 31.12.2019	COMPANY 31.12.2020	COMPANY 31.12.2019
Opening balance at 1 January	**(114.446)**	**(98.940)**	**7.113**	**7.185**
Charged/(credited) in the income statement	6.766	(19.044)	(2.386)	853
Charged/(credited) in equity	243	267	36	51
Effect due to change in the income tax rate through equity	-	(34)	-	(34)
Acquisition of interest held in participation	(3.836)	-	-	-
Effect due to change in the income tax rate through the income statement	-	3.304	-	(943)
Closing balance at 31 December	**(111.272)**	**(114.446)**	**4.764**	**7.113**

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances without the same tax jurisdictions, is as follows:

Deferred Tax Liabilities

GROUP *(all amounts in € thousands)*	**Depreciation & cost differences**	**Revenue recognition**	**Net profit / (losses) from fair value adjustment on investment property and inventories and loans**	**Other**	**Total**
1 January 2019	**48.388**	**108**	**58.320**	**57**	**106.873**
Charged/(credited) in the income statement	2.613	(19)	16.736	467	19.797
Effect due to change in the income tax rate through the income statement	(1.936)	(4)	(2.338)	(2)	(4.280)
31 December 2019	**49.065**	**85**	**72.718**	**522**	**122.390**
1 January 2020	**49.065**	**85**	**72.718**	**522**	**122.390**
Charged/(credited) in the income statement	2.321	(19)	(10.504)	441	(7.761)
Acquisition of interest held in participation	4.172	-	-	-	4.172
31 December 2020	**55.559**	**66**	**62.214**	**963**	**118.801**

COMPANY *(all amounts in € thousands)*	**Depreciation & cost differences**	**Total**
1 January 2019	**63**	**63**
Charged/(credited) in the income statement	6	6
Effect due to change in the income tax rate through the income statement	(3)	(3)
31 December 2019	**66**	**66**
1 January 2020	**66**	**66**
Charged/(credited) in the income statement	4	289
31 December 2020	**70**	**354**

Deferred Tax Assets

GROUP *(all amounts in € thousands)*	**Provision for impairment of receivables**	**Tax losses**	**Expenses for issuance of share capital**	**Provision for redundancy**	**Derivative financial instruments**	**Leases**	**Other**	**Total**
1 January 2019	**258**	**6.531**	**477**	**300**	**-**	**-**	**367**	**7.933**
Charged/(credited) in the income statement	248	634	(50)	(8)	-	(6)	(65)	753
Charged/(credited) in equity	-	-	-	81	186	-	-	267
Effect due to change in the income tax rate through the income statement	(11)	(920)	(15)	(12)	-	-	(18)	(976)
Effect due to change in the income tax rate through equity	-	-	(34)	1	-	-	-	(34)
31 December 2019	**496**	**6.245**	**378**	**362**	**186**	**(6)**	**283**	**7.944**
1 January 2020	**496**	**6.245**	**378**	**362**	**186**	**(6)**	**283**	**7.944**
Charged/(credited) in the income statement	(137)	(1.916)	(85)	39	162	736	207	(994)
Charged/(credited) in equity	-	-	-	56	192	-	(5)	243
Acquisition of interest held in participation	336	-	-	-	-	-	-	336
31 December 2020	**695**	**4.329**	**293**	**457**	**540**	**730**	**485**	**7.529**

COMPANY *(all amounts in € thousands)*	Provision for impairment of receivables	Tax losses	Expenses for issuance of share capital	Provision for redundancy	Other	Total
1 January 2019	**38**	**6.531**	**477**	**203**	**-**	**7.248**
Charged/(credited) in the income statement	281	634	(50)	(12)	6	859
Charged/(credited) in equity	-	-	-	51	-	51
Effect due to change in the income tax rate through the income statement	(1)	(920)	(15)	(9)	-	(946)
Effect due to change in the income tax rate through equity	-	-	(34)	1	-	(34)
31 December 2019	**317**	**6.245**	**378**	**234**	**6**	**7.179**
1 January 2020	**317**	**6.245**	**378**	**234**	**6**	**7.179**
Charged/(credited) in the income statement	(146)	(1.916)	(85)	38	12	(2.097)
Charged/(credited) in equity	-	-	-	36	-	36
31 December 2020	**171**	**4.329**	**293**	**308**	**17**	**5.118**

- Deferred tax assets are recognised per entity based on the amounts of future taxable profit for which Management believes that there is a high probability of occurrence against which temporary difference that have resulted in a deferred tax asset can be set-off.
- In relation to the deferred tax assets for tax losses, the Management estimates the anticipated future profitability of the Company, as well as its subsidiaries and at the level that the future results will not be sufficient to cover the tax losses, no deferred tax asset has been recognized.
- The Company has not recognised deferred tax assets with respect to accumulated tax losses of €31m (31.12.2019: €18m).
- The Group has not recognised deferred tax assets with respect to accumulated tax losses of €65m (31.12.2019: €53m).
- The largest proportion of deferred tax liabilities and assets are recoverable after 12 months from the balance sheet date as these relate primarily to temporary differences associated with depreciation differences, fair value changes for investment properties and inventory, provision for redundancy and tax losses.

22. Revenue

	GROUP		**COMPANY**	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Leasing of real estate property	47.221	72.926	108	105
Berthing services	9.615	-	-	-
Other auxiliary land transportation	8.624	8.367	-	-
Real estate management	89	24	432	295
Sale of landplots - inventories	2.180	-	-	-
Consulting	32	145	995	1.030
Other	35	243	-	-
Total	**67.796**	**81.706**	**1.536**	**1.431**

The significant drop in the Group's revenue is mainly due to the impact of the coronavirus pandemic COVID-19 on the revenues from the operation of the Group's shopping centers and is attributed to the exemption of the associate shopkeepers/tenants from the obligation to pay the total rent as well as to the Group's decision for additional discounts. Moreover, the Group has completely lost the revenues from the relevant car park operations, the advertising income as well as the turnover rent due to the lockdown and the decrease in footfall and tenants' sales. At Group level, the consolidation of LAMDA Flisvos Marina A.E.'s revenue is a positive outcome in the change of revenue, following the acquisition of the control in February 2020 and is mainly attributed to berthing services.

The aggregate floating (contingent) remuneration was €0.6m for year 2020 and €2.9m for year 2019.

23. Other direct property operating expenses

all amounts in € thousands	GROUP 01.01.2020 to 31.12.2020	GROUP 01.01.2019 to 31.12.2019	COMPANY 01.01.2020 to 31.12.2020	COMPANY 01.01.2019 to 31.12.2019
Operating lease (*)	51	(1.289)	-	-
Shopping center common charges	(5.814)	(3.377)	-	-
Proportion in the common charges of vacant units	(651)	(619)	-	-
Parking expenses	(2.206)	(2.284)	-	-
Promotion and marketing expenses	(553)	(847)	-	-
Administrative and financial services	(14)	(14)	-	-
Technical advisors' fees	(282)	(199)	-	-
Insurance costs	(976)	(900)	-	-
Lawyer fees	(23)	(42)	-	-
Commercialization	(68)	(30)	-	-
Maintenance and repairs	(1.162)	(941)	-	-
Taxes - charges	(782)	(782)	-	-
Provision for receivables impairment	(570)	(150)	-	-
Other	(212)	(323)	-	-
Total	**(13.262)**	**(11.797)**	**-**	**-**

The operating lease for the year 2020 represent the variable lease of the leases as well as the impact from IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions – Extension of application period' which represents €1.824k (note 17). Also, the common charges are increased by €2.5m due to the increased proportion of the Group during the lockdown period.

24. Employee benefits expenses

all amounts in € thousands	GROUP 01.01.2020 to 31.12.2020	GROUP 01.01.2019 to 31.12.2019	COMPANY 01.01.2020 to 31.12.2020	COMPANY 01.01.2019 to 31.12.2019
Wages and salaries	(16.596)	(11.067)	(12.252)	(7.575)
Social security costs	(2.674)	(1.571)	(1.772)	(938)
Costs - defined contribution funds (note 17)	(296)	(132)	(192)	47
Loans to management at fair value (note 30)	82	(1.025)	74	(946)
Employee share option plan	(198)	-	(198)	-
Other benefits	(1.562)	(1.886)	(1.049)	(765)
Total	**(21.245)**	**(15.681)**	**(15.390)**	**(10.177)**
Breakdown of staff cost:				
<u>Income statement:</u>				
Wages and salaries	(13.606)	(15.681)	(7.750)	(10.177)
Expenses related to the development of the Hellinikon site	(3.131)	-	(3.131)	-
<u>Statement of financial position:</u>				
<u>Trade and other receivables</u>				
Preliminary expenses related to the development of the Hellinikon site	(4.508)	-	(4.508)	-
Total	**(21.245)**	**(15.681)**	**(15.390)**	**(10.177)**
Number of employees at the end of the year	**409**	**267**	**189**	**83**

At Group level, the number of employees shows a significant change mainly due to hiring from the Company of staff related to the development of the Hellinikon site.

25. Other operating income / (expenses) net

all amounts in € thousands	GROUP 01.01.2020 to 31.12.2020	GROUP 01.01.2019 to 31.12.2019	COMPANY 01.01.2020 to 31.12.2020	COMPANY 01.01.2019 to 31.12.2019
Professional fees	(4.180)	(2.696)	(2.224)	(1.245)
Promotion and marketing expenses	(838)	(506)	(528)	(488)
IT expenses and other maintenance	(572)	(440)	(60)	(431)
Common charges and consumables	(2.356)	(501)	(333)	(402)
Taxes - charges	(422)	(252)	(10)	(118)
Travel/transportation expenses	(181)	(419)	(135)	(314)
Insurance	(326)	(107)	(114)	(97)
Operating lease	(502)	(242)	(239)	(105)
Donations and grants	(433)	(205)	(313)	(205)
Loss from sale/valuation of financial instruments held at fair value through profit or loss	(673)	(287)	-	-
Provision for receivables impairment	-	166	-	152
Liability settlement	280	-	-	-
Refund of VAT and other taxes	229	-	-	-
Berthing and other services	780	-	-	-
Other	806	(399)	18	(376)
Total	**(8.389)**	**(5.890)**	**(3.939)**	**(3.631)**

For 2020, "other operating income / (expenses) net" includes additionally the respective categories of "other operating income / (expenses) net" of the subsidiary LAMDA Flisvos Marina AE, which is fully consolidated for the period following the acquisition of the interest held in the participation and the control (note 9). The consolidation of LAMDA Flisvos Marina AE has affected mainly the professional fees and the common charges and consumables.

26. Finance costs – net

all amounts in € thousands	GROUP 01.01.2020 to 31.12.2020	GROUP 01.01.2019 to 31.12.2019	COMPANY 01.01.2020 to 31.12.2020	COMPANY 01.01.2019 to 31.12.2019
Interest expense:				
- Borrowings interest - contractual	(20.830)	(18.987)	(7.344)	(4.973)
- Borrowings interest - transaction costs (note 16)	(1.295)	(1.054)	(402)	-
- Expense from loans granted from related parties (note 31)	(41)	(123)	(1.908)	(2.427)
- Recognition of interest at fair value	(721)	(722)	-	-
- Interest expense on lease liabilities (note 17)	(7.951)	(3.468)	(97)	(50)
- Other costs and commissions	(1.803)	(2.904)	(1.037)	(2.135)
	(32.641)	(27.258)	(10.787)	(9.585)
Exchange differences	38	-	24	-
	(32.603)	**(27.258)**	**(10.763)**	**(9.585)**
Interest income:				
- Income from loans granted to related parties (note 30)	-	-	1.323	1.104
- Interest income	928	40	742	32
	928	**40**	**2.065**	**1.136**
Total	**(31.675)**	**(27.217)**	**(8.698)**	**(8.449)**

27. Income tax

According to the article 22 of the law 4646/2019 passed at 12.12.2019 , the corporate income tax rate of legal entities in Greece is set for 2019 at 24% from 28% and for 2020 and forth at 24%.

The effective tax rate at Group and Company level based on ther results of 2020 and 2019, is mainly affected by the non-recognition of deferred tax asset over the tax losses of the period.

In addition, the tax rate for the subsidiaries registered in foreign countries differs from country to country as follows: Serbia 15%, Romania 16%, Montenegro 9% and Netherlands 25.5%.

Under Greek tax regulations, an income tax advance calculation on each year's current income tax liability is paid to the tax authorities. Net operating losses which are tax deductible, can be carried forward against taxable profits for a period of five years from the year they are generated.

	GROUP		**COMPANY**	
all amounts in € thousands	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**
Income tax	(3.624)	(9.210)	-	-
Effect due to change in the income tax rate (note 20)	-	3.304	-	(943)
Deferred tax (note 20)	6.766	(19.044)	(2.385)	853
Total	**3.142**	**(24.950)**	**(2.385)**	**(89)**

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the company as follows:

	GROUP		**COMPANY**	
all amounts in € thousands	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**
Profit/(loss) for the year	**(59.347)**	**87.806**	**872**	**(20.683)**
Tax calculated at domestic tax rate applicable to profits in the respective countries	13.742	(21.830)	(209)	4.964
Income not subject to tax	-	-	8.585	2.051
Expenses not deductible for tax purposes	(3.336)	(2.316)	(3.105)	(2.216)
Tax effect on deductible interest income	(318)	(475)	(318)	(475)
Loss for the year, no deferred tax provision	(6.947)	(3.634)	(6.054)	(2.854)
Impairment loss, no deferred tax provision	-	-	(1.285)	(615)
Effect due to change in the income tax rate	-	3.304	-	(943)
Taxes	**3.142**	**(24.950)**	**(2.386)**	**(89)**

Tax certificate and unaudited tax years

The unaudited tax years for the Company and the Group's companies are as follows:

Company	Fiscal years unaudited by the tax authorities	Company	Fiscal years unaudited by the tax authorities
LAMDA DEVELOPMENT S.A.	2013-2020	LAMDA AKINITA S.A.	2013-2020
LAMDA MALLS A.E.	2017-2020	LAMDA ERGA ANAPTYXIS S.M.S.A.	2013-2020
L.O.V. S.M.S.A.	2013-2020	LAMDA Flisvos Holding A.E.	2013-2020
PYLAIA S.M.S.A.	2013-2020	ATHENS METROPOLITAN EXPO S.A.	2013-2020
LAMDA DOMI S.M.S.A.	2013-2020	METROPOLITAN EVENTS	2013-2020
LAMDA Prime Properties S.M.S.A.	2013-2020	Property Development DOO	2010-2020
LAMDA ILIDA OFFICE S.M.S.A.	2018-2020	LAMDA Development Romania SRL	2014-2020
LAMDA Flisvos Marina S.A.	2013-2020	SC LAMDA MED SRL	2014-2020
LAMDA MARINAS INVESTMENTS S.M.S.A.	2015-2020	LAMDA Development Montenegro DOO	2007-2020
Malls Management Services S.M.S.A.	2013-2020	LAMDA Development (Netherlands) BV	2008-2020
MC Property Management S.M.S.A.	2013-2020	Robies Services Ltd	2013-2020
LAMDA Estate Development S.M.S.A.	2013-2020	Robies Proprietati Imobiliare SRL	2014-2020
LAMDA LEISURE A.E.	2013-2020	Singidunum-Buildings DOO	2007-2020
KRONOS PARKING S.M.S.A.	2013-2020	LOV Luxembourg SARL	2013-2020
LAMDA Real Estate Management S.A.	2013-2020	LAMDA Development Sofia EOOD	2006-2020
GEAKAT S.A.	2013-2020	TIHI EOOD	2008-2020
ATHENS OLYMPIC MUSEUM	2020		

For the year ended 31 December 2011 and onwards as the Law 4174/2013 (article 65A) currently stands (and as Law 2238/1994 previously provided in article 82), up to and including fiscal years starting before 1 January 2016, the Greek societes anonymes and limited liability companies whose annual financial statements are audited compulsorily, were required to obtain an 'Annual Tax Certificate', which is issued after a tax audit is performed by the same statutory auditor or audit firm that audits the annual financial statements.

For fiscal years starting from 1 January 2016 and onwards, the 'Annual Tax Certificate' is optional, however the Group will obtain such certificate. In accordance with the Greek tax legislation and the respective Ministerial Decisions issued, additional taxes and penalties may be imposed by the Greek tax authorities following a tax audit within the applicable statute of limitations (i.e. in principle five years as from the end of the fiscal year within which the relevant tax return should have been submitted).

Regarding the Company, the tax audit for the fiscal year 2013-2019 was completed by audit firm and the relevant tax certificates have been issued. For the subsidiary LAMDA MALLS A.E. the tax audit for 2017-2018 is in progress and for the subsidiary LAMDA Flisvos Marina AE is in progress for years 2015-2018. For fiscal years ended after 31 December 2012 and remain unaudited by the tax authorities, Management assumes that there will not be a significant effect on the financial statements. For the fiscal year 2019 tax audit is completed by PriceWaterhouseCoopers SA., and the relevant tax certificates are issued whereas the tax audit for 2020 is in progress.

Pursuant to the following provisions: (a) art. 36 of Law 4174/2013 (unaudited cases of income taxation), (b) para. 1 art. 57 of Law 2859/2000 (unaudited cases of Value Added Tax), and, (c) para. 5 art. 9 of Law 2523/1997 (imposition of penalties for income tax cases) the right of the State to impose the tax for the fiscal years up to 2014 has been suspended until 31.12.2020, subject to special or exceptional provisions which may provide for a longer limitation period and under the conditions that they define. Following the no. 433/2020 of the decision of the Council of State and according to relevant circulars regarding the limitation period of the right of the State to impose proportional stamp duties and special contribution in favor of OGA, it was clarified that for financial periods before the entry into force of the provisions of K.F. D., ie before 01/01/2014, the general provisions on limitation of the Civil Code, such as the provision of article 249 of the Civil Code, cannot be applied, and consequently the limitation period of the right of the State to impose the due stamp duty and the special contribution in favor of OGA, is determined in five years in the first place, calculated from the end of the year in which the obligation to pay arises, with the possibility of extending this right to ten years, provided that the conditions of par. 4 of article 84 of the Income Tax Law are met (Law 2238/1994). For the fiscal years after 01.01.2014, the provisions of article 36 of the K.F.D. are applicable with a five year dedline at the first place.Therefore, the Group provides, when considered appropriate, and on a company by company basis for possible additional taxes that may be imposed by the tax authorities. As a result, the Group’s tax obligations have not been defined permanently. At 31.12.2020 no such provisions have been formed for the Group's and Company's unaudited, by the tax authorities, years.

28. Cash generated from operations

		GROUP		COMPANY	
all amounts in € thousands	**Note**	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**
Profit/(loss) for the year		(56.205)	62.855	(1.513)	(20.772)
Adjustments for:					
Tax		(3.142)	24.950	2.385	89
Depreciation	7,8,17	7.514	885	1.371	970
Share of profit from associates	9	(2.284)	(1.858)	-	-
Dividends income		(203)	(271)	(35.769)	(8.546)
Provision for impairment of receivables from subsidiaries	31	-	-	1.723	1.104
Provision for impairment of investments in subsidiaries, joint ventures and associates	9	-	-	3.000	665
Impairment of receivables		502	891	(74)	794
Loss from sale of ppe / inventories		263	101	-	-
Loss from sale/valuation of financial instruments/derivatives		-	288	-	-
Provision for retirement benefit obligations	18	176	132	159	(47)
Employees share option scheme		198	-	198	-
Interest income	26	(928)	(40)	(2.065)	(1.136)
Interest expense	26	32.603	27.258	10.763	9.585
Provision for inventory impairment	10	(308)	(222)	-	-
Net gains/(losses) from fair value adjustment on investment property	6	43.630	(71.494)	-	-
Other non cash income / (expense)		(1.824)	(8)	-	(8)
		19.991	**43.467**	**(19.822)**	**(17.303)**
Changes in working capital:					
(Increase)/decrease in inventories	10	2.497	(17)	-	-
Decrease in receivables	11	(17.677)	(4.760)	(16.199)	(6.844)
(Decrease)/increase in payables	19	(21.420)	6.665	(8.810)	7.868
		(36.600)	**1.889**	**(25.010)**	**1.024**
Cash flows from operating activities		**(16.609)**	**45.355**	**(44.832)**	**(16.279)**

29. Commitments

Capital commitments

At 31.12.2020 there is capital expenditure of €0.8m that has been contracted for but not yet incurred regarding the investment property and specifically the expansion of the western part of Golden Hall, as well as an amount of €5.6m that corresponds to the development of the Hellinikon site and have not yet incurred. The Group is committed for €915m for the acquisition of the shares following fulfillment of the Conditions Precedent (note 34).

The Group has no contractual liability for investment property repair and maintenance services.

30. Contingent liabilities and assets

The Group and the Company have contingencies in respect of letter of guarantees for good performance and other matters arising in the ordinary course of business, for which no significant additional burdens are expected to arise as follows:

	GROUP		COMPANY	
Liabilities *(all amounts in € thousands)*	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Letters of guarantee related to obligations	39.572	33.537	30.004	30.004
Total	**39.572**	**33.537**	**30.004**	**30.004**
Assets *(all amounts in € thousands)*				
Letters of guarantee related to receivables (from tenants)	42.145	41.489	-	-
Total	**42.145**	**41.489**	**-**	**-**

In addition to the issues mentioned above there are also the following particular issues, which are not required under IAS 37 to formulate provisions as in accordance with the relevant opinions of the Group companies' legal advisors and the estimates of the Group's Management, are not considered likely that outflow of resources will be required to settle each matter:

L.O.V. S.M.S.A. "THE MALL ATHENS"

- A petition for annulment had been filed and was pending before the Council of State related to LOV, regarding the plot of land where the Maroussi Media Village (or "Olympiako Chorio Typou") and the Commercial and Leisure Centre "The Mall Athens" were built. The said petition was heard on 3.5.2006 and the decision no 391/2008 of the Fifth Chamber of the Council of State was issued committing for the Plenary Session of the Council of State. Further to successive postponements the case was heard on 05.04.2013. By virtue of its decision No 376/2014, the Plenary Session accepted the said petition and the Court annulled the silent confirmation by the competent planning authority of the Ministry of Environment, Planning & Public Works (namely, DOKK) that the studies of the project submitted to such authority were compliant with article 6 paragraphs 1 and 2 of Law 3207/2003. The Council of State annulled the aforementioned act, because it identified irregularities of a procedural nature in the issuance of the licenses required for the project. Given the nature of said irregularities, LOV proceeded to initiate the procedure required further to the issuance of the said decision. In this context, a presidential decree was issued on 24.02.2020 (GG D' 91), approving the Special Spatial Plan, the Strategic Environmental Study and the Detailed Street Plan for the wider area (the former Maroussi Media Village). The completion of the above-mentioned procedure, which of course requires the effective contribution of the involved competent public services, will safeguard the full and unhindered operation of the Shopping Center.

LAMDA DOMI S.M.S.A. «GOLDEN HALL»

- With respect to LAMDA DOMI S.M.S.A., a public (already private) law entity under the trade name "Hellenic Olympic Committee" ("HOC") has filed a lawsuit against the Public Real Estate Property Company S.A. ("ETAD"). By means of the said lawsuit, the HOC claims to be entitled to, and therefore to be granted, the use, management and exploitation of a plot of land of its ownership in which the International Broadcasting Centre ("IBC") is built. The HOC also claims ETAD to be declared as liable for an overall amount of 90,784,500 Euros, which is alleged to have been the lease price paid by the company under the trade name "LAMDA DOMI S.M.S.A." ("LAMDA DOMI") to ETAD (and its predecessor "HELLENIC OLYMPIC REAL ESTATE S.A") for the period 30.04.2007-30.06.2019. The said lawsuit is based on the alleged by the HOC contravention of Article 35 of Law 3342/2005 to Article 17 of the Constitution and more specifically on the allegation that the delegation of use, management and exploitation deprives the HOC from its right to use the plot and benefit therefrom as its rightful owner. Pursuant to an impleader by ETAD, LAMDA DOMI filed a "supporting intervention" in favor of ETAD. The hearing of the case is set for 13th.05.2021 According to the views of the Company's legal counsels, there is reasonable ground for the Court to dismiss the HOC's lawsuit.

Other issues

- The Group provides, when considered appropriate, and on a company by company basis for possible additional taxes that may be imposed by the tax authorities. As a result, the Group's tax obligations have not been defined permanently. At 31.12.2020 no such provisions have been formed for the Group's and Company's unaudited, by the tax authorities, years. For details regarding the unaudited tax years for the rest of the Group companies, please see note 27.

- Additionally, there are various legal cases of the Group's companies, which are not expected to create material additional liabilities.

31. Related party transactions

The following transactions were carried out with related parties.

	GROUP		COMPANY	
all amounts in € thousands	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019
i) Sales of goods and services				
- subsidiaries	-	-	1.465	1.250
- joint ventures	32	127	32	59
- associates	-	-	-	68
	32	**127**	**1.497**	**1.377**
ii) Purchases of goods and services				
- subsidiaries	-	-	3.490	2.721
- companies which controlling interests belong to Latsis family	964	3.010	-	-
	964	**3.010**	**3.490**	**2.721**
iii) Dividend income				
- subsidiaries	-	-	35.566	8.276
- associates	203	271	203	271
	203	**271**	**35.769**	**8.546**
iv) Benefits to management				
Members of BoD:				
- BoD fees and other short-term employment benefits	1.711	1.469	1.711	1.469
Management:				
- Salaries and other short-term employment benefits	3.567	3.074	3.359	3.074
	5.278	**4.543**	**5.070**	**4.543**

The benefits and salaries of the management and the members of the BoD follow the updated key management remuneration policy of the Group according to which the management members are defined.

v) Sale of treasury shares				
- sale of treasury shares	-	13.210	-	13.210
	-	**13.210**	**-**	**13.210**
vi) Income from interest				
- subsidiaries	-	-	1.158	1.104
	-	**-**	**1.158**	**1.104**
vii) Cost of interest				
- parent company	41	123	41	123
- subsidiaries	-	-	1.867	2.304
	41	**123**	**1.908**	**2.427**

viii) Year-end balances from sales-purchases of goods/servises

all amounts in € thousands	GROUP 31.12.2020	GROUP 31.12.2019	COMPANY 31.12.2020	COMPANY 31.12.2019
Receivables from related parties:				
- subsidiaries	-	-	534	243
- joint ventures	40	87	40	16
- associates	-	-	-	71
	40	**87**	**574**	**329**
Receivables from dividends from related parties:				
- subsidiaries	-	-	16.100	-
- associates	203	-	203	-
	203	**-**	**16.303**	**-**
Payables to related parties:				
- subsidiaries	-	-	4.721	2.156
- companies which controlling interests belong to Latsis family	-	803	-	-
	-	**803**	**4.721**	**2.156**

Receivables and payables from/to related parties are satisfied and their carrying amounts approach their fair value.

	GROUP 31.12.2020	GROUP 31.12.2019	COMPANY 31.12.2020	COMPANY 31.12.2019
ix) Loans to associates:				
Balance at the beginning of the year	**-**	**-**	**8.014**	**7.987**
Loans granted during the year	-	-	11.000	-
Interest repayments	-	-	(53)	-
Loan repayments	-	-	(11.618)	-
Loan and interest impairment	-	-	(1.723)	(1.077)
Interest charged	-	-	1.158	1.104
Balance at the end of the year	**-**	**-**	**6.777**	**8.014**

At Company level, the loans to associates refer to loans of initial capital €56m, less impairment €48m, that the parent company has granted to its subsidiaries LAMDA Development Romania SRL, LAMDA Development Sofia EOOD, Robies Services Ltd, LAMDA Development Montenegro DOO and Property Development DOO.

x) Loans from associates:	GROUP 31.12.2020	GROUP 31.12.2019	COMPANY 31.12.2020	COMPANY 31.12.2019
Balance at the beginning of the year	**10.123**	**-**	**65.449**	**53.776**
Loans received during the year	-	10.000	-	10.000
Loan repayments	(10.000)	-	(10.373)	(338)
Interest paid	(164)	-	(498)	(360)
Interest charged	41	123	1.908	2.371
Balance at the end of the year	**(0)**	**10.123**	**56.485**	**65.449**

At Company level, the loans from associates refer to loans of initial capital €46.9m that the parent company has granted to the companies LAMDA Prime Properties SMSA, LOV Luxembourg SARL and LAMDA Ilida Office SA. In 2020, the Company repaid an amount of €10m which was received in 2019 as a bond loan agreement, without securities, by its shareholder Consolidated Lamda Holdings SA aiming to cover general business needs in the scope of the Company’s activities.

	GROUP		COMPANY	
xi) Loans to personnel and management:	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Balance at the beginning of the year	**2.970**	**-**	**2.699**	**-**
Loans received during the year	-	3.995	-	3.645
Fair value adjustment	82	(1.025)	74	(946)
Changes during the year	(30)		(30)	
Recognition of finance income	172	-	160	-
Balance at the end of the year	**3.193**	**2.970**	**2.903**	**2.699**

Services from and to related parties, as well as sales and purchases of goods, take place based on the price lists in force with non-related parties.

32. Earnings/(losses) per share

Basic

	GROUP		COMPANY	
all amounts in € thousands	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**
Profit/(loss) attributable to equity holders of the Company	**(51.741)**	**49.875**	**(1.513)**	**(20.772)**
Weighted average number of ordinary shares in issue	176.737	80.341	176.737	80.341
Basic earnings/(losses) per share *(in € per share)*	**(0,29)**	**0,62**	**(0,01)**	**(0,26)**

Basic earnings per share are calculated by dividing profit attributable to ordinary equity holders of the parent entity, by the weighted average number of ordinary shares outstanding during the year.

Diluted

	GROUP		COMPANY	
all amounts in € thousands	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**	**01.01.2020 to 31.12.2020**	**01.01.2019 to 31.12.2019**
Profit/(loss) used to determine dilluted earnings per share	**(51.741)**	**49.875**	**(1.513)**	**(20.772)**
Weighted average number of ordinary shares in issue	176.737	80.341	176.737	80.341
Adjustments for share options:				
Employees share option scheme	-	-	-	-
Weighted average number of ordinary shares for dilluted earnings/(losses) per share	**176.737**	**80.341**	**176.737**	**80.341**
Diluted earnings/(losses) per share *(in € per share)*	**(0,29)**	**0,62**	**(0,01)**	**(0,26)**

Provided that the average share price for the year does not exceed the exercise price of the share option, there is no significant effect on the diluted earnings per share.

33. Dividends per share

For the forthcoming General Meeting of the Company's Shareholders no dividend is expected to be proposed for the fiscal year 2020.

34. Development of the Hellinikon site

On 14.11.2014 a share sale and purchase agreement was signed between a) the HRADF (as the Seller), b) HELLINIKON GLOBAL I S.A., the wholly owned (100%) subsidiary of the Company (as the Purchaser) and c) the Company (as the Guarantor of the Purchaser), which will be co-signed by the Greek State (as the third party) for the acquisition of 100% of shares of HELLINIKON S.A. On July 19, 2016 an Amendment Agreement was signed by the same parties and will be signed by the Greek State (as a third party), which forms an integral and unified part of the original Agreement of 14.11.2014. On September 26, 2016, by Law 4422/2016 (Government Gazette A' 181/27.09.2016), the Agreement, namely the aforementioned contracts (initial and amending), was ratified by the Hellenic Parliament.

As per the provisions of the Agreement, the commencement of the Hellinikon Site development shall commence with the transfer of HELLINIKON S.A. Sale Shares to the Buyer.

The said transfer is under the condition of fulfillment of the Conditions Precedent and more precisely of these that are still pending, the main being the Conditions Precedent under (v) regarding the transfer of rights in rem, (vii) regarding the concession of a casino operational license and (ix) regarding the absence of pending litigation against certain administrative acts, as these Conditions Precedent are provided in Clause 2.2 of the Agreement (SPA).

It is noted that regarding the transfer of the rights in rem, Law 4787/2021 (Government Gazette A44/26.03.2021) has already established the necessary procedure and the relevant actions are being scheduled.

In respect of the issuance of a casino license, HGG announced on 13.10.2020 that INSPIRE ATHENS is the temporary licensee. The tender process continues in accordance with the legislative framework and the respective Request for Proposals.

Within 2020 there was another development with regard to the preparation of the Hellinikon investment. Following the issuance of Law 4663/2020 (Government Gazette A’ 30/12.02.2020) (article 67) (“Provisions on the existing buildings and structures in the Metropolitan Area of Hellinikon – Aghios Kosmas) and the required therefrom Ministerial Decisions, the demolition works of the existing buildings in Hellinikon have begun.

Finally, with Law 4787/2021 (Government Gazette A44/26.03.2021) the Partition – Establishment of Surface Rights Agreement for the Site of the Metropolitan Area of Hellinikon – Aghios Kosmas was ratified by the Hellenic Parliament and the respective Government Gazette volume will be registered in the Land Registries of Glyfada and Palaio Faliro in accordance with the provisions of the law.

The total price for the acquisition of the shares as stated in the agreement amounts to €915m. At the date of the transfer, an amount of €300m will be paid, whereas the remaining amount will be paid at a depth of 10 years from the date of transfer in the manner specified in the agreement. The Management estimates that the acquisition of HELLINIKON S.A. will not fall into IFRS 3 business combinations - acquisition and will be accounted for according to par.2 (b) of IFRS 3. In case of the acquisition of a group of assets that does not constitute a business, the entity measures the individual identifiable assets acquired and liabilities at cost, which is allocated at the individual identifiable assets acquired and liabilities based on their relative fair value at the date of acquisition. Also, this kind of transactions do not end up to a goodwill.

Financing of the development of the Property

The Company, on 27.01.2020 signed with Eurobank SA and Piraeus Bank S.A. an agreement on the “Heads of Terms” regarding the syndicated bank loans to be provided to the Company and the/or the group’s subsidiaries that will be used for the financing of the first 5 years of the development of the Property. On 07.04.2021, the company signed with the aforementioned banks an agreement for the update of the “Head of Terms” for the bank loans. The update emanated from the gradual evolution and maturity of the Company’s plans in connection with the envisaged projects and investments during the first five years. .

More specifically, the aforementioned bank loans include:

(a) the financing of the works of the first five years of the Project (Phase A), which will include mainly the enhancement of the coastal front area, the development of the residential complexes, commercial venues and relevant infrastructure, of up to €442 million (plus an amount of up to €100 million for financing of VAT cost), with a duration up to 10 years;

(b) the financing for the development of a shopping mall (Mall) on Vouliagmenis Avenue for an amount of up to €415 million (plus an additional facility of €86 million for financing of VAT costs), with an initial duration of 6 years from first loan draw-down (with the possibility to extend the maturity for an additional 5 years, reaching 11 years from first loan draw-down); and

(c) the financing for the development of a shopping mall (Mall) on Agios Kosmas Marina for an amount of up to €102 million (plus an additional facility of €19 million for financing of VAT costs), with an initial duration of 5 years from first loan draw-down (with the possibility to extend the maturity for an additional 6 years, reaching 11 years from first loan draw-down).

Furthermore, the Company signed on 07.04.2021 an agreement for the update of the "Heads of Terms" for the issuance of two letters of guarantee that among others, refer to the following:

- For the financing of the first five years (Phase A) of the Project, a letter of guarantee for an amount of €175 million will be issued to secure the due performance of the Company's obligations, namely prospective cost overruns and revenue sources shortfall, as provisioned in the agreement with the banks.
- Furthermore, a letter of guarantee will be issued in favor of the Hellenic Republic Asset Development Fund, as provisioned in the relevant Sale and Purchase Agreement. More specifically, the initial amount of the letter of guarantee is €307 million, and constitutes the present value of all anticipated owed payments to the State, using a technical discount rate. The amount of the letter of guarantee is to be calculated annually, on each Transfer of Shares anniversary date, with a maximum amount of €347m.

Furthermore, it is noted that the interest rate of above loan facilities is floating and the relative spreads have been determined according to market terms. Loan facilities will be under Greek Law, and as customary for facilities of this nature (project finance), securities shall be also provided, including, inter alia, mortgages and pledges on surface rights on parts of the estates of HELLINIKON S.A. to be developed, pledge on the shares of the issuer, pledge on part of the Project receivables and revenues, as well as claims from the Agreement dated 14.11.2014. Also, regarding the above-mentioned letter of guarantees, collateral rights are provided, such as, pledge of shares in subsidiaries, pledge in bank accounts, and first or second mortgage on certain assets of the Company or its subsidiaries.

Until the date of the announcement for the results as at 31.12.2020, the transfer of the shares of HELLINIKON SA has not taken place and the Company is finalizing with the above-mentioned counterparties the contractual documentation.

35. Audit and other fees

	GROUP		**COMPANY**	
all amounts in € thousands	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Audit fees	360	346	110	148
Annual Tax Certificate's fees	262	211	36	24
Fees for other assurance services	124	241	116	221
Total	**746**	**797**	**262**	**392**

36. Events after the financial position date

There are no other events after the balance sheet date considered to be material to the financial position of the Company apart from the following:

- At December 31, 2020 the short-term loans refer mainly to the syndicated bond loan of the subsidiary LAMDA Prime Properties SMSA with Alpha Bank amounting to €4.9m which is extended until 31.03.2021, the refinancing was completed at 29.03.2021, duration until 30.06.2027.
- The Company at 07.04.2021 signed with Eurobank SA and Piraeus Bank S.A. an agreement for the update of the basic business terms for the syndicated bank loans to be provided to the Company and/or the Group's subsidiaries for the purposes of financing the Hellinikon Project.
- During 2021, the Company signed contractual agreements for architectural and project management as well as contractors agreements in the amount of €33m for the development of the Hellinikon site.
- In January 2021, the company agreed to acquire the remaining 20% of the shares of the company Singidunum Buildings DOO through its subsidiary LAMDA Development (Netherlands) BV, which was owned by IMO Property Investments AD Beograd. The price for the purchase of the shares amounted to €6.5m and was paid at 16.03.2021. Following the completion of the transfer, the Group is the only shareholder and obtains the control of Singidunum-Buildings DOO.

Use of proceeds from the Share Capital Increase for the period from 17.12.2019 to 31.12.2020

Pursuant to the provisions of paragraph 4.1.2 , the part A' of the decision No25/17.07.2008 of the Athens Stock Exchange BoD and the decision No8/754/14.04.2016 of the Capital Market Commission BoD, it is disclosed that from the share capital increase of the Company by payment in cash and with preemptive rights to the existing shareholders of the Company, acquiring new shares at a ratio of 1,216918965991410 new shares for every one (1) existing share, based on the decision of the Extraordinary General Meeting of shareholders of the Company that took place at 10.10.2019 as was further specified by the resolution of the Company's Board of Directors adopted on 21.11.2019, fund up to €650.000.098,00 were raised, minus the issuance expenses of €10.000.000. From the share capital increase, 97.014.940 new common registered shares of subscription price €6,70 each and nominal value €0,30 each, which following the approval of the Listings and Market Operation Committee – Athex Stock Exchange at 19.12.2019, were listed for trading on the Main Market of the Athens Stock Exchange on 23.12.2019. The Board of Directors held a meeting on 17.12.2019 and certified the payment of the total amount of the share capital increase. Until 31.12.2020 the raised capital, was allocated according to the use as described in the Prospectus which was approved by the BoD of the Capital Market Committee at 25.11.2019, as was amended by the resolution of the Company's Board of Directors adopted on 28.05.2020 in conjunction with the decision of the Annual General Meeting of shareholders of the Company that took place at 24.06.2020, as following:

TIME SCHEDULE FOR THE USE OF PROCEEDS FROM THE SHARE CAPITAL INCREASE

all amounts in € thousands

Allocation of the Capital Proceeds based on the objective of the Informative Bulletin (section 4.1.2 "Reasons for Issuing the CBL and Use of Capital")	ALLOCATION OF RAISED CAPITAL AS PROVIDED FOR IN THE INFORMATIVE BULLETIN	ALLOCATION OF RAISED CAPITAL AS PROVIDED FOR IN THE INFORMATIVE BULLETIN as was amended by the resolution of the Company's Board of Directors adopted on 28.05.2020 (announcement 29.05.2020) in conjunction with the decision of the Annual General Meeting of shareholders of the Company that took place at 24.06.2020 (announcement 26.06.2020)	ALLOCATED CAPITAL USE FROM 17.12.2019 UNTIL 31.12.2019	ALLOCATED CAPITAL USE FROM 01.01.2020 UNTIL 31.12.2020	TOTAL ALLOCATED CAPITAL USE UNTIL 31.12.2020	UNALLOCATED CAPITAL AT 31.12.2020	Note
A. Participation in share capital increase of HELLINIKON GLOBAL I S.A. in order to be used by it to pay as Purchaser of the first two installments of the price as described in the Share Purchase Agreement under the terms and conditions of the Contract and the above Amending Contract, ie an amount of €300m will be used to pay the first installment on the Date of Transfer and amount of €167m will be used to pay the second installment on the second anniversary of the Transfer Date, provided that by then construction permits have been issued for all buildings - landmarks.	467.000	467.000	-	-	-	467.000	
B. Development of two malls in the Property through participation in share capital increase of a company which will be established for this purpose, within 3 years from the completion of the Increase.	133.000	120.607	-	-	-	120.607	
C. Acquisition of participation in the company LAMDA MARINAS INVESTMENTS S.M.S.A (which was previously named LAMDA DOGUS INVESTMENTS S.A.) aiming to increase the participation held and the control of the company LAMDA Flisvos Marina S.A.	-	12.393	-	12.393	12.393	-	2
D. Coverage of working capital needs, within 3 years from the completion of the Share Capital Increase, as well as for the coverage of the bond loan issued by a subsidiary in order to cover the undertaken obligations of the latter.	40.000	40.000	3.070	36.930	40.000	-	1 ,3 ,4
Issuance expenses	10.000	10.000	-	9.280	9.280	720	5
Total	**650.000**	**650.000**	**3.070**	**58.603**	**61.673**	**588.327**	

Notes:

1. Out of the amount of €40.000k which will be used within 3 years from the completion of the share capital increase for the coverage of working capital needs, the amounts that have been allocated are:
   a. For the period from 17.12.2019 up to 31.12.2019, the amount of €3.070k
   b. For the period from 01.01.2020 up to 30.06.2020, the amount of €30.667k
   c. For the period from 01.07.2020 up to 31.12.2020, the amount of €6.263k

2. For the period from 01.01.2020 up to 31.12.2020, the Company paid the amount of €12.393k for the acquisition of participation in the company LAMDA MARINAS INVESTMENTS S.M.S.A (which was previously named LAMDA DOGUS INVESTMENTS S.A.) aiming to increase the participation held and the control of the company LAMDA Flisvos Marina S.A.

3. For the period from 01.01.2020 up to 31.12.2020, the amount of €11.000k was temporarily allocated through a bond loan to the subsidiary company LOV SMSA, in order to cover the undertaken obligations of the latter. The subsidiary LOV SMSA returned the above-mentioned amount to the Company at 30.06.2020.

4. For the period from 01.01.2020 up to 30.06.2020, the amount of €8.000k was temporarily allocated for the partial repayment of the capital of the Company's bond loan and amount of €2.581k for the repayment of interest. This temporary use of proceeds is due to the delay in the incoming funds resulting from the reduction in the share capital of the subsidiary LOV SMSA and has already been settled as the funds were received from the Company within July 2020.

5. The distribution of the unallocated amount from the issuance expenses will be decided at a later stage from the competent bodies of the Company.

6. The remaining unutilized proceeds of the amount of €588.327 were placed either in term deposits or in sight deposits in accordance with the provisions of the information provided by the Informative Bulletin at 31.12.2020.

Use of proceeds from the Issue of a Common Bond Loan for the period from 21.07.2020 to 31.12.2020

At the meeting of the Capital Markets Commission as of 07.07.2020, the Prospectus of 07.07.2020 the Company for the public offer with cash payment and the approval of admission for trading by Athens Exchange up to 320.000 dematerialized, common, bearer bond of a total amount Euro 320.000.000 was approved. Following the completion of the option exercise period, the aforementioned issuance of the common bond loan (hereinafter referred to as "CBL") was fully covered.

The distribution price of the Bonds was defined at Euro 1.000 each, i.e. 100% of its nominal value. The characteristics of this loan are the following: (a) The bond yield is 3.40% and is fixed over the term of the loan, (b) Interest is calculated on six-month basis, (c) The term of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years. Upon the completion of the Public Offer on 17.07.2020, and according to the aggregated allocation reporting generated using the Athens Stock Exchange Electronic Book Building (EBB), a total of 320.000 dematerialized, common, bearer bonds of the Company were issued with nominal value Euro 1,000 each and raised funds of Euro 320.000.000.

The allocation of issued bonds is as follows: 223.000 Bonds (69,7%) of all issued Bonds were allocated to Private Investors and 97.000 Bonds (30,3%) of all issued Bonds were allocated to Special Investors.

On 21.07.2020, the Company's Board of Directors conducted the certification of payment of the capital raised. Following, three hundred twenty thousand (320 k) dematerialized, common, bearer bonds issued were listed for trading on the Fixed Income Securities of the Organized Market of the Athens Exchange with the approval of the Athens Exchange Board of Directors as of 22.07.2020.

In view of the above, it is hereby disclosed that an amount of Euro 312,760k, i.e. an amount of Euro 320.000 in cash raised from the CBL coverage preference and subscription rights holders, less the amount of Euro 7.240,0 k related to issuance expenses, as also incorporated without deviation into the section 4.1.3 “CBL Issuance Expenses” of the Company's Prospectus of 07.07.2020, available as till 31.12.2020 as follows:

Table of allocation of the Capital Proceeds from the issuance of the Common Bond Loan of € 320,000,000					
(amounts in thousand Euro)					
Allocation of the Capital Proceeds based on the objective of the Prospectus (section 4.1.2 "Reasons for Issuing the CBL and Use of Capital")	**Allocation of the Capital Proceeds based on the objective of the Prospectus**	**Capital proceeds for the period from 21.07.2020 to 31.12.2020**	**Total capital proceeds till 31.12.2020**	**Non allocated balance as at 31.12.2020**	**Note**
i) Amount of €81.0 millions for the fully of the syndicated bond loan of the Issuer outstanding balance amounting to € 89.1 million on 31.12.2019.	81.000	81.000	81.000	-	**1**
ii) Amount of €163.0 millions will be available to the subsidiaries of the Issuer within two years, for the implementation of the Hellinikon Project, as follows:					
a) amount of €100 million will be initially allocated to HELLINIKON SA through an intra-group loan with duration up to 2 years. After its repayment, this amount will remain available for the partial coverage of a bank letter of guarantee of €150 million (see the section Basic Business Terms of section 3.10.3 "Loan agreements with credit institutions" of the Prospectus), which expires after the completion of the first phase of construction of the Project, estimated at 5 years. This bank letter of guarantee ensures the fulfillment of the Issuer's obligations for any Project cost overruns, as well as for the coverage of any revenue reduction coming from sales and/or exploitation of assets, which aim to finance the Project budget. Upon expiration of the above guarantee letter, the Issuer will allocate €100 million to the finance the next installments of the Consideration and for investments in the next phases of the Project, ie after five years from the Transfer Date (see the section 3.4.2.1 "Investments for the development of the Property" of the Prospectus) and/or for coverage of the Issuer's working capital in the specific period of time. It is noted that, in case of the collapse of the bank letter of guarantee, the amount of €100 million will be used for the repayment of the equivalent claim of the guarantee letter of the issuing bank.	100.000	-	-	100.000	
b) amount of €63 million will be allocated to Project Implementation Companies within 2 years after the Transfer Date, through direct or indirect participation in share capital increase of these companies. This amount aims to finance the development of a shopping center within the urban area in Vouliagmeni Avenue with estimated gross leasable area of approx. 72,000 sq.m., and the development of a shopping center with estimated building area of approx. 30,000 sq.m. in the land area of the Agios Kosmas marina.	63.000	-	-	63.000	
iii) amount of € 43.8 million will be allocated to cover the working capital needs, interest and financial expenses of the Issuer within 3 years from the Date of Issuance of the CBL.	43.760	18.514	18.514	25.246	**2**
iv) amount of € 25 million will be used for new investments of the Issuer in Greece in the sectors of development and exploitation of real estate such as shopping malls, office buildings and marinas, within 3 years from the Date of Issuance of CBL, through acquisition of shares and/or through participation in share capital increase of other companies operating in the above sectors.	25.000	-	-	25.000	
Common Bond Loan issue expenses	7.240	7.240	7.240	-	
Total	**320.000**	**106.754**	**106.754**	**213.246**	

Notes

1. The amount of €81m was allocated on 24.07.2020 for the repayment of the syndicated bond loan of the Issuer outstanding balance amounting to €89.1m on 31.12.2019.

2. For the period from 21.07.2020 to 31.12.2020, from the amount of €43.8m. which according to the method of disposal was stipulated that it will be allocated within 3 years from the Date of Issuance of the CBL to cover the working capital needs, interest and financial expenses of the Issuer, an amount of €18.5m has been allocated.