LAMPSA HELLENIC HOTELS S.A.

Societe Anonyme Reg. Nr.: 6015/06/B/86/135 GEMI Reg. Nr.: 223101000

Vasileos Georgiou A1, 10654, Athens

ANNUAL FINANCIAL REPORT

For the period ended as at December 31, 2020

According to Article 4 of Law 3556/2007

LAMPSA HELLENIC HOTELS S.A.

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A. Representations of the Members of the Board of Directors

(under Article 4, par. 2, Law 3556/2007)

We hereby certify that as far as we know:

a) The attached annual separate and consolidated Financial Statements of “LAMPSA HELLENIC HOTELS S.A.” for the FY 1/1/2020 – 31/12/2020 prepared according to the effective International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Company as well as of the consolidated companies as a total.

b) The annual management report of the Board of Directors presents in a true and fair view the development, the performance and the financial position of the Company, as well as the companies consolidated as a total, including the description of the main risks and uncertainties they face.

Athens, April 30, 2021

The designees,

PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	MEMBER OF THE BOARD OF DIRECTORS
GEORGE GALANAKIS ID NUM. Ξ 282324	ANASTASIOS HOMENIDIS ID NUM. AI 506406	FILIPPOS SPYROPOULOS ID NUM. AK 121283

B. Independent Auditor's Report

To the shareholders of "LAMPSA HELLENIC HOTELS S.A."

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of the company "LAMPSA HELLENIC HOTELS S.A." (the Company), which comprise the separate and consolidated balance sheet as at December 31st, 2020, the separate and consolidated income statements and statements of comprehensive income, changes in equity and cash flows for the year then ended, as well as a summary of significant accounting policies and methods and other explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries (the Group) as of December 31st, 2020, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as they have been transposed in Greek Legislation. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the separate and consolidated financial statements" section of our report. During our audit, we remained independent of the Company and the Group within the entire course of our appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as transposed in Greek legislation and the ethical requirements relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 5.27 to the separate and consolidated financial statements which describes the matter related to the existence of pending court cases of a Company's subsidiary totalling Euro 1.1 million, the final outcome of which cannot be estimated at present. Our opinion is not qualified in relation to this matter.

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 the consolidated financial statements of the current period. These matters and the related risks of material uncertainty were addressed in the context of our audit of the separate and the 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 Matters	How our audit addressed key audit matter
Effects of COVID-19 pandemic on liquidity, working capital adequacy and going concern (on separate and consolidated basis)	
The hotel segment, within which the Group operates, is one those most adversely affected by the global spread of COVID-19 health crisis. The outbreak of COVID-19 and the restrictions adopted by the government and globally will have negative effects on the operating results and cash flows of the Company and the Group. As at 31st December 2020, the Company and the Group had negative working capital, as current liabilities exceed current assets by € 7,606 k and €1,943 k respectively. It is to be noted that the Company's current liabilities include credit lines amounting to 10,900 k (the Group: €11,440) and short-term instalments of bond loans amounting to € 5,585 k (the Group: €5,585), of which, for an amount of € 4,050 k, in 2021 the Company received approval for extension until 2029 from the Bondholders Debtors. Finally, short-term contractual liabilities amounting to € 4,066 k (the Group: €4,194) pertain to prepayments for reservations of 2021. In the context of the broader business planning of the Company and the Group and its going concern evaluation, the Management has prepared a business plan and working capital for the years 2021 to 2025, projected cash flows for the next 12 months, which depend on significant judgments and estimates. We have recognized the effects of the COVID-19 pandemic as one of the key audit matters due to the complexity of the required calculations, the significance of the assumptions and estimates of Management in determining projected cash flows, liquidity and the working capital adequacy and the effect of these estimates on the assessment of the going concern accounting principle. The disclosures of the Management regarding the going concern principle and the effects of Covid-19 are analytically reported in Note 6.5 and in section C. Risks & Uncertainties of the Board of Directors Report.	Our audit approach included among others the following procedures: • We received and evaluated the estimates of the Management regarding the use of assumption of going concern and the absence of material uncertainty therein, which - among other things - was based on estimates of the Company's and the Group's available liquidity based on the 5-year business plan and the provisions for cash flows in the next 12 months. • We assessed the adjustments to the business plan and cash flows based on the estimates of the Management for the impact of Covid-19 on the course of Company's and Group's operations. • We discussed with the Management the estimated impact of COVID-19 pandemic on the hotel segment within the following months in combination with the vaccination rollout, the relevant effects on the financial position, liquidity and the working capital of the Company and the Group. We also discussed the key assumptions adopted in preparing the business plan and cash flows and evaluated alternative sources of funding in the event of a lack of liquidity to meet the liabilities. • We examined the mathematical accuracy of business plan and cash flow models and the completeness and consistency of the business model as well as the generation of cash flows and their separate items. • Regarding the above procedures, and when deemed necessary, we used Grant Thornton expert specialized in preparation and evaluation of financial models of future cash flows.

- We examined the available communication and the relevant approvals received from the cooperating financial institutions regarding instalment payment extensions.
- We received confirmation from the representative of the Bond Lenders that they agree to the exception of measuring the financial ratios for 31.12.2020 due to the effects of the pandemic.
- We received the relative Support Letters from two major shareholders.
- We assessed the adequacy of the disclosures in the accompanying financial statements for the application Company's and the Group's going concern accounting principle and the absence of material uncertainty in respect of this matter.

Assessment of Goodwill impairment (on consolidated basis), privately owned hotels (on separate and consolidated basis) and right-of-use hotels (on consolidated basis) and investments in subsidiaries (on separate basis)

Goodwill amounting to € 3,475 k, arising from the acquisition of 50% of the share capital of the company "TOURISTIKA THERETRA S.A." (Sheraton Rhodes Hotel) is tested for impairment on an annual basis or more often, if there is evidence indicating their potential impairment.

Moreover, as at 31st December 2020, in the separate and consolidated financial statements the account "Property, plant and equipment" includes the privately owned hotels at unamortized amount of € 139,801 k and € 208,190 k for the Company and the Group, respectively, in the consolidated financial statements, in the account "Right-of-use property, plant and equipment with right of use," a right-of-use hotel of the Group at unamortized amount of € 23,508 k depreciated at the time of effective right-of-use and the account "Investments in subsidiaries" for the Company includes investments amounting to € 27,865 k measured at acquisition cost. Regarding the aforementioned, at every balance sheet date, the Company assesses if there is evidence indicating their potential impairment.

As a result of the effects of the COVID-19 pandemic, the Management estimates that there

Our audit approach included among others the following procedures:

- We assessed the appropriateness of the management's methodology and key assumptions and estimates applied for defining the recoverable amount of CGU.
- We evaluated the reliability of the management's projections used under the preparation of the business plans.
- Regarding the above procedures, and when deemed necessary, we used Grant Thornton expert specialized in preparation and evaluation of financial models of future cash flows.
- We reviewed mathematical accuracy of the discounted cash flows models.
- We assessed whether Goodwill impairment of other assets arises in relation to the defined value.
- We evaluated the adequacy of the financial statement disclosures regarding the aforementioned matter.

is evidence indicating impairment of the aforementioned assets. Therefore, the Management measured their recoverable amount, taking into account their value in use and, thus, assessing the need to recognize any impairment loss. The evaluation procedure for impairment of privately owned and right-of-use hotels, the goodwill and value of investments in subsidiaries as well as the measurement of their recoverable amount, takes into account judgments, estimates and assumptions, including, month others, those of future cash flows, future turnover growth rates and cash flows discount rate using estimates of future results for a period of five years (2021 - 2025) as a basis for judgments, estimates and assumptions in the remaining period of rights-of-use assets or during their useful life on a case by case basis.

We have recognized the evaluation procedure for the existence of Goodwill impairment of privately owned and right-of-use hotels, investments in subsidiaries as well as the measurement of their recoverable value as one of the key audit maters due to the amount and nature of these accounts, in combination with the uncertainties included in the Management's judgments, estimates and assumptions, in particular, in view of the impact of the COVID-19 pandemic, under this procedure.
The Company's and the Group's disclosures, regarding the accounting policy, the judgments, estimates and assumptions used in the impairment test of the aforementioned assets of the Company and the Group are included in Notes 2.2, 3.10, 5.2, 5.4, 5.5 to the separate and consolidated financial statements.

Other information

Management is responsible for the other information. The other information is included in the Board of Directors' Report, as referred to the "Report on other Legal and Regulatory Requirements" section, in the Representations of the Members of the Board of Directors, but does not include the financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the procedures performed, we conclude that there is a material misstatement therein, we are required to communicate that matter. We have nothing to report in this respect.

Responsibilities of Management and Those Charged with Governance for the separate and consolidated Financial Statements.

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Audit Committee (art. 44 of Law 4449/2017) of the Company is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the separate and consolidated Financial Statements

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

As part of an audit in accordance with ISAs as they have been transposed in Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report which also includes the Corporate Governance Statement, according to the provisions of paragraph 5 of article 2 (part B) of Law 4336/2015, we note the following:

a) The Board of Directors' Report includes the Corporate Governance Statement which provides the information required by Article 152, Law 4548/2018.

b) In our opinion, the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of articles 150-151 and 153-154 and of paragraph 1 (cases c' and d') of article 152 of Law 4548/2018 and its content is consistent with the accompanying separate and consolidated financial statements for the year ended 31.12.2020.

c) Based on the knowledge we obtained during our audit about the Company LAMPSA HELLENIC HOTELS S.A. and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

2. Additional Report to the Audit Committee

Our audit opinion on the separate and the consolidated financial statements is consistent with the Additional Report to the Audit Committee referred to in article 11 of EU Regulation 537/2014.

3. Provision of Non-Audit Services

We have not provided to the Company and its subsidiaries prohibited non-audit services referred to in article 5 of EU Regulation No 537/2014.

Authorized non-audit services provided by us to the Company and its subsidiaries during the year ended as at December 31, 2020 are disclosed in Note 5.20 to the accompanying separate and consolidated financial statements.

4. Auditor's Appointment

We were appointed as statutory auditors for the first time by the General Meeting of shareholders of the Company on 25/06/2004. Our appointment has been, since then, uninterrupted renewed by the Annual General Meeting of shareholders of the Company for 16 consecutive years.

Athens, 30 April 2021
The Certified Public Accountant

Thanasis Xynas
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Registry Number SOEL 127

C. Annual Report of the Board of Directors

of the Company
«LAMPSA HELLENIC HOTELS S.A.»
on the consolidated and corporate Financial Statements
for the year January 1st to December 31st 2020

Dear Shareholders,

The current Annual Report of the Board of Directors pertains to the closing year from 1/1/2020 to 31/12/2020 and has been prepared in accordance with the provisions of CL 2190/1920 Article 43a paragraph 3, Article 107 paragraph 3 and Article 136 paragraph 2, and the provisions of Law 3556/2007, Article 4, paragraphs 2 (c), 6, 7 & 8 and the decision of the Hellenic Capital Market Commission 7/448/11.10.2007, Article 2, and the Company's Articles of Association. The current report includes the audited separate and consolidated financial statements, the notes to the financial statements and the Independent Auditor's Report. The current report summarized information on the Group and the Company "LAMPSA HELLENIC HOTELS S.A.", financial data aimed at providing general information to the shareholders and the investing public about the financial performance and the results, the overall course of development and the changes made during the closing year (01.01.2020 - 31.12.2020), significant events that took place and their impact on the financial statements of the same year. It also describes the main risks and uncertainties that the Group and the Company may face in the future, as well as significant transactions between the Issuer and its related parties.

The current report accompanies the annual financial statements (01/01/2020 - 31/12/2020) and is included together with the full text of the representations of the BoD members. Given that the Company also prepares consolidated financial statements, this report is unified, with the principal point of reference of the consolidated financial statements and with reference to corporate financial data of "LAMPSA HELLENIC HOTELS S.A.", only where appropriate or necessary for better understanding its contents.

The Report presents in a brief but effective way all the necessary significant units, based on the above legislative framework and records, and reflects, in a true and fair manner, all the relevant information, required by legislation, in order to provide essential and thorough information about the operations within the aforementioned period of "LAMPSA HELLENIC HOTELS S.A." (hereinafter "The Company") as well as the Group.

A. Financial Developments and Data on the course of the reporting year

Financial Information

In the first two months of the year the Group started with positive growth rates, but from the beginning of March the rapid spread of coronavirus COVID-19 in Europe began to significantly reduce travel behavior worldwide.

In March 2020, the World Health Organization (WHO) declared the coronavirus COVID-19 a pandemic, whose rapid spread has adversely affected business and economic activity around the world and has caused suspension or slowdown of activities in significant sectors of the economy.

The Group mainly operates in the hotel segment, affected since the beginning of March by the unprecedented crisis, which in the first months of the year arose from the significant reduction of travel and quickly deteriorated with the rapid spread of the virus, the occurrence of cases in the country and finally with the imposition of the suspension of operation of three hotels of the Group in Greece. The Group's Management has been timely monitoring all the developments and is in constant communication with the hotels' association, the Hotel Chamber and all the competent bodies, as well as with the special unit of the management company, for any action deemed necessary regarding the measures imposed in order to protect the health of employees and the public, At the same time, the Management records the risks and evaluates the impact of the COVID-19 pandemic at each stage, on the results and future cash flows of the Group and takes measures based on adequacy of its liquidity, ensuring the Group's going concern.

In their effort to reduce the spread of the pandemic, the countries worldwide apply a series of restrictive measures, including the suspension of hotels operation, which has a direct impact on the Group's operations.

Thereafter, as analytically described in the COVID-19 section, a global package of measures was imposed in order to address the spread of the pandemic, whose impact immediately affected the Group, following the suspension of hotels operation in Greece and almost zero hotel traffic in Serbia, while a large number of cancellations were made for future periods.

It is worth noting that the Group's Management decided to continue the investment of the subsidiary Kriezotou S.A. during the pandemic, and, as a result, the hotel "Athens Capital" opened its gates in September 2020. The investment amounted to € 27.4 million, of which € 16 million plus VAT was paid during the year. Its operation ceased on November 6, 2020 after the imposition of restrictive measures by the government. In addition, the Company started the implementation of an investment renovation plan in the group hotels (including the exterior side of the King George Hotel), which is expected to amount to 4 million.

Suspension of hotels: Specifically, the operation of Grande Bretagne and King George Hotels was suspended by government order from 22 March 2020. The Grande Bretagne Hotel reopened on 15 July 2020, while the King George Hotel remained closed until the end of 2020. The Sheraton Rhodes (seasonal) Hotel opened for the summer season on 28 July 2020 and was open until 31 October 2020. The company's hotels in Serbia ("Hyatt Regency Belgrade" and "Excelsior Mercure Belgrade") continued to operate, however, they operated with almost zero turnover, and a corresponding operating loss, which was mitigated due to the extremely low cost of wages and local government incentives.

The restriction on the Group's operations is reflected in the financial sizes of the luxury hotel market in Athens and consequently of the Group's operations during 2020.

Conference tourism has also been adversely affected by the restrictions on large gatherings. Moreover, the cruises that also made contribution to hotels operations, have been virtually nullified.

The room occupancy in Athens luxury hotels market decreased by 40.1% compared to the corresponding period of 2019, bringing the rate to 41.5% (for the period before their suspension) compared to 69.3% in 2019. The average hotel room rate decreased by 18.5% compared to 2019, reaching € 137.94 compared to € 169.31 in 2019. As a result, revenue per available room decreased in Athens luxury hotels by 51.2% (€ 57.20 against € 117.29 in 2019) and respectively the total room revenues decreased by 75.9%.

The "Grande Bretagne" Hotel presented decrease in sales by 75.25% compared to the corresponding period last year 2019, while "King George" Hotel presented a decrease in sales by 75.02%. "Sheraton Rhodes Hotel" did not open during the first half of 2020. Regarding the Group Hotels in Serbia, "Hyatt Regency Belgrade" decreased by 55.11% and "Mercure Excelsior" decreased by 69,56%. The data regarding the Group Hotels are as follows:

	Results for 31-12-2020					
	Grand Bretagne	**King George**	**Hyatt Belgrade**	**Athens Capital**	**Sheraton Rhodes**	**Excelsior**
Revenue per available room	66,84	103,15	21,20	32,39	38,62	10,64
Hotel occupancy rate	22,59%	45,38%	23,10%	19,55%	40,15%	21,92%
Average hotel room price	295,94	227,29	94,80	165,66	96,18	48,21

Results for 31-12-2019

	Grand Bretagne	King George	Hyatt Belgrade	Athens Capital	Sheraton Rhodes	Excelsior
Revenue per available room	244,50	220,47	66,17	-	84,92	40,00
Hotel occupancy rate	72,30%	70,00%	65,50%	-	71,35%	65,00%
Average hotel room price	338,19	315,14	101,00	-	119,03	56,00

On the basis of the aforementioned, the most significant items of the Financial Statements changed as follows:

- The Group's **turnover** amounted to € 17,735 k compared to € 77,815 k in 2019, recording a decrease by 77.21%. In the parent Company respectively ("Grande Bretagne", King George and Sheraton Rhodes Resort Hotels), it amounted to € 12,789 k versus € 65,075 k in 2019, ie reduced by 80.35% due to the effects of the Covid-19 pandemic on revenue of hotel units. King George's participation amounted to € 1.2 million, compared to € 11.2 million in 2019.

- Consolidated **gross loss** amounted to € 7,781 k versus profit € 32,790 k in 2019, recording a decrease by 123.73%, while the gross loss margin stood at -43.88% in 2020 versus profit 42.14 % in 2019. Gross loss of the parent Company amounted to € 4,450 k versus profit € 29,069 k in 2019, recording a decrease by approximately -115.31%. The Company's gross loss margin amounted to -34.80% in 2020 versus profit 44.67% in the previous year. This decrease is due to the impact of the Covid-19 pandemic on hotel revenue.

- **Group's operating profit / (loss) (before tax, interest, depreciation and amortization-EBITDA)** amounted to (€ 5,194) k compared to € 23,085 k in 2019, recording a decrease by -122.50%. In the parent Company, it amounted to (€ 3,706) k against € 19,649 k in 2019 recording a decrease by -118.86% which is due to the effects of the pandemic of Covid-19 on the hotel units operations.

- **Impairment loss / gains of participations from reversal of impairment of participations** of the Parent Company include extraordinary and non-recurring impairment losses on investments in subsidiaries amounting to € 2,040 k against income from reversal of impairment amounting to € 2,050 k in the previous year as a result of Covid-19 pandemic extraordinary conditions.

- **Results (Loss) from impairment of fixed assets** include extraordinary and non-recurring impairment losses on property, plant and equipment of private hotels amounting to € 1,877 k as a result of the Covid-19 pandemic extraordinary conditions.

- As a result of the pandemic effects, the Group's **Profit or Loss before tax** amounted to loss of € 20,993 k versus profit of € 10,700 in 2019. The Company's loss before tax amounted to € 15,940 k versus profit of € 11,749 k in 2019.

- As a consequence of the aforementioned, the Group's **net results (after tax and before non-controlling interests)** amounted to loss of € 16,494 k versus profit of € 6,931 k in 2019 while the Company's net results amounted to loss of € 12,778 k against profit of € 8,166 k in 2019.

The current period includes the following companies:

Company	Func. Currency	Domicile	Participating interest %	Equity shares	Consolidation Method	Participation
LAMPSA HELLENIC HOTELS S.A..	€	GREECE	Parent			
KRIEZOTOU TOURISTIKI SINGLE MEMBER S.A.	€	GREECE	100,00%		Full	Direct
LUELLA ENTERPRISES LTD	€	CYPRUS	100,00%		Full	Direct
BEOGRADSKO MESOVITO PREDUZECE	€	SERBIA	94,60%	5,4%	Full	Indirect
EXCELSIOR BELGRADE SOCIATE OWNED	€	SERBIA	100,00%		Full	Indirect
MARKELIA ENTERPRISES COMPANY LTD	€	CYPRUS	100,00%		Full	Indirect

Value creation and performance measurement factors

The Group evaluates results and performance on a monthly basis, timely and effectively identifying deviations from the objectives and taking corrective measures. The Group's performance is measured using the following international financial performance indicators:

-EBITDA (Operating Earnings Before Interest, Taxes, Depreciation & Amortization): The Group defines “Group EDITDA” sizes as profit / (loss) before taxes adjusted for financial and investment result purposes, in respect of total depreciation and amortization (tangible and intangible fixed assets) as well as the effects of special factors, such as share in operating results of associates when they are active in one of the Business Segments and the effects of write-offs made under transactions conducted with the aforementioned associates.

- ROCE (Return on Capital Employed): The index divides the earnings before interest and taxes to total capital employed of the Group which is the sum of equity, total loans and long-term provisions.

- ROE (Return on Equity): The index divides the profit after tax attributable to equity holders of the parent by the equity attributable to shareholders of the parent.

The above indicators for 2020 compared to 2019 were as follows:

	2020	2019
EBITDA	-5.194	23.085
ROCE	-5,98%	5,95%
ROE	-19,39%	6,81%

B. Significant Events

SIGNIFICANT EVENTS DURING THE FISCAL YEAR 2020

In January 2020, the sale of 100% of the shares of the owner company of the hotel "Excelsior AD Beograd" (63,859 shares) was completed, through a Stock Exchange in Serbia, where it is listed, by "Lampsa Hellenic Hotels S.A." to the Serbian company "BMP AD NOVI BEOGRAD", 100% subsidiary of Lampsa S.A. and owner of the hotel "Hyatt Regency Belgrade", against the consideration of 10,347 Serbian dinars per share, i.e. a total consideration of approximately € 5,621 k. The value of the transaction arose from the assessment of an independent appraiser, as required by the relevant legislation and the regulations of the local Capital Market Commission.

In the first two months of the year the Group started with positive growth rates, but from the beginning of March the rapid spread of coronavirus COVID-19 in Europe began to significantly reduce travel behavior worldwide. In March 2020, the World Health Organization (WHO) declared the coronavirus COVID-19 a pandemic, whose rapid spread has adversely affected business and economic activity around the world and has caused the suspension or slowdown of activities in significant sectors of the economy. Further analysis on the effects of the COVID-19 is presented in section “C. Risks and Uncertainties”.

Athens Capital Hotel - MGallery at the junction of Panepistimiou and Kriezotou streets, in Syntagma Square, opened on September 1, 2020. Lampsa's investment reached 25.6 million Euro. The five-star hotel has 158 rooms, 18 suites and a Presidential Suite. It operates under the brand of Accor MGallery Collection, presenting the refined aesthetics of MGallery hotels in the heart of Athens.

Finally, the Annual Regular General Meeting of the Company's shareholders, held on 02/09/2020, which was legally attended by shareholders representing 15,832,359 of common nominal shares of a total of (21,364,000) common nominal shares of the Company, ie approximately 74.11%, unanimously decided on the following items on the agenda:

(1) regarding the first issue, the shareholders approved the annual financial statements of LAMPSA SA (Separate and Consolidated) as well as the Annual Financial Report of the Board of Directors for the year 2019 (01.01.2019 - 31.12.2019), following the disclosure of the Independent Auditor’s Report on the annual financial statements of 31 December 2019 (separate and consolidated), including non-distribution of dividend in order to enhance the Company’s liquidity.

(2) regarding the second issue, the meeting approved the Company's overall management, in accordance with Article 108 of Law 4548/2018, as effective, and the Meeting discharged the Company's Certified Auditors of any liability for compensation for the management of corporate affairs for the year 01.01.2019 to 31.12.2019.

(3) regarding the third issue, for the audit of the annual and interim financial statements of the Company for the fiscal year 2019, following the Audit Committee recommendation, the shareholders elected GRANT THORNTON S.A., which will appoint Statutory and Substitute Auditors for the audit of annual and interim financial statements of the Company for FY from 1.1.2020 to 31.12.2020 and decided that their remuneration will be determined on the basis of the relevant provisions as effective at the time regarding Statutory Auditors, in accordance with the applicable legislation.

(4) regarding the fourth issue, the Chairman of the General Meeting informed the shareholders that, following the last decision of the Regular General Meeting on pre-approval and payment amounting to 18,000 Euro (total cost/gross) as remuneration for the year 2019 to the executive member of the Board of Directors, Mr. Anastasios Homenidis, the payment of the amount of 18,000 Euro has been approved as remuneration for the year 2019 to the above member as well as the pre-approval of a fee of 18,000 Euro (total cost/gross) as a fee to the member of the Board of Directors Mr. Anastasios Homenidis for the FY from 1.1.2020 to 31.12.2020.

(5) regarding the fifth issue, the Chairman of the Audit Committee informed the shareholders about the activities of the Audit Committee for the fiscal year 2019 on the basis of its responsibilities, such as the actions taken for the sound implementation of the responsibilities regarding (i) monitoring the statutory audit procedure and informing the Board of Directors of the outcome of the statutory audit and recommending election of external auditors for the new year; (ii) contributing to integrity of financial information; (iii) evaluating the systems; and the internal audit service, etc., from which arises the essential contribution and assistance of the Audit Committee in the compliance of the Company with the provisions of the applicable regulatory framework. This report includes a description of the Company's sustainable development policy.

The Report on Activities was prepared in accordance with the provisions of Article 44 par. 1 case (i) of Law 4449/2017, as amended by Law 4706/2020. The full text of this Annual Report on Activities of the Company Audit Committee is available on the Company's website (https://www.lampsa.gr).

(6) regarding the sixth issue, following the Company's BoD recommendation, the General Meeting approved payment of remuneration to the members of the Audit Committee for their services in the year 2019, as follows:

- an amount of €5.000 to the Chairman of the Audit Committee Athanasios Bournazos,
- an amount of €5.000 to the member of the Audit committee Konstantinos Vasileiadis,
- no payment to the member of the Audit committee Filippos Spyropoulos.

(7) regarding the seventh issue, the General Meeting approved the Company's Remuneration Report which includes a comprehensive review of the total remuneration received by the members of the Board of Directors for the year 2019 in accordance with the specific provisions of Article 112 of Law 4548/2018. Moreover, it was clarified that the vote of the Shareholders on the above Remuneration Report is advisory in accordance with Article 112 par. 3 Law 4548/2018.

(8) regarding the eighth issue, the General Meeting decided, in accordance with the provisions of Article 44 of Law 4449/2017, the election of a three-member Audit Committee, which will be an independent committee and will consist of one (1) independent non-executive member of the Board of Directors and two (2) third parties, non-members of the Board of Directors), (independently within the meaning of Article

9 par. 1 & 2 of Law 4706/2020) with two (2) years term of office, with the possibility of extension no later than the next Regular General Meeting and in any case within the same calendar year, and Chairman appointed by the members of the new Audit Committee at its constituent meeting and will be independent from the Company, within the meaning of Article 9 par. 1 & 2 of Law 4706/2020, in accordance with the provisions of par. 1 per (e) of Article 44 of Law 4449/2017.

The General Meeting elected new members of their Audit Committee:

1. Konstantinos Vassiliadis father's name Vassilios, independent within the meaning of Article 9 par. 1 & 2 of Law 4706/2020.

2. Filippos Spyropoulos father's name Konstantinos, existing independent non-executive member of the Board, independent member within the meaning of Article 9 par. 1 & 2 of Law 4706/2020.

3. Athanasios Bournazos father's name Mathaios, independent within the meaning of Article 9 par. 1 & 2 of Law 4706/2020.

It is to be noted that all members of the Audit Committee have sufficient knowledge in the segment in which the Company operates while Mr. Bournazos and Mr. Vassiliadis have proven sufficient knowledge and experience in auditing and accounting (international standards). Furthermore, following the verification made by the Board of Directors of the Company, all the candidate members of the new Audit Committee are independent within the meaning of Article 9 par. 1 & 2 of Law 4706/2020.

Furthermore, the General Meeting decided to update the existing codes and operating regulations of the Company and to prepare new regulations, to the extent required for the sound and smooth operation of the Company, authorizing the Board of Directors to take all necessary actions for the implementation of this Decision.

(9) regarding the ninth issue, various notifications, information was provided on the progress of the Company and the challenges in the segment of Tourism in general but also within the framework of the special conditions prevailing due to Covid-19, and the actions, the Company has implemented to address them.

(8) regarding the eighth issue, upon the recommendation of the Company's Board of Directors, the General Meeting approved the payment of remuneration to the members of the Audit Committee for their services in the year 2018, as follows:

- an amount of €7.930 to the Chairman of the Audit Committee Athanasios Bournazos,

- an amount of €7.770 to the member of the Audit committee Konstantinos Vasileiadis,

- no payment to the member of the Audit committee Filippos Spyropoulos.

(9) regarding the ninth issue, the Chairman of the General Meeting informed the shareholders about the preparation of the Rules of Procedure of the Company's Audit Committee and the updating of the Company's Rules of Procedure and the Corporate Governance Code.

(10) regarding the tenth issue, various announcements, information was provided on the progress of the Company and the challenges in the Tourism segment.

POST REPORTING PERIOD SIGNIFICANT EVENTS

Apart from the above, there are no other events subsequent to the Financial Statements, which concern either the Group or the Company, to which reference is required by the International Financial Reporting Standards.

C. Risks & Uncertainties

Risk of coronavirus COVID -19 pandemic - effects – prevention measures

The Group started the first two months of the year with positive growth rates, but from the beginning of March, the rapid spread of the COVID-19 in Europe began to significantly reduce travel behavior worldwide. Subsequently, a global package of measures was imposed to address the spread of the pandemic, whose impact immediately affected the Group, as there was a suspension of hotels operation in Greece and almost zero hotel traffic in Serbia, while a large number of reservation cancellations were made for future periods.

Restrictions on the Group's operations have further adverse effect on the Group's financial sizes:

• The Management estimates that during 2020, the Group lost revenue of € 60 million and the Company of € 53 million. For 2021, an increase in sizes is expected, but it is estimated to be decreased by approximately 60% compared to 2019 when the Group recorded the peak of its turnover.

• Financial structure – liquidity :

The effects of the pandemic are expected to be significant for the Group resulting in generation of losses in 2021, however the Company's capital adequacy is expected to remain strong. In addition, a direct impact of the aforementioned shrinkage of the Group's turnover is the restriction on its liquidity. In order to endure the Group's going concern, the Group Management secured an additional liquidity of 18 million through borrowing with the guarantee of the European Development Bank.

• COVID-19 outbreaks, mutations, inability to address the crisis or ongoing imposition of restrictive measures on travel may continue to adversely affect the Group,

The pandemic is expected to change the behavior of both corporate and private clients and a decline in event revenue and catering is expected.

• Impairment of non-current assets (including goodwill):

Due to the impact of the pandemic on the global economy, in our country and consequently on the financial performance of the Group, during the conduct of the impairment test of the Group assets (privately owned hotels, right-of-use hotels, goodwill) and the Company (participations), decreased values in use have arisen, on case basis, whose impairment burdened the income statement and the financial position of the Group and the Company. The consolidated results of 2020 have been burdened with impairment of € 1,877 k (€ 1,596 k after tax), while the results of the Parent Company have been burdened with impairment of € 2,040 k (€ 1,550 k after tax).

These impairments are extraordinary and reflect the results of the pandemic period as well as the period required for the return to the pre-COVID-19 time. As all the impairments exclusively pertain to the effects of the Covid - 19 pandemic, the Management estimates that - with the return to normalcy - the Group's and the Company's non-current assets will regain their value.

The Management's actions to address the effects of Covid-19 and ensure the Group's going concern.

On the basis of the aforementioned procedure of assessment and identification of risk areas and always with the aim of ensuring the health of employees and customers, protection of public health in view of the hotels reopening as well as the Group's going concern, the Management took the following actions:

• Expenditure of approximately € 500 k on equipment and facilities, required for the hotels reopening, applying all the necessary hygiene protocols for customers and staff.

• The Management of the parent company secured a certificate from the representative of the Bondholding Creditors for their consent to the exception of the measurement of the financial ratios as of 31.12.2020 due to the effects of the pandemic.

• The company agreed with lending banks for the transfer of payments of € 7,950 k to the maturity of the loans, of which an amount of € 5,250 k was to be paid within the next 12 months.

• Due to LAMPSA Group solvency, the Management has already received new loans amounting to € 25 m for the Group and € 18 m for the parent company, through the business support program "Guarantee Fund for granting guarantees on new loans to companies affected by COVID 19 through the Hellenic Development Bank (HDB).

• The company participates in the labor subsidy programs for employees implemented by the government (suspension, "Syn-ergasia", etc.). This way achieves a reduction in wage costs for the period, when the hotels are closed or operating at low occupancy. Moreover, to facilitate further savings, fixed-term employee contracts expiring in the near future are not expected to be renewed. Finally, synergies are expected between the Group's hotels, with staff lending, for more cost-effective management. Following the implementation of the aforementioned actions, the company in 2020 managed to reduce its payroll costs by approximately € 9.2 m or 58% compared to the payroll costs in 2019.

• Finally, the company has dispatched credit vouchers, amounting to approximately € 450 k, to customers who have prepaid their future reservation, in order to avoid immediate outflow of money by repaying advances, while for the remaining advances it has already signed agreements to postpone scheduled visits.

Financial Risk Factors

The Group is exposed to financial risks such as changes in exchange rates, interest rates, credit risk, liquidity risk and fair value interest rate risk. The overall risk management of the Group focuses on unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Risk management is carried out by the central cash available management service, which identifies and evaluates financial risks in cooperation with the services that face these risks. Prior to the relevant transactions it is taken acceptance by officers with the right to bind the Company to its counterparties.

Currency Risk

The Group operates in Greece, Cyprus and Serbia and its functional currency is Euro. However, there is a certain limited exposure to currency translation risk regarding US Dollar, mainly arising from loan and other liabilities in Dollars. The exchange rate risk of this kind arises from the rate of these currencies against Euro, partially offset by corresponding liabilities (e.g. loans) of the same currency.

Financial assets and liabilities in foreign currency converted into Euro at the closing rate are as follows:

	2020	**2019**
Amounts in thousand		
Nominal amounts	**US$**	**US$**
Financial assets	28	173
Financial liabilities	1.658	935
Short-term exposure	**1.630**	**762**
Financial assets		
Financial liabilities	-	1.642
Long-term exposure	**-**	**1.642**
Total	**1.630**	**2.404**

The following tables show the sensitivity of the result for the financial year as well as the equity in relation to financial assets and financial liabilities and Euro/Dollar exchange rate.

We assume a change of 4.88% in as 31 December 2020 exchange rate of EUR / USD (2019: 2.25%). These percentages were based on the average market volatility in exchange rates for a period of 3 months from the end of each year (31/12).

In case € increases compared to the above currency, with the percentages mentioned above, the impact on the income statement for the year and equity will be as follows:

Amounts in thousand	2020	2019
	US$	US$
Income statement before tax	71	56
Equity	54	43

In case € decreases compared to the above currency, with the percentage mentioned above, the impact on the income statement for the year and equity will be as follows:

Amounts in thousand	2020	2019
	US$	US$
Income statement before tax	(64)	(54)
Equity	(49)	(41)

The exposure of the Group to foreign exchange risk varies during the year depending on the volume of transactions in foreign currency. However, the above analysis is considered representative of the Group's exposure to currency risk.

Credit Risk

The majority of the Group's sales are performed through credit cards, the credit sales though are made to customers with evaluated credit history.

The Group's exposure to credit risk is limited to financial assets (instruments) which at the Balance Sheet date are analyzed as follows:

Amounts in thousand €	THE GROUP		THE COMPANY	
Financial assets categories	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Cash and cash equivalent	24.215	25.885	20.856	11.253
Trade and other receivables	5.972	6.365	1.325	5.066
Total	**30.187**	**32.250**	**22.181**	**16.319**

Regarding trade and other receivables, the Group is not exposed to significant credit risk. Credit risk for receivables realizable as well as other short-term financial assets is considered limited.

The Group's Management considers that all the aforementioned financial assets that have not been impaired at the date of preparation of the financial statements are of high credit quality, including those due.

None of the Group's financial assets has been secured by a mortgage or other form of credit insurance.

Liquidity Risk

The Group manages its liquidity needs by carefully monitoring both the long-term financial liabilities as well as the payments made on a daily basis. Liquidity needs are monitored in various time zones, on a daily and weekly basis as well as in a rolling period of 30 days. Liquidity needs for the next 12 months are determined monthly.

Liquidity risk is kept at low levels by maintaining sufficient cash and credit lines.

Maturity of the Group and the Company liabilities settled on cash basis is as follows:

GROUP	31/12/2020			
Amounts in thousand €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**over 5 years**
Bank debt	540	10.900	1.756	-
Bond loan	2.635	2.950	39.801	80.244
Finance lease liabilities	85	85	1.016	22.549
Other long-term liabilities	-	-	1.137	154
Trade liabilities	2.928	-	-	-
Other short-term liabilities	9.160	-	-	-
Total	**15.348**	**13.935**	**43.711**	**102.948**

GROUP	31/12/2019			
Amounts in thousand €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**over 5 years**
Bank debt	544	5.700	2.160	-
Bond loan	1.877	3.039	41.994	54.512
Finance lease liabilities	32	32	791	22.563
Other long-term liabilities	-	-	1.726	20
Trade liabilities	3.203	1.770	-	-
Other short-term liabilities	9.234	-	-	-
Total	**14.891**	**10.541**	**46.672**	**77.096**

COMPANY	31/12/2020			
Amounts in thousand €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**over 5 years**
Bank debt		10.900		
Bond loan	2.635	2.950	32.800	80.244
Finance lease liabilities	21	21	(0)	-
Other long-term liabilities	-		1.118	154
Trade liabilities	2.166		-	-
Other short-term liabilities	8.023	-	-	-
Total	**12.846**	**13.871**	**33.918**	**80.398**

COMPANY	31/12/2019			
Amounts in thousand €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**over 5 years**
Bank debt	-	5.700	-	-
Bond loan	1.877	3.039	41.994	54.512
Finance lease liabilities	32	32	42	-
Other long-term liabilities	-	-	1.707	20
Trade liabilities	2.492	1.770	-	-
Other short-term liabilities	8.444		-	-
Total	**12.845**	**10.541**	**43.743**	**54.533**

As at 31/12/2020, the Company and the Group had negative working capital, as current liabilities exceed current assets by € 7,606 k and € 1,943 k respectively. The Company's current liabilities include current instalments of bond loans amounting to € 5,585 k (the Group: €5,585), of which, regarding the amortization, amounting to € 4,050 k, in 2021, the Company has agreed with the Bond Lenders to transfer the installments to the end of the contract (2029). Finally, short-term contractual obligations amounting to € 4,066 k for the Company (the Group: €4,194), which relate to prepayments for 2021 bookings are expected either to be transferred to the following years or settled through rendering services. Taking into account the above, the company's working capital becomes positive by € 510 k and the Group's – by € 6,173 k.

The financial statements of the Parent and the subsidiaries have been prepared based on the going concern principle as the Group Management assumes that given the currently available data and its estimates of the impact of the Covid-19 pandemic on the financial sizes of the Group for the next 12 months and in relation to the aforementioned actions that have been carried out, there will be sufficient liquidity in order to ensure the Group's going concern.

Moreover, in case the Company's liquidity needs to be strengthened, its two main shareholders "NAMSOS ENTERPRISES COMPANY LIMITED" and "DRYNA ENTERPRISES" (56.11%) as well as their final beneficiaries are committed to and have the financial capacity to cover the contingent needs at least for the next twelve months from the date of approval of its interim financial statements.

Risk of Changes of Fair Value due to Changes in Interest Rates

Operational revenue and operational cash flows of the Group are substantially independent of changes in market interest rates. The Group has assets of interest-bearing assets with fixed performance and the policy of the Group is to maintain approximately total borrowings at floating rate. At the end of the administrative period, the total borrowings were in floating interest rate loans.

The following table shows the sensitivity of the results for the financial year as well as the equity to a reasonable possible change of interest rate of +1.0 % or -1.0% (2019: +/-1 %). It is estimated that changes in rates logically reflect the market conditions.

	01/01-31/12/2020		01/01-31/12/2019	
Amounts in thousand €	**1,0%**	**-1,0%**	**1,0%**	**-1,0%**
Income statement before tax	(1.243)	1.243	(1.031)	1.031
Equity	(945)	945	(783)	783
Tax rate	**24%**		**24%**	

D. Projected course – Group's Prospects and Strategy for 2021

It is obvious from the aforementioned sizes, that 2020 was the most difficult period in the recent history of the Company, a fact that also applies to the hotel services segment in general. 2021 started for the segment with the same extremely difficult and uncertain conditions, due to the new outbreaks as well as the mutations of the virus that continue to apply pressure on the health systems of all countries and prevent lifting of restrictive measures, especially in travel, which are mostly still effective. In this environment, the forthcoming months are expected to be extremely difficult in terms of movement of visitors.

The Company's response to the pandemic was immediate while the effort continues at the same intensive pace to ensure the prospect of recovery when conditions allow. All the actions to ensure adequate liquidity and rational cost management aim both - at dealing with the unprecedented crisis and strengthening the Company's competitiveness in the long term and, consequently, at its return to pre-pandemic operational and financial condition.

The effect of the pandemic during the next year cannot be accurately determined at this stage as it depends on epy factors such as any additional measures, time required to develop the drug and extension of vaccinations, the time of recovery of the countries (USA , Great Britain, France, Spain, Italy, Central and Northern Europe) which constitute the main clientele of the hotels operating in Greece and the mentality of travelers. The exact timing of vaccination rates, the degree and speed of demand recovery, as well as state agreements on relocation protocols, remain significantly uncertain, especially at the time of restarting.

From the information available so far and the development of vaccination programs internationally, for 2021, the sizes are estimated to increase, though they will be reduced by approximately 60% compared to 2019, when the Group recorded the peak turnover.

Due to the devastating consequences of the pandemic for the hotel segment, a gradual return to the size of 2019 is expected to be achieved in 2024-2025.

E. Related Parties Transactions

This section includes the most significant transactions between the Company and its related parties as defined in International Accounting Standard 24 and in particular:

(a) Transactions between the Company and any related party made during the financial year 2020, which have materially affected the financial position or performance of the Company during the mentioned period,

(b) any changes in the transactions between the Company and any related party described in the last annual report that could have a material effect on the financial position or performance of the Company during the financial year 2020.

It is noted that the reference to those transactions includes the following data:

a) the amount of such transactions for the financial year 2020

(b) the outstanding balance at the end of the financial year (31/12/2020)

(c) the nature of the related party relationship with the issuer and

(d) any information on transactions, necessary for understanding the financial position of the Company, but only if such transactions are material and have not been been conducted in compliance with the arm's length principle.

Specifically, transactions and balances with related legal entities and natural persons, as defined by the International Accounting Standard 24 on 31/12/2020 and 31/12/2019 respectively, are as follows:

Amounts in thousand €	**THE GROUP**		**THE COMPANY**	
Sales of services	**01/01 - 31/12/2020**	**01/01 - 31/12/2019**	**01/01 - 31/12/2020**	**01/01 - 31/12/2019**
Subsidiaries/Jointly controlled entities	0	0	605	351
Other associates	57	105	57	105
Total	**57**	**105**	**662**	**456**
Acquisition of services	**01/01 - 31/12/2020**	**01/01 - 31/12/2019**	**01/01 - 31/12/2020**	**01/01 - 31/12/2019**
Subsidiaries/Jointly controlled entities	0	0	0	0
Other associates	246	1.823	246	1.823
Total	**246**	**1.823**	**246**	**1.823**
Balance of Receivables	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Subsidiaries/Jointly controlled entities	0	0	7.264	384
Other associates	5	27	5	27
Total	**5**	**27**	**7.269**	**412**
Balance of Liabilities	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Subsidiaries/Jointly controlled entities	0	0	0	0
Other associates	2.509	3.410	2.509	3.410
Total	**2.509**	**3.410**	**2.509**	**3.410**

Outstanding balances at year end are unsecured and settlement is made in cash. No guarantees have been provided or received regarding the above receivables.

It is to be noted that there are no special agreements or partnerships between the Parent Company and subsidiaries and any transactions between them are carried out under the usual terms, within the framework and the specifics of each market.

Regarding the FY ended December 31, 2020, the Company has made no provisions for doubtful debts relating to the amounts owed by related parties.

Of the above transactions, any transactions and outstanding balances with subsidiary companies have been excluded from the consolidated financial statements of the Group. In 2020, receivables/loan liabilities between subsidiary companies stood at € 2.1 million. Interest income / expenses amounted to € 74 k, while other financial results amounting to € 47 k have been written off. In addition to the above balances, there are amounts against share capital increase standing at € 6.9 million, to which will be added the receivable presented in the aforementioned table amounting to € 7.1 million to be capitalized. During the year, the Parent Company sold to a subsidiary fixed assets amounting to € 5,234 k and acquired fixed assets amounting to € 70 k implemented from other related parties.

Key executives and BoD members remuneration was as follows:

	THE GROUP		THE COMPANY	
Amounts in thousand €	**01/01-31/12/2020**	**01/01-31/12/2019**	**01/01-31/12/2020**	**01/01-31/12/2019**
Executives and BoD members				
Salaries - Fees	1.242	1.367	853	811
Social Insurance Cost	88	156	88	156
Bonus	210	211	210	211
Other	-	-	-	-
Total	**1.540**	**1.735**	**1.150**	**1.178**

The provision made for compensation of the Group's and the Company's staff includes an amount of € 214 k (2019: 276 k) concerning the Executives and Management members while an amount of € 8.8 k (2019: 9.9 k) was recorded in the Income Statement.

It is to be noted that no loans have been granted to BoD members and top-level management of the Group or their families.

F. Dividend policy

The management of the parent company due to losses of FY 2020, will propose to the Regular General Meeting of Shareholders not to distribute dividends.

It is noted that the proposed distribution is subject to approval of the Annual Regular General Meeting of Shareholders.

Information under par. 7 and Explanatory Report according to par. 8 of article 4 of Law 3556/2007

The present explanatory report of the company BoD to the Annual Regular General Meeting of the Shareholders includes information on issues addressed in article 4 of Law 3556/2007.

A) Capital Structure of the Company

The Company share capital amounts to twenty three million nine hundred twenty seven thousand six hundred and eighty euro (€ 23.927.680), divided in twenty one million three hundred sixty four thousand (21.364.000) common shares with voting rights of nominal value one euro and twelve cents (€ 1,12) each. Company shares are listed in the Athens Stock Exchange.

Every common share provides one voting right at the General Meeting of Shareholders.

Company's shareholder rights are proportional to the value of the shares owned. Every share confers all the rights provided by law and the Company's Articles of Association, and in particular:

• dividend rights from annual profits or liquidation profits of the Company. Every year, an initial dividend equal to 35% of net profits after the deduction of the regular capital reserve is distributed to shareholders, while the payment of an additional dividend is decided by the General Meeting of Shareholders. All shareholders registered in the company Shareholders Registry are entitled to dividends. Dividends are paid to each shareholder within ten days from the Annual General Meeting of Shareholders which approved the annual financial statements. Payment method and place is announced through press. Dividend rights are cancelled and transferred to the State after the expiration of a 5-year period commencing at the end of the year on which the General Meeting of Shareholders approved the dividend distribution,

• rights arising from the liquidation of the company or capital returns decided by the General Meeting of Shareholders,

• pre-emption right to acquire new shares in cash issued by the Company in an issue right,

• right to receive copies of the financial statements and reports issued by the Auditors and the Company Board of Directors,

• right to participate in the General Meeting of Shareholders which includes the following individual rights of legalization, attendance, participation in discussions, submission of proposals on issues included in the agenda, expressing opinions recorded in the minutes of the Meeting and voting.

• The General Meeting of the shareholders of the Company maintains all of its rights in the event of company liquidation (according to paragraph. 4 of Article 38 of the Articles of Association).

The liability of Shareholders is limited to the nominal value of their shares.

B) Restrictions on the transfer of Company Shares

The transfer of Company shares is conducted according to the provisions of the Law. There are no restrictions imposed by the Company memorandum of association with regards to the transfer of shares given the fact that the Company is listed on the Athens Stock Exchange.

C) Significant direct or indirect participations in the context of articles 9 - 11 of Law 3556/2007

The Company's significant participations according to articles 9 -11 of Law 3556/2007 are the following:

Shareholders (individuals or legal entities) with a direct or indirect participation greater than 5% of the total number of Company shares, as of 31/12/2020 are presented in the table below:

TITLE	PERCENTAGE
NAMSOS ENTERPRISES COMPANY LIMITED	30,93%
DRYNA ENTERPRISES COMPANY LIMITED	30,93%
HOMERIC DEPARTMENT STORES S.A.	8,25%
TALANTON INVESTMENTS INC	5,16%
Total	**75,26%**

It is to be noted that after the end of the year and until the approval of the financial statements, the shareholders (individual or legal entities) who directly or indirectly owned more than 5% of the total number of its shares, are as follows:

TITLE	PERCENTAGE
DRYNA ENTERPRISES COMPANY LIMITED	30,93%
NAMSOS ENTERPRISES COMPANY LIMITED	25,19%
HOMERIC DEPARTMENT STORES S.A.	8,25%
SINOPI ENTERPRISES COMPANY LIMITED	7,63%
TALANTON INVESTMENTS INC	5,16%
Total	**75,26%**

D) Shareholders with special control rights

There are no Company shares that provide special control rights to their holders.

E) Restrictions on voting rights

The Company Articles of Association do not set any restrictions on voting rights provided by its shares.

F) Agreements between shareholders which entail restrictions on the transfer of shares or restrictions on voting rights

Major shareholders, NAMSOS ENTERPRISES COMPANY LTD and DRYNA ENTERPRISES COMPANY LTD as of 31/12/2020 had 4.392.496 common Company shares pledged in favor of EFG EUROBANK ERGASIAS SA. As a result, transfer of the above-mentioned shares falls under restrictions.

NAMSOS ENTERPRISES COMPANY LTD and DRYNA ENTERPRISES COMPANY LTD have maintained their voting rights.

G) Guideline on the appointment and replacement of BoD members and on memorandum of association amendments

The relative rules and regulations set in the Company memorandum of association on the appointment and replacement of BoD members and on the amendment of articles of the memorandum are in line with the provisions of Law 2190/1920.

H) Authorities of the Company BoD or some of its members on the issuance of new shares or the re-purchase of Company shares

A) According to Article 13 paragraph 1 element b) and c) of Law 2190/1920 and in conjunction with Article 6 of the Company' Articles of Association, the BoD has the right, following a decision of the General Meeting of shareholders which is subject to the disclosure requirements of article 7 b of Law 2190/1920, to increase the Company share capital by issuing new shares. A decision must be taken by a majority of at least two thirds (2/3) of BoD members.

In this case, the share capital may be increased by up to the amount of the paid-up capital up on the date the Board of Directors was given this authority by the General Meeting. This BoD right may be renewed by the General Meeting for a period of up to five years.

B) In accordance with the provisions of Article 13 § 13 of Law 2190/1920, following a decision of the General Meeting of shareholders, a stock option plan may be offered to BoD members and staff in the form of stock options, according to the specific terms of this decision. The General Meeting defines mainly, the maximum number of shares that may be issued, which by law, cannot exceed 1/10 of the existing shares if the holders exercise their options, the price and terms of offering of shares to beneficiaries.

The Board of Directors, by resolution, regulates any other relevant details that are not regulated by the General Meeting, issues certificates of stock options and every December issues shares to the beneficiaries who exercise their options, increasing respectively the share capital and confirming the increase.

C) As of today, the General Meeting of shareholders of the Company has not decided to implement a share repurchase program in accordance with the provisions of Article 16 of Law 2190/1920.

I) Significant agreements which take effect, are altered or terminated in the event of a change in the control of the Company following a public tender offer

There are no agreements which take effect, are altered or terminated in the event of a change in the control of the company following a public tender offer.

J) Agreements that the Company has made with BoD members or its staff, which involve compensation in case of resignation or termination of employment with no material cause as a result of the public tender offer.

There are no agreements between the Company and BoD members or its personnel, which involve compensation in case of resignation or termination of employment with no material cause as a result of the public tender offer. The accumulated Staff Leaving Indemnities as of 31/12/2020, reached € 4.136 k. There is no provision for compensation for BoD members.

K. NON-FINANCIAL REPORTING

Business model

Corporate Activity

LAMPSA HELLENIC HOTELS S.A. focuses primarily on the operation and management of luxury hotels under its ownership. These are the historic hotels "Grande Bretagne" and King George in Athens, the luxury hotel "Hyatt Regency" in Belgrade, the historic Mercure Excelsior Hotel in Belgrade, the Sheraton

Rhodes Hotel and the King's Palace-MGallery Hotel recently operated under lease in the Syntagma Square.

LAMPSA HELLENIC HOTELS S.A. is a dynamic company that utilizes its long tradition by creatively combining the most modern know-how in the field of management. The combination of many years of experience and new administrative and operational methods is applied in LAMPSA S.A. with remarkable success and is reflected in its organization, internal structure and mode of operation.

With the Board of Directors as Head, formulating the strategy and managing its assets, the company has developed an efficient and flexible internal structure that facilitates the communication of its operating units and the rapid decision making. At the same time, fully aware of the importance of human resources for its development, the company has developed an efficient policy for employees, constantly investing in them, rewarding their efforts and ensuring an organized, fully equipped and pleasant working environment.

Objectives

LAMPSA HELLENIC HOTELS S.A. has consistently adopted and is implementing an efficient business policy, which aims at the creative combination of tradition and innovation. The Company's key objectives, harmonized with the principles of this policy, are as follows:

- Strengthening its position in the hotel segment and increasing its market share.
- Maintaining the leading position of the hotel "Grande Bretagne" in the luxury hotel segment in Greece and its emergence as one of the leading luxury hotels in the world.
- Expanding the Company's business presence in the international tourism space, having already created a portfolio of five privately owned and one leased hotels, collaborating to manage them with the largest international hotel chains (Marriott, Hyatt, Accor).
- Searching new investment opportunities, by entering new markets, acquiring or creating new city hotels (City Hotels) and utilizing the potential of Real Estate.
- Cooperating with national bodies to support the national strategy for tourism and promotion of the country abroad.
- Ongoing return of substantial value to shareholders, employees, but also visitors to the company's hotels.

CORPORATE SOCIAL RESPONSIBILITY

LAMPSA HELLENIC HOTELS S.A. is based on an operating model, which incorporates the concept of Corporate Social Responsibility in all its activities. Responsible operation is a key element for the Company's ongoing improvement and the achievement of its business goals. In this context, LAMPSA has defined the following axes:

- Responsible operation,
- Ensuring the well-being of employees and associates,
- Environmental responsibility,
- Contribution to society and volunteering.

LAMPSA as a healthy, active and socially responsible company, gives special significance to supporting worthwhile actions and taking initiatives that offer to society as a whole.

Responsibility for the Society

LAMPSA Company gives special significance to the implementation and support of social responsibility actions, as the contribution to society and especially the support of vulnerable social groups, is a component of the Company's corporate culture. In this context, the Management and all employees of the Hotels, undertake ongoing social responsibility initiatives, which are an integral part of the LAMPSA strategy.
The Company has also developed a practical interest in current issues related to the social and economic crisis. Through the actions it undertakes, it also contributes to the strengthening of business responsibility, as a basis for sustainable growth and employment.

POLICIES

As far as staff policy issues are concerned, (health and safety at work, open door policy, grievance mechanisms, additional benefits and employee support, recruitment, training and development, evaluation, human rights, equal opportunities), health and safety for hotel guests, customer satisfaction monitoring methods, health and food safety policy, relationship with suppliers, environmental care, responsible waste management, energy saving and finally social responsibility actions, please refer to annual Corporate Responsibility Report.

CORPORATE GOVERNANCE

The new management philosophy of LAMPSA HELLENIC HOTELS S.A. enriches the customer-centric philosophy of the company and emphasizes the application of operating rules and the adoption of corporate governance principles, as required by the current legislation (N. 2190/1920, N. 3016/2002, N. 3693/2008, N. 3884/2010 etc.). It aims not only at complying with the provisions of Law 3873/2010, but also improving the information of private and institutional shareholders. Transparency in information, independence in governance and dynamic support of development initiatives and innovations, within the framework of self-regulatory control and risk management, enhance the generation of a modern and effective model of governance, where the contribution of all stakeholders increases geometrically the company's total value. The company is operationally supported by:

- Flexible and specialized top management
- Enhanced network of administrative information and communication mechanisms
- Code of Conduct
- Internal Operating Regulations
- Rules of Procedure

HUMAN RESOURCES

Recognizing that human resources are one of the most significant factors for its development, LAMPSA S.A. constantly invests in its people, rewards their efforts, provides incentives to increase productivity, while offering a well-organized, fully equipped and enjoyable work environment.

In LAMPSA, following the relevant policy, equal opportunities for promotion are given at all hierarchical levels.

LAMPSA respects the internationally recognized human rights, as well as the principles included in the Universal Declaration of Human Rights (UDHR).

The company implements internationally recognized human resource management systems, which include:

- Providing multiple opportunities for education and training to employees.
- Regular evaluation of employee performance at all levels.
- Support for programs aimed at regular communication both between the Management and the staff, as well as between the employees themselves.
- Payment of special and extraordinary benefits (Special Medical Care Program, Special Retirement Plan, Payment of Cash Rewards, Food Vouchers, Excellence in Progress to the children of the associates, etc.).
- Participation of staff members in the regular Partnership Committee, with the object of adopting pioneering programs, planning additional benefits and incentives, coordinating all professional activities, as well as providing material and ethical remuneration to employees.
- Organization of a series of events for employees, in the context of internal communication actions.

The data, presented below, are introduced by Law 4403 / 7.7.2016, replacing Article 43a of CL 2190/1920 regarding the Corporate Social Responsibility programs implemented by the Company.

1.1 Our valuable people

LAMPSA recognizes that its people are one of the most significant factors for its development. For this reason, it constantly invests in their development, rewards their efforts, provides incentives to increase productivity and efficiency, while offering an excellent work environment.

The Company has internal regulations and the Marriott Code of Conduct has been adopted, a summary of which is provided to all new recruits, even those who are hired for internships or apprenticeships. Any changes or modifications to the Code of Conduct are notified in internal updates, as well as in bulletin boards.

In addition, the Principles of Responsible Business, as set out by Marriott, are followed. In summary, the key elements of these principles include:

● We are dedicated to recruiting and retaining a talented and diverse workforce.

● We promote diversity and offer an excellent work environment.

● We seek to offer competitive salaries and additional benefits. All our employees have access to training and they are offered all the means for their personal and professional development. Our goal is to maintain the safe and excellent work environment of our Hotels, which is built on the principles of integrity and mutual respect.

● We respect the right of our employees to participate in trade unions.

Translated excerpt from Marriott Principles of Responsible Business.

The Company pays great attention to the Development and Training of its employees by providing training programs both locally and through the multinational company Marriott International. In this context, the Company provides an individual program of Information & Training through Wellbeing Activities. In addition, the Company provides its human resources with the following:

• Additional days of maternity leave supporting young mothers so that they could spend more time with their family.

• In-house Corporate Events for Hotel staff, in the context of internal communication.

• Group Insurance Scheme with a private insurance company for all staff, in addition to social insurance.

At LAMPSA, in the framework of communication policy, the institution of improvement proposals is implemented, through which all employees have the opportunity to present their idea or proposal and to be awarded for it.

"Manager on duty" institution: On weekends, the department managers as well as the Hotel manager are close to employees working these days, giving them the opportunity to get in touch with representatives of the Company's Management. This strengthens the bonds of trust and intimacy and maintains a very important communication channel with the Management. Additionally, the Human Resources Department is always available to employees and provides support if they encounter any problem or need advice and guidance. In addition, the Chief Executive Officer is available to hear any complaints or concerns of the employees.

ERC - Employee Relations Committee

LAMPSA has an Employee Relations Committee (ERC), in which employees participate, representing all sections of the Company. The Human Resources Department chooses every year the members of the council, taking care to involve workers from different ranks - up to the position of the supervisor - and with different employment contracts so that there is adequate and objective representation of all people working at LAMPSA. The council meets with representatives of the Management twice a year to discuss issues that concern employees. Discussions also bring new ideas and points to improvement.

Equal opportunities

At LAMPSA, following the relevant policy, equal development opportunities are offered to all hierarchical ranks. The table below shows the distribution of human resources by hierarchy rank.

Human resources allocation per position / hierarchy rank

	2019			2020		
	Men	Women	Total	Men	Women	Total
Board of Directors	8	1	9	8	1	9
Directors	3	2	5	3	2	5
Supervisors	10	6	16	10	6	16
Employees	185	164	349	175	160	335
Other employees	139	114	253	116	99	215
Total*	345	287	632	312	268	580

* Members of the Board of Directors are not included in the Total.

Human Rights

LAMPSA respects internationally recognized human rights, as well as the principles contained in the Universal Declaration of Human Rights (UDHR). Marriott Human Rights Policy has been developed on the basis of the principles of the Universal Declaration and has been adopted by LAMPSA. For every Marriott Group Hotel category, this Policy outlines as follows:

Employees: The Group respects diversity and provides equal opportunities for salaries, additional benefits and working hours, without any discriminations regarding gender, ethnicity, religion and other individual characteristics. Also, the Group does not tolerate child and / or forced labor and does its best to eliminate them. The Group also permits and recognizes the right to freedom of trade unionism.

Franchise Partners: The Group expects from franchisees partners and all their associates to respect the internationally recognized principles of human rights.

Employees in the Group's supply chain: The Group expects all suppliers to respect human rights regarding diversity and harassment, to be moral, to offer equal salaries, benefits and timetables, not to tolerate any form of child or forced labor and offer healthy and safe working conditions to all their employees. All of the above are also included in the Supplier Code of Conduct of the Group.

Local communities: The Group protects the individual freedoms and human rights of the residents of local communities where its Hotels operate, through job vacancies creation and economic growth.

Strategic Partners: The protection of human rights is promoted by the Group in its relations with all strategic partners, as their protection principles are incorporated into the decision-making process for the establishment of professional relations.

Translated excerpt from Marriott Hotels & Resorts Worldwide (Human Rights Policy Statement).

Since 2018, there has been a special training on Human Trafficking for the avoidance and eradication of Hotel Trafficking. Marriott's training program is mandatory and is monitored by all employees. Moreover, in 2019 following Human Trafficking, Marriott added special training for Directors and Partners on the subject of Anti-Harassment in the Workplace, which emphasizes the intolerance of harassment of any kind.

The Group also permits and recognizes the right to freedom of trade unionism.

Additional benefits and employee support

The objective of LAMPSA is that the Hotel's human resources feel like a valuable partner, cultivating the necessary conditions for rendering excellent services to visitors and customers. In this context, the Company continuously cares for satisfaction of its employees, offering, apart from satisfactory remuneration, a set of additional benefits in addition to those legally required, further enhancing the excellent working climate. These additional benefits are further analyzed below as follows:

- Restaurant for the employees

The restaurant offers breakfast and lunch, while fruit and coffee are often made available.

- Additional health care

The Group runs an Insurance Scheme for all the staff in a private company. Apart from this additional benefit, the Company has a mutual assistance fund, to which the employees from various bazaars and events organized every year, as well as the Management, contribute financially. In emergency and serious cases regarding the employees, the committee-in-charge-of the fund meets, assesses the conditions and provides additional assistance to the colleague faced with a problem.

In addition to the Group Insurance Program, all staff are given, during the process of joining our team, a card relating to significant benefits and discounts at a well-known Medical Group.

IMPORTANT NOTE: Due to the special conditions prevailing due to the pandemic, we often perform preventive and sampling covid tests on all our Partners within the Hotel. In addition, the members of the family of our Associates can perform covid test in the cooperating hospitals at the preferential price, which is valid for our Hotels.

In addition, our Partners have the opportunity, if they wish, to see how well their body is shielded against covid-19, by performing a special check up, at a partner Medical Club, at a preferential price.

Finally, our staff is able to perform, both covid test at home and in their car, following a very short and reliable procedure.

- Funding of postgraduate programs

In addition to part-time postgraduate programs funding, various specialists attend free of charge certified seminars organized by Marriott training academies and obtain relevant verifications.

- Transportation expenses

The Company covers an amount for transportation of the personnel working in the evening shifts due to the absence of public transport (hours 12.00 - 5.30). Furthermore, in a day-long strike of public transport, the full amount of the transportation of all employees - regardless of the shift - is covered entirely by the Company.

- Wedding and christening gifts

The Company offers as a wedding and christening present a free overnight stay at any Marriott Hotel, all over the world.

- QCC

An additional way of securing commitment and recognizing our Partners is to identify those who have completed more than 25 years of ongoing service in our Hotels through the Quarter Century Club (QCC) providing significant facilities, such as free nights at Marriott International Hotels around the world.

- Food Vouchers

The Company, due to the difficult conditions caused by the Covid-19 pandemic, starting from June 2020 until today, temporarily provides regular food vouchers to all employees on a monthly basis.

• In addition, the Company takes care of the children of the employees by offering the degree of excellence to junior high school and senior high school graduates. 2020 marks as a high score year as 20 degrees of excellence were awarded. Moreover, the degree of excellence is given in the case of excellent sports performance, for the top three places in Pan-Hellenic, Pan-European and world championships. The Company also subsidizes (through the former hotel fund) the use of camps for the children of the employees.

Voluntary activities

Along with the Company's contribution, its employees are also involved insignificant social activities, first launched in 1992, namely, maintaining and reinforcing the "Blood Bank" that they have launched at Agia Sophia Children's Hospital with regular voluntary blood donations in order to cover the needs of the colleagues and their families. Also, under the new Starwood Associate Relief Fund program, offering their own contributions, the Company employees have created a support fund for their colleagues, suffering from natural disasters, at the global level.

Management of health and safety at work

A health and safety committee has been established at LAMPSA and meets once a month. It consists of the health and safety person-in-charge, the external security technician, and the occupational physician. There are also 7 employees. The fundamental objective of the committee is to minimize accidents and eliminate the factors that may lead to an event or the occurrence of an occupational disease. In this context, the careful planning of actions for preventive measures is the core task of the committee.

In the case of an incident, the executive of the sector, in which the incident took place, takes part in the committee, in order to examine all the parameters and take corrective measures. Please note that all incidents (minor accidents and accidents) that may arise, are recorded and monitored by the security technician. Where necessary, the necessary corrective actions are implemented.

Also, in the framework of taking all the necessary measures to maintain a safe environment for employees, visitors, customers and associates in all Hotels of the Company, a Health and Safety Policy is implemented and adopted.

Finally, all the necessary Personal Protection Measures are provided on the basis of the Ministerial Decisions to the Employees of the departments and their sound application and conditions are being inspected, and furthermore, we take care of the regular information and training of our people in all matters of personal hygiene and safety in the workplaces.

An Excerpt from Health and Safety Policy

The Health and Safety at Work Regulations aim at preventing accidents, injuries or illness related to work. In particular, the Hotel Management and the Health and Safety Committee:

o Provide and ensure healthy and safe working conditions, taking into account the current legislation.

o Train and guide staff so that they could carry out their work safely and efficiently.

o Provide all the necessary safety devices and personal protection equipment for employees and supervise their correct application and use.

o Maintain everyone's interest in health and safety.

All hotel employees and partners are required to comply with Health and Safety Legislation and, in particular, to:

o Apply health and safety regulations.

o Work with due care.

o Use the protective equipment provided.

o Follow the procedures as defined for every type of work.

o Help in investigating the accidents.

o Suggest ways to improve working conditions for greater security.

o Report directly to their supervisor about any equipment that is not working properly and can cause an accident.

Hygiene and Safety training programs for all staff are also initiated by the Security Technician, the Occupational Physician and the Security Officer as well as during the year.

THE COMPANY'S SIGNIFICANT PRIORITY Strict observance of the Special protocols of Hygienic content of operation of tourist facilities of the Ministries of Tourism and Health, as well as the diligent observance of the special protocols covid-19 of Marriott International (through the Commitment to Clean program)

1.2 Health and safety for guests

As the promotion of health and safety is a basic prerequisite for the day-to-day operation of the Hotels and the preservation of their outstanding reputation, the Company adopts practices and takes continuous action in this direction.

The Marriott visitors' safety principles are applied with the substantial assistance of the employees. All the employees of LAMPSA are properly trained and ensure that Health and Safety Policy is properly implemented.

Guests satisfaction

The Company has adopted the Marriott group guests – customers satisfaction survey system, entitled "Guest Voice". This system includes detailed customers comments, feedback, and ranking.

In addition, customized questionnaires in printed form dare distributed to guests in the rooms, as well as special complaint forms are made available to customers of restaurants and other services, which are used to assess the guests' satisfaction.

Finally, the Company pays special attention to the questions and even the guests' comments received through social media and on line reviews (facebook, trip advisor, websites, etc.)

Caring for food

LAMPSA maintains one of the best, internationally renowned restaurants and always cares not only for the high quality of the services provided but also for the safety of the raw materials of the products. In this context, the Company applies a certified HACCP Food Safety System in accordance with the International Standard ISO22000 and has adopted a specific policy.

An Excerpt from Health and Food Safety Policy

A key parameter of the quality services we aspire to provide is to ensure all the hygiene principles of the meals we prepare and offer to our customers.

LAMPSA Hotels adhere to a strict policy for the safety and hygiene of the prepared products. Strict hygiene rules are in place at each stage in order to eliminate the risks involved.

Our commitment:

- We strictly adhere to the HACCP system in accordance with the International Standard ISO 22000 that we apply.
- We maintain the communication channels we have established with our suppliers and customers.
- We constantly keep staff informed of the principles of good hygiene practice.
- We regularly hold meetings to exchange views with the objective to improve the System.
- We monitor every critical point every day.
- We monitor the law and adhere to it.
- We regularly control the effectiveness of the system.
- We follow all the Labor Guidelines.

We provide resources for maintaining and updating the System, purchasing new, modern equipment, improving facilities and infrastructure and working environment

It is also worth mentioning that the Hotel's restaurants has acquired the "Halal" and "Kosher" certifications, in order to satisfy the special requirements of our quests.

Supplies

The Management of LAMPSA supplies is one of the most important procedures in the operation of the Company as it is linked both to the quality of the services offered and to the health and safety of its visitors / customers.

At LAMPSA a suppliers evaluation procedure is applied on a yearly basis. The key evaluation criteria are:

- Consistency in quality
- Competitiveness in prices
- Service level
- Compliance with management system procedures (ISO / HACCP)

Additionally, the Company reserves the right to control the premises of its suppliers.

As food safety is of paramount importance to the Company, the control and evaluation of food suppliers is very strict and continuous. The Company takes preventive measures that are applied not only at the stages of the production procedure, but also in the reception of raw materials as well as in the storage and disposal of the food in the restaurants and other premises of its hotels.

LAMPSA has established particular specifications that suppliers must comply with per item. In addition, every pickup is checked at its premises (on the delivery vehicle) regarding:

- quality of every kind
- marking of any kind
- the temperature of the products (the fresh ones which are in the fridge).

Based on every check, all necessary product receipt forms that have been determined based on the HACCP management standard are completed.

1.3 Caring for the Environment

LAMPSA, in the framework of its operation, implements actions aiming at the minimization of the environmental footprint as well as actions to inform and sensitize its visitors and customers. The Company's commitment to environmental care is reflected in the Environmental Policy it has adopted as a member of Marriott Worldwide Organization.

Environmental Policy (Excerpt *)

We commit ourselves to adopting top environmental and sustainability principles to:

- Saving natural resources.
- Protecting the biodiversity of ecosystems.
- Promoting sustainable development.
- Minimizing waste and contamination.
- Developing and monitoring specific environmental performance indicators (KPIs).
- Raising awareness among workers, visitors and local communities.

* Translated extract from Marriott's Environmental Sustainability Policy, Hotels & Resorts)

The Company has established a special environmental health and safety Committee, which ensures the Company's harmonization with Greek laws, EU legislation and Marriott International environmental initiatives.

Energy saving

With regard to its energy-saving initiatives, the Company has already carried out major projects such as the following:

- Automation that helps managing the cooling and heating of buildings without unnecessary losses.
- Use of natural gas in coolers.
- Instabus system for outdoor lighting, banquet rooms and public areas. With this system all parts of the electrical installation of the buildings can communicate with each other and adjust the power consumption much more directly.

Responsible waste management

Responsible waste management is a priority for LAMPSA. For this reason, it cooperates with licensed waste collection companies, aiming at their proper management. The materials recycled are: glass, paper, plastic, lamps, used kitchen oils, inks, batteries, and electrical appliances. In 2019 and 2020we achieved 98% recycling of materials.

In 2018 the company launched a new program at both our Hotels in "Responsible consumption and production of energy as well as sensitization to environmental issues of recycling of organic-inorganic materials", by limiting organic waste from kitchens by installing a system to reduce their volume to 70% (recycling - composting).

Staff collaboration in achieving all recycling and responsible use of hotel benefits through appropriate training was a key priority in 2019 and 2020.

In addition, we were awarded with the Sustainable Development Champions Award through our cooperation with the Sustainability Center and the United Nations. The program with which we were awarded was the Responsible consumption and production of energy as well as the awareness in environmental issues of recycling organic - inorganic materials. The first action was the co-production or triple production of heat-electricity installing machines, respecting the protection of the climate and operating in favor of responsible consumption and production of cheap - clean energy.

The second action was the reduction of organic waste from kitchens by installing a system to reduce their volume to 70% (form of composting).

The third and most important action was the cooperation of the staff in the implementation of all the recycling objections and responsible use of energy of the hotel facilities. Our above actions are linked to the following United Nations Sustainable Development Goals:

7. Affordable and Clean Energy

12. Responsible consumption and production

13. Climate action

17. Partnership's for the goals

Grand Bretagne has been holding the "Green Key" Award, an international ecological quality program for tourism, since 2010, which verifies that the hotel takes care of the protection of the environment, constantly seeking ways to improve and innovate.

The objective of the program is to develop and manage a quality, tourism-related eco-label. Green Key basically works as a certification program, which aims to raise awareness among owners, employees, customers and local communities about action on environmental issues and sustainable development.

The criteria for awarding an organization with the "Green Key" quality label are divided into 13 categories, including: Environmental management, personnel participation, customer information, water and waste management, and more.

In Greece, the Hellenic Society for the Protection of Nature, in particular the Green Key National Commission, is studying the cases and deciding on the award of the label to the organizations.

Grand Bretagne and King George Hotels have been certified for seven consecutive years, and in 2020 they have been awarded with a Green Key label for the "Green Rooms" available to guests. The hotels' objective through this certification, is to make a significant contribution to the creation of an ecological culture and awareness of environmental protection and green development. Hotels' "Green Rooms" are located on the 3rd Floor (Green Floor) and offer guests the opportunity to stay in rooms with more environmentally-friendly features and amenities, such as organic products and recycling options.

1.4 Caring for Society

LAMPSA focuses on the implementation and support of social responsibility actions, as the contribution to society and especially the support of vulnerable social groups is an integral part of the Company's corporate culture. In this context, the Management and all the employees of the Hotels "Grande Bretagne" and "King George" undertake continuous social responsibility initiatives, which are an integral part of the LAMPSA strategy.

The Company has also developed a real interest in topical issues related to the social and economic crisis. Through its actions, it also contributes to strengthening business responsibility as a basis for sustainable growth and employment.

More specifically, during 2019-2020, by category, the following actions were implemented:

- We collected and donated clothing twice a year for the City of Athens Homeless Charity and "Children Villages SOS",

- We offered food to the Homeless Foundation and the Foundation "Galini" since 2013,

- Before the suspension of operations of Grand Bretagne and King George hotels. Due to the pandemic, we donated food and some of our old linen to the Homeless Foundation: pillowcases, sheets and bathrobes

- In the last 11 years, the Company has supported the global awareness initiative for the prevention of breast cancer through the Race for the Cure- Greece. The race takes place annually at Zappion with the support of the Panhellenic Association of Women with breast cancer "Alma Zois". The Company's Hotels provide financial support to the Association by covering the costs of participating and donating a symbolic amount for every kilometre run by every employee. This year, due to the special conditions caused by the Covid-19 pandemic, the event took place online.

- This year our partners participated in the digital race "Athens Virtual Marathon", which took place from 08 to 27 November 2020, in which they ran the distance of 42 km (Marathon) or 10 km or 5 km, anywhere around the city, at any speed, any day between the duration of the event. Our hotels covered the participation costs of the partners who took part.

- "I Read for Others" Organisation supports people who cannot read on their own, such as visually impaired people, people with disabilities, the elderly, children in institutions or the illiterate. The Business Council of Greece & Cyprus hotels supported the organization which was severely affected by the pandemic, with the amount of € 2,043 and also financed the recording of one more audio book.

- The Company organizes the "Parents Day", where the children of the employees come every year in Christmas at a Festive Event in our Hotels and see the departments where their parents are working with, devoting some hours of information from a department manager in an attempt to facilitate their professional orientation.

- The hotels, wanting to support and reward the new generation, offered 2 gift vouchers of 100 € from PLAISIO to 2 excellent students of the University of Chios.

- In 2020 we continued to collect plastic caps from water bottles, carbonated beverages, milk, juices, etc., in order to support the fundraising activities of various clubs and / or schools in actions related to society as well as solidarity actions. We managed to collect 35 kg of good quality plastic caps from water bottles, carbonated drinks, milk, bottles of juices, thus supporting the Special School of the Municipality of Ilion in Athens. In addition, we collected 3,500 kilos of paper, 1,500 kilos of plastic, 2,000 kilos of glass and 1,500 kilos of organic waste.

- During Christmas, the Partner Photography Competition was held for the first time. The General Manager of the hotels, started the initiative by sending a photo of his family to all our associates, with the Christmas tree of the lobby of the hotel Great Britain as a background. 18 collaborators participated by sending us very creative and authentic photos of their family. The 2 winners were announced during our Pie Cutting and received 2 special prizes.

- From 1 December 2020 and for seven months, 1.50 euro will be charged to every receipt issued in the restaurants of the hotel Grand Bretagne with the consent of the customers. Proceeds will be donated to the Intensive Care Unit of the General Hospital of Serres, thus contributing to meeting the increased needs for medical equipment created by the Covid-19 pandemic.

LAMPSA HELLENIC HOTELS S.A.

- In 2019 as well as the two previous years, a "Link to Schools" program was organized in collaboration with customers to raise money for donations to schools both in underprivileged areas of Athens and in schools in remote areas of the Northern Greece and the non-profit line. The purpose was to donate educational equipment to schools and cover annual heating costs.

- In 2020 we continued the cooperation we have with "DESMOS". Due to the pandemic, the whole world is suffering, the money we allocated in 2020, was used by DESMOS in actions against COVID-19. Some of their activities include the provision of sanitary equipment, disinfectants and antiseptics, medical equipment, medicines and consumables, food, personal hygiene items, technological equipment, portions of food, and even transportation for home help to the elderly.

Desmos is a Non-Profit Association with a vision of the need to use responsibly and effectively the private initiative in dealing with the humanitarian crisis that our country is experiencing, as well as the common perception of professionalism. The ultimate common goal is for Desmos to contribute to the creation of sustainable solidarity networks and the cultivation of social and humanitarian responsibility.

Analytical description of the Corporate Social Responsibilities activities is presented in the Annual CSR Report, prepared in compliance with the international GRI Standards and posted on www.lampsa.gr .

Corporate Governance Code of the Company "LAMPSA HELLENIC HOTELS S.A"

1. Introduction

This Code of Corporate Governance (the "CCG") includes the corporate governance practices applied by the Company so voluntarily and in requirement of existing law (L. 4548/2018, L. 3016/2002, L. 3693/2008, L. 3884/2010 etc.). It aims not only to comply with the provisions of Law 3873/2010, but also to improve information of private and institutional shareholders.

The adopted principles of corporate governance code affect the operation, the procedures and decision making at all levels of the Company's activities, seeking to ensure the necessary transparency on equal terms to all interested parties.

In this context, the Company took into account the general principles of the Draft Greek Corporate Governance Code of Hellenic Corporate Governance Council (HELEX). The Code is posted in the Company's website: http://www.lampsa.gr, in the domain "Press Releases–Announcements".

GENERAL PRINCIPLES

1. Role and responsibilities of BoD

The BoD should direct the affairs of the company for the benefit of the company and shareholders, ensuring fair and equitable treatment of all shareholders.

In performing its duties, the BoD should take account of the parties, whose interests are connected with those of companies, such as the customers, creditors, employees and the social groups directly affected by the company's operation.

The main issues to be decided collectively decided by the BoD should include:

- approval of long-term strategic and operational objectives of the company,

- approval of the annual budget and the business plan,

- decisions on significant acquisitions and divestitures,

- selection of senior executives at the company, combined with the monitoring of administrative hierarchy and succession

- ensuring the reliability of financial statements and company details, financial information systems and data and information made publicly available, and ensuring the effectiveness of internal audit and risk management,

- prevention and handling possible cases of conflict of interest between the company and the other by the Management, BoD members or major shareholders (including shareholders with direct or indirect power to shape or influence the composition and behavior of BoD),taking into account transparency and the protection of corporate interests,

- ensuring an effective compliance process company with relevant laws and regulations

- responsibility of making decisions and monitoring the effectiveness of the company's management, and

- formulation, dissemination and application of the basic values and principles of the company, governing its relations with all parties, whose interests are associated with the company.

2. Size and composition of the BoD and senior management

The size and composition of the BoD should allow the effective exercise of their duties, taking into account the size, activity and ownership of the business. The BoD and senior management should be characterized by a high level of integrity and possess diverse knowledge, skills and experience to meet their corporate objectives. Nominations for the BoD will be made on merit and objective criteria. The BoD should ensure the smooth succession of members, and senior management, with a view to long-term business success.

3. BoD members duties and conduct

Every BoD member is subject to legal liability of loyalty to the Company. The BoD members should, therefore, act with integrity and in the interest of the Company, to have sufficient information about the transactions with related companies and to preserve the confidentiality of non- public information available. The BoD members and persons holding powers conferred by it should not have a competitive relationship with the Company and should avoid any role or activity that creates or appears to create a conflict between their personal interests and those of the Company, including having a spot on the BoD or management of competing companies without the permission of the General Meeting. The BoD members should contribute their experience and commit to their duties the necessary time and attention. They should also limit accordingly other professional commitments (in particular participating in the BoD of other companies). The BoD members should try to participate in all meetings of the BoD and the committees in which they take part. The BoD should regularly assess its effectiveness in fulfilling its duties, and that of its committees. The independent BoD members have the right to submit to the General Meeting of Shareholders reports and statements, separately from the other members of the BoD, in case they deem it appropriate.

4. Election – Operation of the BoD

Nominations for the BoD will be made on merit and objective criteria, aiming to the achievement of a balance between adequate representation of the majority, but also to ensure the effective participation of the independent non-executive members.

Depending on business needs, the board should meet with the needed frequency to effectively perform their duties. The Chairman should be responsible for setting the agenda, ensuring the proper organization of the Board's work, but also the efficient conduct of its meetings. The information provided by the Management Board should be timely, so as to enable it to cope effectively with the tasks arising from its responsibilities. It should be the responsibility of the President to ensure accurate and timely information to members of the Board, and effective communication with all shareholders, focusing on a fair and equivalent treatment of the interests of all shareholders.

5. Internal Control System

The BoD should ensure the accuracy and reliability of the financial statements and the correctness of announcements, which are imposed in order to present to investors a clear picture and valuation of real position and prospects of the Company.

The BoD should maintain an effective system of internal control aiming to safeguard the assets of the Company, and identifying and dealing with the most significant risks. It should monitor the implementation of the Company’s strategy and review it regularly. The main risks to be faced and the effectiveness of internal control in managing these risks should be reviewed periodically.

The review should cover all essential audits, including financial and operational audits, compliance audit and audit of risk management systems. The BoD, through the audit committee should also be in direct and regular contact with the statutory auditors in order to receive regular updates from the past in relation to the proper functioning of the internal control system.

6. Level and structure of remunaration

The level and structure of remuneration should aim to attract and retain BoD members, managers and employees in the Company, adding value to the Company with their skills, knowledge and experience. The level of remuneration should be in line with their qualifications and their contribution to the Company. The BoD should have a clear picture of how the Company pays its executives, especially those who have the appropriate qualifications for the effective management of the Company.

7. Communication with shareholders

The BoD should ensure the continuous and constructive dialogue with shareholders of the Company, particularly those with significant shareholdings and a long-term perspective.

8. The General Meeting of Shareholders

The BoD should ensure that the preparation and conduct of the General Meeting of Shareholders facilitate the effective exercise of shareholders' options, who should be fully informed on all matters related to their participation in the General Meeting, including of the daily agenda items, and their rights at the General Meeting. The BoD should facilitate, within the framework of the relevant statutory provisions, the participation of all shareholders in the General Meeting, without discrimination. The BoD should utilize the General Meeting of shareholders to facilitate meaningful and open dialogue with the Company.

Part A – The BoD and its members

1. Role and responsibilities of the BoD

The roles of both - the BoD and the Management - are identified and clearly documented in the Memorandum of corporation and the internal procedure. It is the competent corporate body which decides each transaction regarding the administration and management of the Company, subject to the exclusive competence of the General Meeting by the law or by the prescribed topics Memorandum.

The BoD adopts clear policy devolution to the Management, which includes a list of issues that the BoD has the authorization to decide. For the achievement of Company's objectives and the efficient and flexible operation of the Company, the BoD may delegate any of its responsibilities, except those that require collective action to one or more members of the BoD or to members outside the BoD.

For the performance of the service may be appointed by the BoD one General Manager either by the members of the BoD, or outside it. The General Manager who is not a director may attend the meetings of the BoD without voting right, after permission by the BoD.

In order for the Company to take validly responsibilities, two signatures are always required for which the President of the BoD, Vice president and General Manager are authorized, if not prevented any of these three, other authorized BoD member appointed for that purpose by the BoD. Besides the persons mentioned above, the BoD may grant an authorization of first or second signature to other persons selected among senior executives in accordance with the requirements of the service.

The Company, in the name of the BoD, is outwardly and before all administrative or judicial authorities represented by the President of the BoD or the Vice President, if any of them is unavailable, the General Manager or one of the BoD members appointed by the BoD.

In order to ensure the effective functioning of the BoD, an audit committee has been established, responsible for monitoring financial information, the effective operation of internal audit and risk management systems, and supervision and monitoring of statutory audit as well as the issues related to objectivity and independence of statutory auditors. Under Law 4449/2017 (GOVERNMENT GAZETTE A 7/24.01.2017), the group has implemented the changes regarding composition and functioning of the Audit Committee. The Company has already scheduled all the necessary procedures to be implemented under the new legislation.

2. BoD size and composition

Considering that the size and composition of the BoD should allow the effective exercise of its functions and reflect the size, activity and ownership of the business, the Company is managed under the Statute, by a Board of Directors consists of seven to ten (7-10) members, executive and non-executive directors in accordance with Law 3016/2002 as applicable, shareholders or not, elected by the General Meeting of shareholders.

The size and composition of the BoD of the Company must ensure balance between executive, non-executive and independent non-executive members. So the BoD consist of at least 1/3 of non-executive members (including independent non-executive members). The executive, non-executive and independent members of the BoD are appointed by the General Meeting.

The executive members of the BoD dealing with the daily management of the company and maintain some form of employment relationship with it.

The non-executive members participate in decisions and monitor the activities of the Company. It is responsible for the promotion of all corporate issues, participates in any boards and committees and is particularly responsible for upholding the principles of good corporate governance. Among the non-executive members are two (2) independent members who meet the independence requirements imposed by applicable law.

The non-executive members maintain independence in the investigation of issues to consider, with the goal of providing substantive work and create a climate of trust between the Board of directors and senior executives and managers.

The responsibilities of President and CEO should not be coincided to the same person. Further, if the President of the Board is an executive member will be appointed non-executive Vice Chairman. The BoD of the Company will be assisted by a Secretary, chief executive or lawyer who will attend BoD meetings and keep minutes.

The corporate governance statement should include information on the composition of the BoD, and the names of the President of the BoD, the Vice-President, CEO , and the Presidents of the Board Committees and their members. Moreover, this statement should be identified and the independent non -executive members the BoD considers that retain their independence. The corporate governance statement should also disclose the term of office of BoD members, including brief CVs.

3. BoD members duties and conduct

The BoD members should have a thorough knowledge of both the operation and the objects of the company and the broader market sector to contribute effectively and efficiently to the smooth and efficient operation of the Company.

The continuous abstinence of a consultant, without justifiable cause, who resides at the headquarters of the Company, from the BoD meetings for a period in excess of four months, equates to resignation.

A director who is absent or indisposed, has the right with his own responsibility to delegate his representation to the Council to another counselor. The authorization of his representation may be apply to one or more than one meeting of the BoD. In the absence or incapacity of non-executive members of the BoD, the authorized representative shall be similarly non-executive member. The same applies to the independent members of the BoD.

4. BoD Election and Operation

The BoD is elected by the General Meeting with a maximum term of three (3) years. BoD members can be re-elected.

The BoD shall submit to the General Meeting of shareholders, who have the decisive power to do so, state candidate BoD members, after adequate and timely information to shareholders regarding the profile of the candidates. The BoD should ensure the smooth succession of members, and senior management, with a view to long-term business success.

The BoD should meet with the necessary frequency to effectively perform their duties. The information provided by the Administration should be timely, in order to have the ability to cope effectively with the tasks.

The discussions and decisions of the BoD and its committees should be recorded to the minutes. The minutes of each meeting should be shared and approved at the next meeting of the BoD or the committee.

The BoD members should ensure their own regular information, regarding business developments and the major risks to which the Company is exposed . Also should be informed timely of changes in legislation and the market environment. The BoD members should come in regular contact with the management staff of the Company through regular presentations by head and service sectors.

The BoD members should have the right to ask the Administration, through the CEO, any information they consider necessary for the performance of their duties at any time.

5. BoD Assessment

The assessment of the effectiveness of the BoD and its committees should take place at least every two (2) years and be based on a specific procedure . This process should be headed by the President, and its results are discussed by the BoD and following the assessment, the President should take measures to address the identified weaknesses. It is also best practice to meet regularly non-executive directors without the presence of executive members, in order to assess the performance of executive directors and set their fees.

Part B –Internal Control & Risk Management

1. Audit Committee

The Company applies control procedures to ensure the reliability of the financial statements and the effectiveness of the operations.

In this context, it's been established the statutory prescribed Audit Committee, which is responsible for monitoring the internal audit department on a periodic basis and whenever requested. The Commission is in constant contact with the Internal Audit and attends to ensure all those requirements and conditions necessary for the non-discontinuing operation of the internal control.

The precise scope of the responsibilities of the two bodies is described above in detail of the Internal Operation Regulations of the Company.

The Audit Committee consists of (3) members. The Audit Committee is either an independent committee, ie a separate committee independent of any body of the Company, or a committee of the Board of Directors, ie a committee consisting exclusively of members of the Board of Directors. It consists of non-executive Members of the Board of Directors and members elected by the General Meeting of the Company's shareholders. As members elected by the General Meeting of Shareholders may be the independent members of the Board of Directors and / or persons who are not members of the Board of Directors, who meet the provisions on independence of Law 3016/2002 (AD110), which are duly substantiated at the time of their election. Independent members can also be non-executive members of the Board of Directors participating in the Audit Committee.

The composition, the structure and the staffing of the Audit Committee are formed at the full discretion of the General Meeting within the respective legislative framework. The term of office of the members of the Audit Committee is two years (2) and is automatically extended until the first Regular General Meeting after the end of their term, which extension, however, may not exceed one year from the end of their term.

The majority of the members of the Audit Committee are independent, within the meaning of article 4 of Law 3016/2002, as effective. Participation in the Audit Committee is prohibited to the persons who, at the same time, also hold positions or capacities or who carry out transactions incompatible with the Committee's objective and have sufficient knowledge and experience in the domain of the Company's operations and at least one member has proven sufficient knowledge in accounting and auditing (international standards) or is a chartered accountant suspended or retired.

The Chairman of the Audit Committee is appointed by its members or is elected by the General Meeting, and is mandatory independent of the Company within the meaning of the provisions of Law 3016/2002, as in effective. The President of the Board of Directors cannot be the same person as the Chairman of the Audit Committee. Following the same decision, one of the elected independent members of the Committee is appointed a Deputy Chairman, while it is also possible to appoint alternate members who replace the regular members of the Audit Committee in case of their incapacity.

The Audit Committee's responsibilities include, inter alia, supervision of financial reporting procedures, completeness and correctness of the Company's financial statements, policies and internal control system and evaluation of the effectiveness and efficiency of the internal control systems, the conduct of the internal audit and the work of the external auditors in order to ensure independence, quality, formal qualifications and performance of the auditors.

2. Internal Control System

The BoD has established internal control, which operates in accordance with the internal operation regulations.

The Internal Control of the Company is an independent organizational unit, which reports to the BoD of the Company. The responsibilities include evaluation and improvement of risk management and internal control, as well as verification of compliance with established policies and procedures as outlined in the internal operation of the Company, the applicable legislation (mainly stock) and decisions of the BoD.

The members of the BoD, the Management and all the executives must cooperate and provide all the necessary information to facilitate its task in the best possible way.

The BoD, with the support of the Audit Committee should adopt appropriate policies on internal control to ensure the effectiveness of the system. You must also specify the procedure to be adopted for monitoring the effectiveness of internal control system, which will include the scope and frequency of reports of the internal audit department that receives and deals with the BoD during the year as and the process of annual assessment of internal control.

3. Risk management

The Company shall have developed related policies and procedures which ensure effective risk management activities, maintaining and preserving the overall system of internal control and financial reporting.

The statutory policies should ensure secure protection and preservation of assets of the information system from which derived the historical financial information, proper handling, deal with financials for the preparation of financial and accounting statements of each period.

The main characteristics of the system as applied to the process of preparing financial statements combine:

i) exploiting the existing organizational structure and professional competence of the staff,

ii) appliance the unified and modern IT systems and compliance procedures that restrict access and change the information,

iii) the preparation of annual budget, which is monitored during the year through regular reports, for comparison with the current actual data and identify discrepancies.

iv) the supervision and control of significant transactions through the system to represent the Company,

v) the effective Communication between auditor, internal auditor and the Audit Committee.

Part C – Remuneration

The process of determining remunerations must be based on objectivity, transparency and professionalism and be independent of any conflict of interest.

The level and structure of remunerations must aim at attracting and maintaining management and employees that add value to the Company with their skills, knowledge and experience. The level of remunerations must be according to the qualifications and contribution of each employee to the Company. The BoD must have a clear understanding on the methods used by the Company to remunerate/reward its employees, especially those employees who possess the right skills to manage the company efficiently.

As far as BoD members are concerned, their remuneration should take into account their duties and responsibilities, their performance compared to predefined targets, the financial status and the future prospects of the Company as well as market conditions. In this framework, fixed remuneration will be combined with extra material benefits and a bonus, all related to the total performance of BoD members.

As far as non-executive members are concerned, their remuneration is proposed to reflect their time spent on Company affairs and their responsibilities. It is recommended that their remuneration is not directly related to their performance so as not to discourage any possible objections against management decisions assuming high business risk.

The remuneration of BoD members is pre-approved by the shareholders' meeting, based on a proposal made by the BoD following the above-mentioned framework. Final approval of the remuneration of BoD members (executive and non-executive) is granted by the General Meeting of the Shareholders according to the provisions of the law.

In this regard, in order to ensure the above principles and for the purpose of avoiding conflicts of interest, the Company has in place a Remuneration Committee, which operates as an independent and objective body, assisting the Board of Directors, with transparency and efficiency, in the performance of its duties for issues concerning the remuneration of the Board of Directors, the executives and the employees of the Company and undertaking the procedures of preparation and review of the Remuneration Policy and the Remuneration Report of under the provisions of Articles 111-113, Law 4548/2018.

The Remuneration Committee consists of three (3) members with a three-year term of office, who are exclusively non-executive members of the BoD and, by a majority, independent members within the meaning of the Law, as applicable. The term of office of its members is automatically extended until the first Regular General Meeting after the end of their term, which may not exceed four (4) years. The Remuneration Committee is chaired by an independent non-executive member of the BoD.

The members of the Remuneration Committee are appointed in their entirety by the Board of Directors with a decision, which sufficiently justifies the qualifications of the members of the Committee. The same decision also appoints one of the elected independent members of the Committee as a Deputy Chairman, while it is possible to appoint alternate members who replace the regular members of the Remuneration Committee in case of their incapacity.

The members of the Remuneration Committee in their entirety have sufficient knowledge and experience in matters regarding remuneration. Participation in the Remuneration Committee is prohibited to the persons who, at the same time, also hold positions or capacities or who carry out transactions incompatible with the Committee's objective. Participation of a person in the Remuneration Committee does not exclude his/her participation in another Committee of the Board of Directors, as long as it does not affect proper performance of the duties of the person as a member of the Remuneration Committee.

Indicatively, the responsibilities of the Remuneration Committee include drafting and reviewing the Remuneration Policy and the Remuneration Report under Articles 111-113 of Law 4548/2018, submission of proposals to the BoD in respect of any issue concerning the remuneration of the latter, the executives and the employees of the Company, review of payroll and working conditions of the employees of the Company for the purpose of drafting the Remuneration Policy, regular review of the terms of the contracts of the BoD members and the executives with the Company, submission of proposals for the review, deviation or temporary postponement of the implementation of the Remuneration Policy and, in general, reviewing every issue that falls within the provisions of Articles 109-114 of Law 4548/2018.

The composition, the structure, the responsibilities and the way of operation of the Remuneration Committee of the Company are analytically recorded in the Rules of Operation of the Remuneration Committee, prepared by the Company.

Part D – Relations with shareholders

1. Communication with shareholders

The BoD must maintain constant and constructive communication with shareholders, especially with those holding a major share with long-term prospects.

The Company must maintain a corporate website with public information on corporate governance, management structure, ownership status as well as with other useful information for shareholders and investors.

2. General Meeting of shareholders

The BoD must ensure that the General Meeting of shareholders is prepared and organized in such a way that facilitates shareholders to exercise their rights efficiently. It must also be ensured that shareholders are fully informed on all issues relating to their participation in the General Meeting, including topics for discussion on the agenda and their rights.

In the framework of transparent communication with shareholders, the President of the BoD, the Managing Director, internal and external auditors must be available in order to provide all necessary information to the shareholders. The BoD must follow the principle of equal treatment of all shareholders in relation to the provision of information.

Analytical information about the way the General Meeting of shareholders operates, its key authorities and a description of shareholders' rights and the way these rights are executed is provided in the Corporate Governance Statement, which is included in the annual management report of the Company according to the provisions of the law.

The present Corporate Governance statement constitutes an integral part and a special unit of the Annual Report of the BoD of the Company.

Athens, 30 April 2021
President of the BoD

GEORGE GALANAKIS

I.D. No Ξ 282324

D. Annual Financial Statements

The accompanying financial statements were approved by the Board of Directors of "LAMPSA HELLENIC HOTELS S.A." on April 30, 2021, and have been published on the Company's website www.lampsa.gr as well as on the Athens Exchange's website, where they will remain at the investing public's disposal for at least 5 (five) years from the date of publication.

Statement of Financial Position

		CONSOLIDATED		CORPORATE	
Amounts in thousands €	**NOTE**	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
ASSETS					
Non Current Assets					
Property, plant and equipment	5.2	231.698	221.832	139.801	148.383
Intangible Assets	5.3	359	284	177	145
Goodwill	5.5	3.476	3.476		
Investments in Subsidiaries	5.4	-	-	27.865	35.526
Other Long-term Assets	5.6	164	2.518	14.131	382
Deferred Tax Assets	5.14	6.332	2.260	8.818	5.580
Total		**242.029**	**230.371**	**190.792**	**190.016**
Current Assets					
Inventory	5.7	1.347	1.645	996	1.285
Trade and other receivables	5.8	735	2.014	600	1.740
Other Receivables	5.8	5.237	4.352	726	3.326
Cash and cash available	5.9	24.215	25.885	20.856	11.253
Total		**31.534**	**33.896**	**23.177**	**17.604**
Total Assets		**273.563**	**264.266**	**213.969**	**207.619**
EQUITY AND LIABILITIES					
Equity	**5.10**				
Share Capital		23.928	23.928	23.928	23.928
Share Premium		38.641	38.641	38.641	38.641
Statutory Reserves		11.158	5.455	(458)	(6.161)
Treasury Shares		(3.631)	(3.631)		
Retained Earnings		14.948	37.334	1.915	20.586
Equity attributable to owners of the parent		**85.044**	**101.728**	**64.026**	**76.993**
Non-controlling interest		-	-		
Total Equity		**85.044**	**101.728**	**64.026**	**76.993**
Long-term liabilities					
Employee termination benefits obligations	5.11	4.136	3.796	4.055	3.708
Long-term Debt	5.12	121.800	98.667	113.044	96.507
Long-term Lease Liabilities	5.13	23.565	23.354	(0)	41.864
Deferred Tax Obligations	5.14	2.282	2.785		
Other Long-term Liabilities	5.15	1.292	1.747	1.272	1.727
Long-term contractual Liabilities		719	402	719	402
Other Provisions	5.16	1.245	2.005	71	831
Total		**155.041**	**132.756**	**119.161**	**103.216**
Short-term Liabilities					
Suppliers and other liabilities	5.17	2.928	4.974	2.166	4.262
Income tax payable	5.18	0	1.278	-	1.168
Short-term debt	5.12	11.440	6.240	10.900	5.700
Short-term portion of bond and bank loans	5.12	5.585	4.916	5.585	4.916
Short-term Lease Liabilities	5.13	170	68	42	64
Other liabilities	5.19	9.160	9.234	8.023	8.444
Short-term contractual obligation	5.19	4.194	3.073	4.066	2.856
Total		**33.478**	**29.783**	**30.783**	**27.410**
Total liabilities		**188.518**	**162.539**	**149.943**	**130.626**
Total Equity and Liabilities		**273.563**	**264.266**	**213.969**	**207.619**

Potential differences are due to rounding

The accompanying notes form an integral part of the annual financial report.

Statement of Comprehensive Income

		CONSOLIDATED	CORPORATE

Amounts in thousands €	**Note**	**1/1-31/12/2020**	**1/1-31/12/2019**	**1/1-31/12/2020**	**1/1-31/12/2019**
Sales	5.20	17.735	77.815	12.789	65.075
Cost of Sales	5.20	(25.516)	(45.025)	(17.239)	(36.006)
Gross Profit		**(7.781)**	**32.790**	**(4.450)**	**29.069**
Distribution Expenses	5.20	(1.893)	(6.646)	(1.467)	(5.878)
Administrative Expenses	5.20	(7.692)	(12.987)	(6.634)	(11.280)
Other Income	5.20	2.989	1.586	2.401	1.373
Other expenses	5.20	(515)	(636)	(154)	(199)
Operating Profit		**(14.892)**	**14.108**	**(10.304)**	**13.085**
Financial expenses	5.21	(4.403)	(3.420)	(3.975)	(3.354)
Financial income	5.21	13	79	167	44
Other financial results	5.21	166	(68)	212	(76)
Results (Losses) / from reverse of investments valuation	5.4	-	-	(2.040)	2.050
Results (Losses) from impairment of assets	5.2	(1.877)	0	0	0
Profit / (Loss) before Tax		**(20.993)**	**10.700**	**(15.940)**	**11.749**
Income Tax	5.22	4.499	(3.769)	3.162	(3.582)
Net Profit / (Loss) for the period		**(16.494)**	**6.931**	**(12.778)**	**8.166**
Other Comprehensive Income not reclassified into Income Statement for Subsequent Periods					
Actuarial results reserves		(250)	(327)	(250)	(327)
Effect of tax on actuarial results reserves		60	78	60	78
Effect of tax on actuarial results reserves due to change of tax rate		-	(6)		(6)
Other comprehensive income for the period after tax		**(190)**	**(255)**	**(190)**	**(255)**
Total Comprehensive Income for the Period		**(16.683)**	**6.677**	**(12.968)**	**7.912**
Profit for the period allocated to:					
Owners of the parent		(16.494)	6.931	(12.778)	8.166
Non controlling Interests		-	-		
		(16.494)	**6.931**	**(12.778)**	**8.166**
Total Comprehensive Income for the Period allocated to:					
Owners of the parent		(16.683)	6.677	(12.968)	7.912
Non controlling Interests		-	-	-	-
		(16.683)	**6.677**	**(12.968)**	**7.912**
Earnings per share allocated to owners of the parent					
Basic in €	5.23	-0,7720	0,3244	-0,5981	0,3823

		CONSOLIDATED		**CORPORATE**	
		1/1-31/12/2020	**1/1-31/12/2019**	**1/1-31/12/2020**	**1/1-31/12/2019**
EBIT		(14.892)	14.108	(10.304)	13.085
EBITDA		(5.194)	23.085	(3.706)	19.649

Potential differences are due to rounding

The accompanying notes form an integral part of the annual financial report.

Statement of Changes in Equity

THE GROUP								
	Equity allocated to owners of LAMPSA							
Amounts in thousands €	**Share Capital**	**Share Premium**	**Other Reserves**	**Treasury Shares**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total**
Balances as at 1 January 2019	**23.928**	**38.641**	**1.712**	**(3.631)**	**38.758**	**99.408**	**71**	**99.478**
Change from change in ownership interest in a subsidiary					(84)	(84)	(71)	(154)
Transactions attributable to the owners of the parent	**-**	**-**	**-**	**-**	**(84)**	**(84)**	**(71)**	**(154)**
Distribution of dividends for the FY 2018			164		(4.437)	(4.273)		(4.273)
Total Comprehensive Income for the FY 2019			(255)		6.931	6.677		6.677
Transfers			3.834		(3.834)	-		-
Equity balance as at 31 December 2019	**23.928**	**38.641**	**5.455**	**(3.631)**	**37.334**	**101.728**	**-**	**101.728**
Balances as at 1 January 2020	**23.928**	**38.641**	**5.455**	**(3.631)**	**37.334**	**101.728**	**-**	**101.728**
Transactions attributable to the owners of the parent	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Distribution of dividends for the FY 2019			202		(202)	-		-
Total Comprehensive Income for the FY 2020			(190)		(16.494)	(16.683)		(16.683)
Transfers			5.691		(5.691)	-		-
Equity balance as at 31 December 2020	**23.928**	**38.641**	**11.158**	**(3.631)**	**14.948**	**85.044**	**-**	**85.044**

Potential differences are due to rounding

The accompanying notes form an integral part of the annual financial report.

The Company

THE COMPANY					
Amounts in thousands €	**Share Capital**	**Share Premium**	**Other Reserves**	**Retained earnings**	**Total**
Balances as at 1 January 2019	**23.928**	**38.641**	**(9.905)**	**20.690**	**73.354**
Distribution of dividends for the FY 2018			164	(4.437)	(4.273)
Total comprehensive Income for the FY 2019			(255)	8.166	7.912
Transfers			3.834	(3.834)	-
Equity balance as at 31 December 2019	**23.928**	**38.641**	**(6.161)**	**20.586**	**76.993**
Balances as at 1 January 2020	**23.928**	**38.641**	**(6.161)**	**20.586**	**76.993**
Distribution of dividends for the FY 2019			202	(202)	-
Total comprehensive Income for the FY 2020			(190)	(12.778)	(12.968)
Transfers			5.691	(5.691)	-
Equity balance as at 31 December 2020	**23.928**	**38.641**	**(458)**	**1.915**	**64.026**

Potential differences are due to rounding

The accompanying notes form an integral part of the annual financial report.

Statement of Cash Flows

Amounts in thousands €	THE GROUP 01/01-31/12/2020	THE GROUP 01/01-31/12/2019	THE COMPANY 01/01-31/12/2020	THE COMPANY 01/01-31/12/2019
Operating activities				
Profit / (Loss) before tax	**(20.993)**	**10.700**	**(15.940)**	**11.749**
Plus / less adjustments for:				
Depreciation	9.833	9.112	6.733	6.698
Amortization of grants	(134)	(134)	(134)	(134)
Profit / (Loss) of asset sale – impairment	1.877	10		
Provisions/ (Revenues from unused provisions of previous years)	(976)	508	(998)	207
Impairment losses /(Profit from reversal of impairment)	-	-	2.040	(2.050)
Foreign exchange differences	34	19	(12)	28
Non-cash expenses	-	13		
Interest income	(13)	(79)	(167)	(44)
Interest expenses	4.376	3.266	3.975	3.295
Operating profit prior to changes in working capital	(5.996)	23.415	(4.504)	19.748
Plus/ less adjustments for changes in working capital accounts or accounts related to operating activities:				
Decrease / (increase) in inventories	298	47	289	82
Decrease / (increase) in receivables	2.335	(337)	2.308	936
(Decrease) / increase in liabilities (except for banks)	896	3.901	(2.962)	927
Less:	-	-		
Interest expense and related expenses paid	(4.149)	(2.011)	(3.761)	(1.934)
Taxes paid	(1.278)	(2.164)	(1.168)	(1.954)
Total inflows / (outflows) from operating activities (a)	**(7.894)**	**22.852**	**(9.799)**	**17.805**
Investing activities				
Acquisition of tangible and intangible assets	(22.581)	(14.539)	(1.559)	(6.949)
Acquisition of shares of subsidiary	0	(154)	5.621	(154)
Subsidiaries share capital return	-	-	-	350
Subsidiaries share capital increase	(0)	(0)	(6.900)	(11.550)
Interest collectable	13	79	2	44
Total inflows / (outflows) from investing activities (b)	**(22.567)**	**(14.615)**	**(2.837)**	**(18.260)**
Financing activities				
Proceeds from issued/received loans	30.200	86.162	23.200	83.462
Dividends paid to shareholders of the parent	-	(4.273)	-	(4.273)
Payments of loans	(1.318)	(72.640)	(914)	(71.621)
Repayment of finance lease liabilities (amortization)	(91)	(75)	(48)	(67)
Proceeds from long-term deposits	-	164		
Total inflows / (outflows) from financing activities (c)	**28.791**	**9.338**	**22.238**	**7.501**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**(1.670)**	**17.576**	**9.603**	**7.047**
Year opening cash and cash equivalents	**25.885**	**8.310**	**11.253**	**4.206**
Year closing cash and cash equivalents	**24.215**	**25.885**	**20.856**	**11.253**

Potential differences are due to rounding

The accompanying notes form an integral part of the annual financial report.

Notes to the Financial Statements

1. General information

LAMPSA Group has fully adopted all the International Financial Reporting Standards and their Interpretations adopted by the European Union mandatory applicable for the preparation of the current FY separate and consolidated financial statements.

The parent company of the Group is "LAMPSA HELLENIC HOTELS S.A. based in Athens, Vasileos Georgiou A1, registered in the Companies Register of the Ministry of Economy, Competitiveness and Shipping, No. REG 6015/06/V/86/135 and GSC Reg. No. 223101000 and its term of duration is set at one hundred (100) years, which began from the publication in the Government Gazette of the Royal Decree approving its Articles of Association. The company has been operating continuously since its foundation, over ninety-nine (99) consecutive years. The General Meeting of Shareholders as of 19/06/2015, decided to extend the duration of the company for fifty (50) years, with the corresponding amendment of Article 4 of its Articles of Association.

The parent company's objective is acquisition, construction and operation of hotels in Athens and elsewhere in Greece or abroad, as well as related businesses, such as acquisition and/or exploitation of thermal spring water, resorts, public entertainment, clubs, etc. The Company website is www.lampsa.gr.

The shares of the Group have been listed on the Athens Stock Exchange since 1946.

The annual financial statements were approved for issue by the Company Board of Directors on 30 April, 2021.

The company LAMPSA and Starwood Hotels and Resorts Worldwide Inc, signed an agreement on management and hotel operation in December 2001. According to the agreement, Starwood, agreed to provide management and operation services to the hotel «Grande Bretagne». The term of the Management Agreement is initially of twenty five (25) years, with option to extend for another 25 years. Both companies have limited rights to terminate the agreement without reason. In 2013, the agreement was extended in order to include the management of the King George Hotel as well.

Management agreement was also signed with Starwood Hotels & Resorts Worldwide Inc. and Touristika Theretra S.A., the owner of «Sheraton Rhodes Resort» Hotel. The agreement concerns the assumption of operational management of the hotel (operating services agreement).

It is to be noted that in 2016, the company Starwood Hotels & Resorts Worldwide Inc. was acquired by Marriott International Inc., and, therefore, Marriott International Inc. manages all three hotels.

The Hyatt Regency Belgrade hotel is managed by the international Hyatt hotel group. Chicago-based Hyatt Hotels Corporation is a leading global company operating 20 top brands. At the end of 2020, the Company's portfolio included over 975 hotel accommodations, all inclusive and wellness resorts in 69 countries on six continents. The Company 's subsidiaries operate, manage, use franchises, own, lease, develop, license or provide services to hotels, resorts, branded residences and holiday properties, including Park Hyatt®, Miraval®, Grand Hyatt®, Alila® , Andaz®, The Unbound Collection by Hyatt®, Destination by Hyatt®, Hyatt Regency®, Hyatt®, Hyatt Ziva ™, Hyatt Zilara ™, Thompson Hotels®, Hyatt Centric®, Caption by Hyatt, JdV by Hyatt®, Hyatt House ®, Hyatt Place®, tommie ™, UrCove, and Hyatt Residence Club®, and run the World of Hyatt® loyalty program that provides unique benefits and exclusive experiences to its distinguished members.

LAMPSA SA cooperates with the Orbis Hotel Group –AccorHotels for management of Excelsior Belgrade Hotel. Orbis Hotel Group, a subsidiary of the French AccorHotels and the manager of its Hotels in Eastern Europe, launched its presence in Serbia with the opening of the Mercure Belgrade Excelsior in September 2017, which will be managed by Orbis Hotel Group under a contract with the owner and investor LAMPSA SA. Upon joining the internationally renowned Mercure chain, it was directly connected to AccorHotels' worldwide sales and marketing network.

Since December 2018, LAMPSA SA holds the long-term lease of the historic hotel Athens Capital, owned by the AUXILIARY FUND OF FORMER EMPLOYEES OF THE AGRICULTURAL BANK OF GREECE ("ATPPEATE"). Under this lease, the company entered into an agreement with the international hotel group Accor Hotels, to take over the management of the hotel, under the brand name MGallery. The contract is for 25 years and includes a basic fee for revenue management and a fee for achieving objectives. AccorHotels is a Hotel Group, offering unique experiences through over 4,500 hotels, resorts and residences in 100 different countries. With a portfolio of internationally renowned hotels it covers the entire range of visitors, for more than 50 years.

2. Framework for preparation of financial statements

The consolidated and separate financial statements of LAMPSA S.A. have been prepared in accordance with the International Financial Reporting Standards (hereinafter IFRS). The financial statements have been prepared based on historic cost principal as amended following the adjustment of certain assets and liabilities at fair values and the going concern principle and are in accordance with the IFRSs, as issued by the International Accounting Standards Board (IASB) and according to their interpretations, which have been published by the International Financial Reporting Interpretations Committee (IFRIC) of IASB.

The financial statements of the Parent and its subsidiaries have been prepared on the basis of the going concern principle as the Group's Management considers that given the currently available data and its estimates of the impact of Covid-19 pandemic on the Group's financial sizes for the following 12 months and in line with the aforementioned actions that have been planned, as recorded in paragraph C Risks and Uncertainties in the Management Report, there will be sufficient liquidity in order to ensure the Group’s ability to continue as a going concern. Moreover, in case the Company's liquidity needs to be strengthened, its two main shareholders "NAMSOS ENTERPRISES COMPANY LIMITED" and "DRYNA ENTERPRISES” (56.11%) as well as their final beneficiaries are committed to and have the financial capacity to cover the contingent needs at least for the next twelve months from the date of approval of its annual financial statements as of 31/12/2020.

All the revised or newly issued Standards and Interpretation applicable to the Group and effective as from December 31, 2020 were taken into account under the preparation of the financial statements for the current year to the extent they were applicable.

The preparation of financial statements according to IFRSs requires use of accounting estimates. It also requires management judgement under the application of the Group’s accounting principles. The cases involving a higher degree of judgment or complexity, or the cases where assumptions and estimates are significant to the consolidated financial statements are recorded in Note 2.2.

2.1. Changes to Accounting Policies

The accounting policies based on which the Financial Statements were drafted are in accordance with those used under the preparation of financial statements for FY 2019, adjusted to the new Standards and revisions imposed by IFRS effective for fiscal years starting as at January 1st, 2020.

2.1.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2020.

- **Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)**

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgments. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IFRS 9, IAS 39 and IFRS 7: "Interest Rate Benchmark Reform" (effective for annual periods starting on or after 01/01/2020)**

In September 2019, the IASB issued amendments to some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the Interest Rate Benchmark reform. The amendments are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest – rate benchmarks such as interbank offered rates (IBORs). It requires companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IFRS 3: "Definition of a Business" (effective for annual periods starting on or after 01/01/2020)**

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes 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. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The amendments do not affect the consolidated and separate Financial Statements.

- **Amendments to IFRS 16 "Leases" Covid-19 – Related Rent Concessions (effective for annual periods starting on or after 01/06/2020)**

In May 2020, the IASB issued amendments to IFRS 16 that provide lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification. More specifically, the amendments clarify that if certain conditions are met, lessees are not required to assess whether particular Covid-19-related rent concessions are lease modifications. Instead, lessees that apply the practical expedient, would account for those rent concessions as if they were not lease modifications. It applies to Covid-19-related rent concessions that reduce lease payments due on or before June 30, 2021. The Group applied the amendment under the preparation of financial statements to all the leases that fall within the scope of the aforementioned standard. The effect on the results of the Company and the Group is not significant (Note 5.13)

2.1.2 New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

- **Amendments to IFRS 4 "Insurance Contracts" – deferral of IFRS 9 (effective for annual periods starting on or after 01/01/2021)**

In June 2020, the IASB issued amendments that declare deferral of the date of initial application of IFRS 17 by two years, to annual periods beginning on or after January 1, 2023. As a consequence, the IASB also extended the fixed expiry date for the temporary exemption from applying IFRS 9 “Financial Instruments” in IFRS 4 “Insurance Contracts”, so that the entities are required to apply IFRS 9 for annual periods beginning on or after January 1, 2023. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2021.

- **Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: “Interest Rate Benchmark Reform — Phase 2” (effective for annual periods starting on or after 01/01/2021)**

In August 2020, the IASB finalized its response to the ongoing reform of inter-bank offered rates (IBOR) and other interest rate benchmarks by issuing a package of amendments to five IFRS Standards. 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. In particular, the amendments describe the way in which an entity shall account for changes in contractual cash flows, a change in hedging relationships as a result of the restructuring, and related information it will need to disclose. The above have been adopted by the European Union with effective date of 01/01/2021.

- **Amendments to IFRS 16 “Leases” Covid-19 – Related Rent Concessions after June 30, 2021. (effective for annual periods starting on or after 01/04/2021)**

In May 2020, the IASB issued amendments to the practical application of IFRS 16 extending the period of application by one year to include Covid-19-related lease concessions which reduce lease payments and become payable on or before June 30, 2022. The Group will examine the impact of the above on its Financial Statements, though they are not expected to have any. The above have not been adopted by the European Union.

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

In May 2020, the IASB issued a package of amendments which includes narrow-scope amendments to three Standards as well as the Board’s Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards. More specifically:

- Amendments to IFRS 3 Business Combinations update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

- Amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.

- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs a company includes when assessing whether a contract will be loss-making.

- Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The Group will examine the impact of the above on its Financial Statements, though they are not expected to have any. The above have not been adopted by the European Union.

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

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The above have not been adopted by the European Union.

- **Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2023)**

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Moreover, in July 2020, the IASB issued an amendment, postponing the effective date of the initially issued amendments to IAS 1 for one further year, given the spread of Covid-19 pandemic. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to IAS "Presentation of Financial Statements" (effective for annual periods starting on or after 01/01/2023)**

In February 2021, the IASB issued narrow-scope amendments to IFRS Standards regarding disclosures of accounting policies. The amendments will help companies improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The Group will examine the impact of the above on its Financial Statements though it is not expected to have any. The above have not been adopted by the European Union.

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

In February 2021, the IASB issued narrow-scope amendments to IFRS Standards clarifying the difference between a change in accounting estimate and a change in accounting policy. This distinction is significant, since the change in accounting estimate is applied without retroactive effect and only to future transactions and other future events, in contrast to the change in accounting policy that has retroactive effect and applies to transactions and other events of the past. The Group will examine the impact of the above on its Financial Statements though it is not expected to have any. The above have not been adopted by the European Union.

2.2. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in accordance with International Financial Reporting Standards (IFRS) requires management to make judgments, estimates and assumptions that affect the publicized assets and liabilities at the financial statements preparation date. They also affect the disclosures of contingent assets and liabilities at the financial statements preparation date and the publicized amounts of revenues and expenses for the period. Actual results may differ from these estimates. Estimates and judgments are based on historical experience and other factors, including expectations of future events that are considered reasonable under specific circumstances and are constantly re-assessed using all the available information.

Judgements

The key judgments made by the Management of the Group (other than judgments associated with estimates presented below) and that have the most significant effect on the amounts recognized in the financial statements mainly relate to:

- Estimate of goodwill impairment
- Estimate of privately owned hotels of the Company & the Group and the Group's right-of-use hotels
- Estimate of subsidiaries impairment
- Classification of investments.
- Recoverability of receivables.
- Impairment of inventory.

Assumptions and estimates

Specific amounts included or affecting the financial statements along with relevant disclosures are estimated assuming values or conditions which cannot be known with certainty at the time the financial statements are issued. An accounting estimate is considered significant when it is important for the image the financial position of the company and fiscal year results and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates regarding the effect of matters that are uncertain. The Group evaluates these estimates on constant basis, based on past years and experience, by meeting experts, using trends and other methods considered rational under the specific circumstances along with the projections for future changes. The accounting policies, which have been chosen from acceptable alternative policies, are recorded in unit 3 "Summary of accounting policies".

It is to be noted that although these estimates are based on Management's best knowledge of current events and actions, the actual results are likely to differ from those estimated. As a result of the effects of the spread of the COVID-19 pandemic, and the ever-changing conditions (eg restrictions and extent of these restrictions on travel and activities directly related to the Group's operations, vaccinations rollout) and estimated effects on the hotel sector, in order to more reliably record these estimated effects on the financial statements of the Company and the Group, on 31/12/2020 the Management reviewed the estimates related to future cash flows in relation to those of 30 / 06/2020. Future cash flows after discounting determine the recoverable amount of participations, fixed assets and goodwill.

- **Estimate of impairment**

The Group annually tests goodwill for impairment and examines events or conditions that make impairment of privately owned and right-of-use hotels and the Parent's investments in subsidiaries possible; such as, for example, a significant negative change in the business climate or a decision for the sale or disposal of a unit or an operating segment. The determination of impairment requires calculation of the recoverable amount of the corresponding unit, which is evaluated by using the method of discounted cash flows.

The recoverable amounts of CGUs are determined based on calculations of value in use. These calculations require the use of estimates.

If this analysis indicates a need for impairment, measurement of impairment requires a fair value estimate for every identifiable tangible or intangible asset. In that case, the cash flows approach is used, as mentioned above, by independent valuators, where deemed appropriate.

Moreover, other identifiable intangible assets with defined useful lives and subject to amortization are annually tested for impairment by comparing the carrying amount to the sum of the undiscounted cash flows expected to be generated by the asset.

As a result of the effects of the COVID-19 pandemic on the hotel segment, the management estimates that on 31/12/2020 there were indications of impairment. Therefore, the recoverable amount of the aforementioned assets was measured, taking into account judgments, estimates and assumptions, inter alia, regarding future cash flows, future turnover growth rates, completeness and cash flows discount rate, regarding the Group's

operation as a unit. In particular, discounted cash flows were used based on five-year business plans for the Group's cash-generating units. Under the preparation of every business plan, the Management relied on specific assumptions, based on the results of the past and experience, which it considered as the most effective in determining the recoverable value of the cash-generating unit.
As a result, impairment has arisen regarding the Group's privately owned hotels amounting to € 1,877 k and investments in subsidiaries of the Parent amounting to € 2,040 k. See Notes 5.2, 5.4 and 5.5.

- **Income tax**

Current and deferred tax are calculated on the basis of the financial statements of every company included in the consolidated financial statements, in accordance with the tax legislation effective in Greece or other tax frameworks within which the foreign subsidiaries operate. Income tax is calculated based on every company's profits, additional income taxes arising from tax inspections of tax authorities and from deferred income taxes based on the institutionalized tax rates.

- **Provisions**

Doubtful accounts are reported at the amounts that may be recovered. Estimates of the amounts expected to be recovered arise following the analysis as well as from the experience of the Group regarding the possibility of doubtful receivables of the customers. As soon as it is known that a specific account is subject to greater risk than the usual credit risk (e.g. low credibility of the customer, disagreement regarding the existence or the amount of receivables, etc.), the account is analyzed and recorded as doubtful debt as long as the conditions indicate that the receivables cannot be collected.

- **Contingent events**

During ordinary course of business, the Group is involved in legal claims and compensations. The Management judges that no arrangement would significantly affect the financial position of the Group in 31/12/2020. However, the determination of contingent liabilities that are connected to legal claims and demands is a complicated procedure that includes judgments on possible consequences and law interpretation according to laws and regulations. Any change in judgment or interpretation is possible to lead to an increase or decrease of the Group's contingent liabilities in the future.

- **Business Combinations**

Upon initial recognition, the assets as well as liabilities of the acquired business are included in the consolidated financial statements at their fair values. During measurement of fair values, management uses estimates regarding future cash flows but actual results may differ. Any other change in measurement after the initial recognition would affect the goodwill measurement.

- **Useful life of depreciable assets**

The Company's Management examines the useful lives of depreciable assets at every reporting period. At 31 December 2020, the Company's Management estimates that the useful lives of the depreciated assets represent the expected utility of these assets. Actual results, however, may differ due to technical gradual depreciation, mainly regarding software and computer equipment.

3. Summary of accounting policies

3.1. General

The significant accounting policies that used for the preparation of theses consolidated financial statements are synopsized as per below.

3.2. Consolidation and investments in associates

- **Subsidiaries**

Subsidiaries are all entities managed and controlled by the Group in regard to their finance and business policies. LAMPSA considers that it owns and controls a subsidiary when it participates in it with a percentage greater than half of voting rights.

To determine the existence of potential voting rights of LAMPSA, that are currently exercisable on another entity, LAMPSA examines the existence and effect of any potential voting rights that are currently exercisable or convertible.

The consolidated financial statements of LAMPSA SA include the financial statements of the parent company as well as the entities controlled by the Group through full consolidation.

Subsidiaries are consolidated using the full consolidation method from the date on which the Group obtains control and stop to be consolidated to the date on which control ceases to exist.

In addition, the acquired subsidiaries are subject to application of the acquisition method. This includes revaluation at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, irrespective of whether they have been included in the financial statements of the subsidiary prior to acquisition. Upon initial recognition, subsidiary's assets and liabilities are included in the consolidated balance sheet at revalued amounts, which are also used as a basis for subsequent measurement in accordance with the accounting policies of the group. Goodwill represents the excess of cost over the fair value of the Group's share in the identifiable assets of the acquired subsidiary of the group during acquisition. If the cost of acquisition is less than the fair value of net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

Non-controlling interests are recognized as part of profit or loss and net assets that do not belong to the Group. If losses of a subsidiary concerning non-controlling interests exceed non-controlling interests in subsidiary's equity, then the excess amount is allocated to the shareholders of the parent company except from the amount that regarding which the minority has an obligation and is able to cover those losses.

The accounting policies of subsidiaries were modified when deemed necessary in order to be consistent with the policies adopted by the Group

Intercompany account receivables and liabilities, revenues and expenses and unrealized gains or losses between companies are eliminated.

In the Statement of Financial Position of the parent, participation in subsidiaries is measured at acquisition cost, unless there are indications of impairment, As analytically recorded in paragraph 2.2, the Covid-19 pandemic and the effects it has on the hotel segment are indications of impairment and, therefore, an impairment test was performed for the parent company 'a participating interest, resulting in an impairment of € 2,040 k.

3.3. Foreign currency translation

The consolidated financial statements of LAMPSA S.A. are presented in EURO (€), which is, also, the functional currency of the parent.

Every entity of the Group defines its functional currency and the items included in the financial statements of every entity. In the separate financial statements of the consolidated entities, transactions in foreign currency are translated into the functional currency of every separate entity, using the exchange rates, prevailing on the date of the transaction. Transactions in foreign currency are translated into euro, using the exchange rates prevailing on the transaction dates.

Foreign currency exchange gains and losses arising from such transactions and from the conversion of accounts with balances at year end exchange rates are recognized in the "Financial Income / (expenses)", respectively except from the gain or loss incurred by the hedging instrument and directly recognized in the equity, in the statement of changes in equity.

Changes in fair value of securities denominated in foreign currency classified as available for sale are distinguished from changes in foreign exchange differences arising from changes in amortized cost of the security and other changes in the carrying value of the securities. Differences from conversion-related changes in the amortized cost are recognized in profit or loss, and other changes in carrying amount are recognized in equity.

Differences arising from converting non-monetary financial assets and liabilities such as assets at fair value through profit and loss are recognized in the results as part part of profit or loss from fair value. Differences arising from converting non- monetary financial assets such as assets classified as available for sale are included in the equity reserves pertaining to available-for- sale financial assets.

In the consolidated financial statements, all separate financial statements of subsidiaries and jointly controlled entities, originally presented in a currency other than the functional currency of the Group (none of which has the currency of a hyperinflationary economy), have been converted into Euro.

Assets and liabilities have been converted into Euro at the closing rate at the balance sheet date.

Revenue and expenses have been converted into the Group's presentation currency at the average exchange rates during the reporting period; unless there are significant fluctuations, in which case revenue and expenses are translated at the exchange rate at the transaction dates.

Any differences arising from this procedure have been transferred to the balance sheet translation reserve in equity.

Goodwill and fair value adjustments arising from an acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated into Euro at the closing rate

On consolidation, exchange rate differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments that are designated hedges of a net investment in a foreign operation directly in equity through the statement of equity changes.

When a foreign operation is partially disposed or sold, exchange differences that were recorded in equity are recognized in profit or loss in the period of disposal or sale as part of the gain or loss on sale.

3.4. Segment Reporting

A business segment is a group of assets and operations engaged in providing products and services which are subject to risks and returns different from those of other business segments. A geographical segment is a geographical region in which products are sold and services provided and which is subject to risks and returns different from other areas. Geographically, the Group operates mainly in Greece, Cyprus and Serbia, while having interests in other countries (see § 4 “Group Structure").

The going concern business segments, presented in the current year, are recorded per geographical area, where the Group operates and per the type of the hotels as follows: Athens City Hotels, Resorts, Belgrade City Hotels & Other.

In the beginning of the current year, the Company’s Management decided that due to full incorporation of the first hotel of Resort type, it should change the way of presenting the business segments from revenue generating segments (income from rooms, income from food and drink and other income) to segments per hotel type & geographical area (for the same hotel types). The management considers presentation of business segments per hotel type in relation to the geographical area (Athens City Hotels, Resorts, Belgrade City Hotels & Other) to be more appropriate, since location and type of the hotel are characterized as the main factors determining the risks, the opportunities and the performance of the hotel units of the Group.

If total external revenue, presented per operating segments constitutes less than 75% of the Group's earnings, then other sectors identified as reportable segments until at least 75% of the Group's earnings is included in the reportable operating segments.

Operating segments that do not meet any of the quantitative thresholds set by IFRS 8 are not considered reportable segments and are not separately disclosed if the management believes that information about the separate area is not useful to users of financial statements.

The accounting principles used by the Group for the purposes of segment reporting under IFRS 8 are the same as those used in the preparation of the financial statements.

There have been no changes compared to the previous year valuation methods used to determine gain or loss of the segment. There have been no asymmetrical allocations to the reportable segments. Asymmetric allocation is effective, for example, when a company allocates depreciation expenses to a geographical segment without allocating the respective depreciable assets.

3.5. Revenue and expenses recognition

Revenue is recognized when it is probable that future economic benefits will flow into the entity and these benefits can be measured reliably.

The revenue is measured at the fair value of the consideration received and it is net of value added tax, returns, rebates and any kind of reduction after limiting the sales within the Group.

The amount of revenue is considered that can be reliably measured when all contingencies relating to the sale have been settled.

Sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer, usually on dispatch of those goods.

Provision of services

Most of the revenues for the Group come from rendering services related to the rental of rooms, use of hotel facilities, catering services, use of the building facilities. Under IFRS 15, revenue is recognized at a given point in time when the obligation to perform the service is met. Under the existing revenue recognition accounting policy, the Group and the Company recognize revenue for services when they are rendered.

Principal/Agent distinction

When a third party is involved in provision of goods or services, the Group and the Company shall determine whether the nature of the service offer is an obligation to perform services by itself (that is, it is the principal) or not (that is, it is the agent). Based on the assessment performed so far, the Group acts as the principal regarding the largest part of the transactions. In cases when the Group and the Company act as agents, they shall only recognize net profit as income.

Voucher

The Group and the Company receive prepayments from customers and recognize a contractual obligation equal to the amount of prepayment for the obligation to transfer goods or services in the future. The Group and the Company recognize revenue when they transfer these goods or services and, consequently, fulfill the obligation in question. However, customers may not exercise all their contractual rights. Under the new standard, the Group and the Company shall estimate whether they will be entitled to an amount by not redeeming the rewards. If it has been defined that the Group and the Company are entitled to an amount from non-redeeming rewards, then they will recognize the estimated benefit as revenue when the probability of residual rights being exercised by the client is minimized. The Company’s Management estimates that the probabilities that the customers’ contractual rights are not exercised are not high.

Income from interests

Income from interest is recognized using the effective interest method that is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or liability.

When a receivable is impaired, the Group reduces the carrying value of the amount expected to be recovered, which is the amount arising from the estimated future cash flows discounted at the effective interest rate and continues the periodic reversal of the discount as interest income. Income from interests on loans that have been impaired are recognized using the initial effective interest rate.

Income from royalties

Income from royalties is recognized according to the accrual inputs outputs, depending on the substance of the relevant agreement.

Income from dividends

Income from dividends is recognized when finalized the the shareholders’ right to receive payment from them is finalized.

Operating expenses are recognized in the Statement of Comprehensive Income for the year over the use of the service or the date of creation. Expenditure for warranties is recognized and charged against the related provision when the corresponding revenue is recognized.

IFRIC 13: Customer Loyalty Programs

Customer loyalty programs give customers incentives to purchase products or services from a company. If a customer buys goods or services, then the company grants award credits “points" which the customer can redeem in the future for free or discounted products/services. These programs may be run by the company itself or by a third party. IFRIC 13 can be applied to all the award credits loyalty programs a company can provide to its customers as part of a transaction. IFRIC 13 is mandatory effective for annual periods beginning on or after 1 July 2008. The retrospective application is required while earlier application is encouraged as long as it is disclosed in the notes to the financial statements. The implementation of the above program does not affect the Group's results.

3.6. Borrowing cost

Borrowings are initially recognized at fair value, including bank charges and commissions.

The Company's Management believes that the interest paid in connection with loans is equivalent to the current market interest rates and, therefore, there is no reason for any adjustments to the value at which these liabilities are presented.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the term of the loan.

Borrowings are classified as current except when the Group has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date. Borrowing costs are recognized as expenses in the period in which they are incurred.

The Group capitalizes all borrowing costs that can be directly attributable to acquisition, construction or production of an asset that meets the qualifying conditions.

3.7. Goodwill

Goodwill acquired in a business combination is initially measured at cost, that is the exercise cost of the business combination exceeding the buyers participation in the net fair market value of identifiable assets, liabilities and and contingent liabilities. After the initial recognition, goodwill is measured at cost less any accumulated impairment losses. The acquirer tests goodwill for impairment on an annual basis or more often if events or changing conditions indicate the possibility of impairment. No goodwill impairment arose from the test conducted on 31/12/2020.

3.8. Other intangible assets

An intangible asset is initially valued at acquisition cost. The cost of an intangible asset acquired in a business combination is the fair value of the asset on the acquisition date.

After the initial recognition, intangible assets are valued at cost less accumulated amortization and any impairment loss.

Acquired licenses regarding software are capitalized based on acquisition and installation expense.

Expenses related to software maintenance are recorded in the expenses of the period when incurred.

The useful lives of intangible assets are either definite or indefinite depending on their nature.

Intangible assets with definite useful life are amortized over their useful life and the amortization commences when the asset is available for use and is recognized in the category of operating expenses.

The period and amortization method are reviewed at least at every fiscal ear end. If the expected useful life or the expected consumption rate of the future economic benefits embodied in the asset are changed, the amortization period or method are changed respectively. Such changes are accounted for as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized but are tested at least annually for impairment as well as in order to determine whether the management's assessment of the indefinite useful lives of these intangible assets is supported. If not supported, the change in the useful life assessment from indefinite to definite treated as a change in an accounting estimate in accordance with IAS 8. Gains or losses arising from the sale of an intangible asset are determined as the difference between the sale amount and the carrying amount of the asset and is recognized in the income statement in the item " Other income " or "Other expenses".

3.8.1. Acquired software

Intangible assets include acquired software used under production or management.

Amounts in thousand Euro, unless otherwise mentioned

The costs capitalized are amortized on a straight-line basis over the estimated useful lives (three to five years). Additionally, the acquired software is also tested for impairment.

3.9. Property, plant and equipment

Buildings, technical equipment, furniture are presented at acquisition cost or at acquisition cost less any accumulated depreciation and any accumulated impairment losses. The cost also includes the cost of spare parts of some tangible assets that require replacement at regular intervals, if the criteria for acknowledgment are fulfilled. The artwork owned by the Group is not depreciated.

The costs of daily maintenance of property, plant and equipment are recognized in the income statement when incurred.

If the carrying amount of tangible assets has suffered depreciation or an impairment loss, it is recognized in the total income for the year.

The gain or loss on sale of land will be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and is recorded in the income statement.

Depreciation is calculated using the straight line method over the entire useful life of the assets. For works of art held by the company, no depreciation is calculated.

The buildings that have been acquired through financial leases are depreciated throughout their estimated useful lives (determined in relation to comparable owned assets), if shorter.

The useful lives of tangible assets of the Group (in years) are summarized below as follows:

Buildings & building facilities	4-33
Machinery & Equipment	2-20
Vehicles	5-9
Furniture	2-33
Office equipment /telephone devises	3-33
Printing / Hardware	4-5

The residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate at every year end.

3.10. Impairment of Assets

Assets with indefinite useful life are not depreciated and are tested for impairment annually irrespective of the existence of indication of impairment. The difference between the carrying amount and the net undepreciated amount is recorded in the income statement. Assets subject to depreciation are tested for impairment when there are indications that the carrying value may not be recoverable. The recoverable amount is the higher of net selling price and value in use. Assets impairment losses are recognized by the entity when the carrying amount of those assets (or Cash Generating Unit) is higher than their recoverable amount.

The net selling price is defined as the amount from the sale of the asset in the context of a bi-lateral arm's length transaction after the deduction of any additional direct cost for sale of the asset, while value in use is the present value of estimated future cash flows expected to flow in the business from the use of the asset and from its sale at the end of its estimated useful life.

This review resulted in an impairment regarding the Group's privately owned hotels amounting to € 1,878 k and regarding investments in subsidiaries of the Parent amounting to € 2,040 k. See Notes 5.2, 5.4 and 5.5.
With the exception of goodwill, all assets are subsequently revalued in cases where the initially recognized impairment loss may not be effective.

3.11. Leases

3.11.1. The Group as a lessee

Leases are recognized in the statement of financial position as a right-of-use asset and a lease liability on the date on which the leased fixed asset becomes available for use. Every lease payment is divided between the lease liability and interest, which is charged to the income statement throughout the lease, in order to obtain a fixed interest rate for the remainder of the financial liability in every period. Rights-of-use assets are initially measured at their cost, and then reduced by the amount of accumulated depreciation and potential impairment. The right-of-use is depreciated in the shortest period between the useful life of the asset or duration of its lease, applying the straight line method. The initial measurement of the right-of-use assets consists of:

- The amount of the initial measurement of the lease liability,
- Lease payments made on or before the commencement date, reduced by the amount of discounts or other incentives offered,
- Initial costs, which are directly linked to the rent,
- Recovery costs.

Finally, they are adjusted to specific remeasurements of the corresponding lease liability. Lease liabilities are initially calculated at the present value of rentals, which were not paid at the inception of the lease. They are discounted at the imputed rate of the lease or, if this interest rate cannot be determined by the contract, with the differential lending rate (IBR). The differential borrowing rate is the cost that the lessee would have to pay to borrow the necessary capital in order to obtain an item of similar value as the leased asset, in a similar economic environment and under similar terms and assumptions.

Lease liabilities include net present value of:

- Fixed leases (including any in-substance fixed leases)
- Variable leases, depending on the rate
- Residual value expected to be paid
- The price of an option to purchase the underlying asset, if the lessor is almost certain to exercise it
- Penalties for termination of a lease if the lessor chooses this option.

After their initial measurement, the lease obligations are increased by their financial cost and are reduced by the payment of rents. Finally, they are reassessed when there is a change: a) to rents due to a change of index, b) to the estimation of the amount of residual value, which is expected to be paid, or c) to the assessment of a choice of purchase or extension, which is relatively certain that it will be exercised or a right of termination of the contract, which is relatively certain that it will not be exercised.

The Group and the Company during the transition made use of the following practical facilities provided by IFRS 16 for leases classified as functional, in accordance with IAS 17:

- Use of previously made assessments under applying IAS 17 and IFRIC 4 to determine whether a contract contains a lease, or whether a contract is a lease on the date of initial application.
- Use of accounting treatment of operating leases for leases with a maturity of under 12 months from 1 January 2019.
- Use of a single discount rate on a lease portfolio with similar characteristics.
- Excluding initial direct costs for measuring the right-of-use asset at the date of initial application.

3.11.2. The Group as a lessor

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

3.12. Financial Assets

The financial assets of the Group include loans and receivables.

The impairment testing takes place at least at every financial statements publication date or when there is objective evidence that a financial asset or group of financial assets have suffered impairment or not.

3.12.1. Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed determinants and payments that are not quoted in an active market. They arise when the Group provides money , goods or services directly to a debtor with no commercial intent. Loans and receivables are measured at amortized cost using the effective interest method, less any provision for impairment. Any change in the value of loans and receivables is recognized in profit or loss when the loans and receivables are written off or reduce their value or during the period of amortization.

Trade receivables are tested for impairment per separate receivable (for example for every customer) where collecting the receivable is classified as overdue at the date of the financial statements or in cases where objective evidence indicates the need for impairment. Regarding other receivables - the simplified method effective under IFRS 9 is applied in order to identify expected credit losses due to low credit risk involved in such receivables.

Loans and receivables are included in current assets, except those maturing after 12 months from the balance sheet date. These are characterized as non-current assets. In the balance sheet, they are classified as trade and other receivables and constitute the biggest component of the Group's financial assets.

3.13. Inventory

Inventories include raw materials, materials and goods purchased.

Cost includes all costs incurred in bringing the inventories to their present location and condition, which are directly attributable to the production process, as well as a part of general expenses associated with the production, which is absorbed in the normal capacity of the production facilities.

The financial cost is not taken into account .

At the balance sheet date, inventories are valued at the lowest amount between the acquisition cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business operations less estimated cost which is necessary to make the sale.

Cost is determined using the weighted average cost method.

3.14. Accounting for Income Tax

3.14.1. Current Income Tax

The current tax asset/obligation includes obligations to or receivables from tax authorities relating to the current or previous reporting periods not paid until the balance sheet date.

They are calculated according to the tax rates and tax legislation effective in the fiscal period to which they relate, based on the taxable profit for the year. All changes to the current tax assets or obligations are recognized as tax expense in the income statement.

3.14.2. Deferred Income Tax

Deferred income tax is calculated applying the liability method that focuses on temporary differences. This method involves comparing the accounting value of assets and liabilities of the consolidated financial statements with their respective tax bases.

Deferred tax assets are recognized to the extent it is likely that they will be offset against future income taxes.

Deferred tax liabilities are recognized for all taxable temporary differences. In addition and in accordance with IAS 12, deferred tax is not recognized in relation to goodwill.

No deferred tax is recognized on temporary differences associated with investments in subsidiaries if reversal of these temporary differences can be controlled by the company while it is expected that the temporary difference will not reverse in the future. In addition, tax losses that can be carried forward to subsequent periods and tax credits to the Group are recognized as deferred tax assets.

No deferred tax is recognized under initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset or liability are settles, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as tax expense in the income statement. Only changes in deferred tax assets or liabilities related to changes in the value of the asset or liability that is charged directly to equity are charged or credited directly to equity.

The Group recognizes a previously unrecognized deferred tax asset to the extent that it is probable that future taxable profit will allow the recovery of the deferred tax asset.

Deferred tax assets are reviewed at every balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset.

3.15. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and cash available and short term highly liquid investments such as money market securities and bank deposits with original maturities of three months or less. The market values of financial assets are stated at fair value through profit or loss.

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, excluding the outstanding balances of bank overdrafts.

3.16. Equity

Share capital is determined using the nominal value of the shares issued. Ordinary shares are classified as equity.

The share capital increase through cash payment includes any share premium in the initial issuance of the share capital. Any transaction costs associated with the issuance of the shares and any arising related income tax benefit are deducted from the share capital increase.

If an entity acquires equity instruments, those instruments (the "treasury shares") are deducted from equity. If such shares are subsequently reissued, the consideration received (net of related transaction costs and the related income tax benefit) is included in equity attributable to shareholders. Under acquisition, sale, issuance or cancellation of equity instruments no profit or loss is recognized in the income statement.

The revaluation reserve comprises gains and losses due to revaluation of certain financial assets and tangible assets. Exchange differences arising from the translation are included in the conversion reserves. Retained earnings include the current results and those of previous periods as disclosed in the income statement.

3.17. Retirement benefits and short-term employee benefits

3.17.1. Retirement benefits

A defined benefit plan is a pension plan that does not fall under a defined contribution plan. Typically, defined contribution plans define an amount of benefit that an employee will receive on retirement, usually dependent on factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date of actuarial unrecognized gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the Projected Credit Unit Method. The present value of the defined benefit obligation is determined by discounting the expected future cash outflows using interest rates of high-yield corporate bonds, which are shown in the currency in which the benefits will be paid and have terms to maturity depending on the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in proportionate matters at the end of the previous reporting period exceeded the greater of 10% of the fair value of plan assets or 10% of the defined benefit obligation are charged or credited to results based on the expected average remaining working lives of the employees participating in this program

Past service costs are recognized immediately in income, unless the changes to the pension plans are voluntary for the employees remaining in service for a specified period (vesting date). In this case, the past service costs are amortized on a consistent basis over the vesting period.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into an independent administrative institution in mandatory, contractual or voluntary basis. The company will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits, for services rendered current or prior years. Prepaid contributions are recognized as an asset to the extent possible a refund or a reduction in future payments.

3.17.2. Termination benefits

Termination benefits are payable when service employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognizes termination benefits when it is documentarily committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. When the termination benefits are due for more than 12 months, after the balance sheet date they are discounted to present value.

3.18. Financial Liabilities

The Group's financial liabilities include bank loans and overdraft accounts, trade and other liabilities and finance leases. The Group's financial liabilities (excluding loans) are presented in the balance sheet in the item "Non-current financial liabilities" and in the item "Other trade liabilities".

Financial liabilities are recognized when the Group has entered into a contractual agreement of an instrument and are derecognized when the Group is exempted from the liability or it is canceled or expires.

The interest is recognized as an expense in "Finance Costs" in the income statement.

Liabilities from finance leases are measured at initial value less the amount of financial capital repayments.

Trade liabilities are recognized initially at their nominal value and are subsequently measured at amortized cost less settlement payments.

Dividends to shareholders are included in the item "Other current financial liabilities' when the dividends are approved by the General Meeting of Shareholders.

Gains and losses are recognized in the income statement when the liabilities are written off, as well as through amortization.

When an existing financial liability is exchanged with another liability of a different form with the same lender but under substantially different terms, or the terms of an existing liability are substantially modified, for example an exchange or modification, it is treated as a write off of the original liability and the recognition of a new liability. Any difference in the respective accounting value is recognized in the income statement.

3.18.1. Loans

Bank loans provide long-term and/or short-term financing of the Group operations. All loans are initially recognized at cost, being the fair value of the consideration received excluding the cost of issuing the loan.

After initial recognition, loans are measured at amortized cost and any difference between the revenue and the payoff is recognized in the income statement over the period of lending using the effective interest rate method.

The amortized cost is calculated taking into account any issue costs and any discount or premium on settlement amount.

The bond loan represents the Group's liability for future coupon payments and repayment of principal payment. If the bond loan is convertible then the equity component of the loan represents the value of the right of the bondholders to convert it into the company's common shares and is presented in equity (net of applicable tax).

3.19. Other provisions, contingent liabilities and contingent assets

Provisions are recognized when a present obligation is likely to lead to an outflow of economic resources for the Group, in the case that this outflow can be reliably estimated. The timing or amount of the outflow may be uncertain.

Amounts in thousand Euro, unless otherwise mentioned

A present obligation arises from the presence of a legal or constructive obligation resulting from past events, for example, product warranties, legal disputes or onerous contracts

Restructuring provisions are recognized only if a detailed formal plan has been developed and implemented, or management has at least announced the features of the program to those who are affected by it. Provisions are not recognized for future operating losses.

When some or all of the expenditure required to settle a provision, is expected to be reimbursed by another party, the reimbursement will be recognized when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation and the obligation is treated as a separate asset. The amount recognized for the reimbursement shall not exceed the amount of the provision.

The expense relating to a provision is presented in the income statement, net of the amount recognized for the reimbursement.

A provision is used only for the expenses, regarding which an initial provision was made. Provisions are reviewed at every balance sheet date and adjusted to reflect the current best estimate.

Provisions are measured at the expected cost required to determine the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation.

When the effect of the time value of money is material, the amount of the provision is the present value of the expenses expected to be required to settle the obligation.

The pre-tax discount rate reflects current market assessments of the time value of money and the risks specific to the liability. The rate does not reflect risks for which future cash flow estimates have been adjusted.

When the method of discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognized as borrowing cost in the results. When a number of similar obligations exist, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow to an element included in the class of obligations may be small.

If it is no longer probable that an outflow of resources incorporating economic benefits will be required to settle the obligation, the provision will be reversed.

In such cases where the possible outflow of economic resources as a result of present obligations is considered improbable, or the amount of the provision cannot be estimated reliably, no liability is recognized in the consolidated balance sheet, unless considered in the context of the business combination.

These contingent liabilities are recognized as part of allocating the cost of acquiring the assets and liabilities in the business combination. Subsequently they are measured at the highest amount of a comparable provision as described above and at the amount initially recognized, less any depreciation.

Possible inflows of economic benefits for the Group that do not yet meet the criteria of an asset are considered contingent assets.

4. The Group structure

The Group structure of LAMPSA S.A. on December 31, 2020 is presented below as follows:

Company	Functional Currency	Domicile	Equivalent participation %	Treasury Shares	Consolidation Method	Part/ing Interest
LAMPSA HELLENIC HOTELS S.A.	€	GREECE	Parent			
KRIEZOTOU TOURISTIKI SINGLE MEMBER S.A.	€	GREECE	100,00%		Full	Direct
LUELLA ENTERPRISES LTD	€	CYPRUS	100,00%		Full	Direct
BEOGRADSKO MESOVITO PREDUZECE	€	SERBIA	94,60%	5,4%	Full	Indirect
EXCELSIOR BELGRADE SOCIATE OWNED	€	SERBIA	100,00%		Full	Indirect
MARKELIA ENTERPRISES COMPANY LTD	€	CYPRUS	100,00%		Full	Indirect

On June 5, 2019 the company “Kriezotou Touristiki Single Member SA" was established, with exclusive shareholder, holding 100% of the share capital, the company " Lampsa Greek Hotels S.A.". The objective of this company was the operation of the under construction hotel "MGallery", owned by AUXILIARY FUND OF FORMER EMPLOYEES OF THE AGRICULTURAL BANK OF GREECE ("ATPPEATE"), under the existing lease agreement of the aforementioned hotel.

Amounts in thousand Euro, unless otherwise mentioned

In 2020, the construction of Athens Capital Hotel - MGallery at the junction of Panepistimiou and Kriezotou streets, in Syntagma Square, was finalized and the hotels opened on September 1, 2020. The five-star hotel has 158 rooms, 18 suites and a Presidential Suite. It operates under the brand of Accor MGallery Collection, based on a 25-year term agreement.

In December 2019, the parent company acquired the remaining percentage (2,28%) in the company EXCELSIOR BELGRADE AD versus a consideration of 154 k € , holding 100% of the subsidiary.

In January 2020, the sale of 100% of shares in the company EXCELSIOR BELGRADE AD was completed to another subsidiary BMP AD NOVI BEOGRAD – the owner of "Hyatt Regenecy Belgrade" hotel versus a consideration of 5.620 k €. In order to determine the consideration during the previous year, the company was valued by an independent Appraiser.

Based on the value of the valuation during the previous year, an impairment performed in previous years amounting to € 2,049 k was reversed, and, therefore, the disposal made during the current year has no effect on the company's results.

5. Notes to financial statements

5.1. Segment reporting

In accordance with the provisions of IFRS 8, identification of operating segments is based on the "Management approach". According to this approach, the information to be disclosed regarding the operating segments should be based on internal organizational and management structure of the Group and the main items of internal financial reporting provided to the key decision makers. In the current, the Management decided to change the way of monitoring the business segments. Operating segments are now monitored per geographical area where the hotel units are located as the management considers it to be the most efficient way for decision making regarding allocation of resources and evaluation of their performance. The management estimates that monitoring operating segments per geographical area is more appropriate as this way better reflects the special characteristics (risks, opportunities, competition, etc.) of the hotel units due to the area where they are located. Therefore, the management decided on a change in operating segments, presenting the following categories: Athens City Hotels, Resorts, Belgrade City Hotels & Other) instead of renting rooms, food and beverage sales and other activities presented in the previous years. It is to be noted that the Group applies the same accounting principles for the measurement of operating segments results as those in the Financial Statements.

Transactions between operating segments are performed within the regular business operations of the Group. Inter-segment sales are eliminated on consolidation.

The Group results, assets and liabilities per segment in respect of the presented periods are analyzed as follows:

FY 2020	Athens City Hotels	Resorts	Belgrade City Hotels	Other	Total
Sales					
Rooms Sales	6.737	1.533	2.633	-	**10.904**
Food and Spirits Sales	3.596	716	1.234	-	**5.546**
Other Sales (Spa, Health Club etc.)	643	121	522	-	**1.286**
Total Sales	**10.976**	**2.370**	**4.389**	**-**	**17.735**
Financial Income	2	0	11	-	**13**
Financial Expenses	3.826	490	79	8	**4.403**
Depreciation	5.484	2.373	1.976		**9.833**
Earnings before tax	**(14.882)**	**(2.144)**	**(3.950)**	**(16)**	**(20.993)**
Income tax	(3.789)	(290)	(421)	0	**(4.499)**
Earnings after tax	**(11.093)**	**(1.855)**	**(3.530)**	**(16)**	**(16.494)**

31/12/2020					
Non-current assets	162.566	39.207	30.448	-	**232.220**
Deferred Tax Asset	11.447	(5.114)	-	-	**6.332**
Other assets	26.787	695	4.052	-	**31.534**
Total Assets	**200.800**	**38.263**	**32.960**	**1.540**	**273.563**
Total Liabilities	**169.743**	**12.089**	**6.682**	**5**	**188.518**

FY 2019	**Athens City Hotels**	**Resorts**	**Serbia City Hotels**	**Other**	**Total**
Sales					
Rooms Sales	37.618	6.470	8.295	-	**52.383**
Food and Spirits Sales	14.918	3.127	3.516	-	**21.561**
Other Sales (Spa, Health Club etc.)	2.497	445	929	-	**3.872**
Total Sales	**55.033**	**10.042**	**12.740**	**-**	**77.815**
Financial Income	42	2	36	-	**79**
Financial Expenses	2.941	456	21	2	**3.420**
Depreciation	4.876	2.322	1.914		**9.112**
Earnings before tax	**9.097**	**(291)**	**1.903**	**(9)**	**10.700**
Income tax	3.780	(285)	274	0	**3.769**
Earnings after tax	**5.318**	**(6)**	**1.629**	**(10)**	**6.931**
31/12/2019					
Non-current assets	150.187	40.533	33.915	-	**224.635**
Deferred Tax Asset	7.605	(5.345)	-	-	**2.260**
Other assets	22.372	927	10.597	-	**33.896**
Total Assets	**180.164**	**39.590**	**42.956**	**1.556**	**264.266**
Total Liabilities	**125.368**	**29.550**	**7.616**	**5**	**162.539**

5.2. Property, plant and equipment

Land, buildings and equipment were valued at the date of transition to IFRS (1/1/2005) at acquisition cost less any accumulated amortization and any impairment losses.

The Group and the Parent Company property items are burdened with liens amounting to € 125,300 as well as $ 4,500 versus loan liabilities.

The Group

Amounts in thousands €	**Land plots and buildings**	**Mechanical equipment and vehicles**	**Furniture and other equipment**	**Fixed assets under construction**	**Total**
Net Book Value as at 31/12/2018	**179.043**	**1.675**	**9.626**	**5.078**	**195.422**
Additions	1.613	484	1.940	7.968	12.006
Recognition of Rights-of-use assets	22.674	-	-	-	22.674
Interest of construction period	806	-	-	-	806
Disposal of Assets	-	(74)	(4)	-	(78)
Reclassifications	252	70	91	(453)	(40)
Depreciation Cost	(7.106)	(363)	(1.557)	-	(9.026)
Depreciation of disposed assets	-	65	3	-	69
Net Book Value as at 31/12/2019	**197.281**	**1.858**	**10.100**	**12.594**	**221.832**

Additions	1.807	228	1.573	17.510	21.117
Change from lease amendment	(147)	-	-	-	(147)
Interest of construction period	551	-	-	-	551
Reclassifications	20.310	1.960	4.969	(27.277)	(39)
Impairment loss recognized in the income statement	(1.832)	(15)	0	(31)	(1.876)
Depreciation Cost	(7.517)	(457)	(1.766)	-	(9.740)
Net Book Value as at 31/12/2020	**210.453**	**3.573**	**14.875**	**2.796**	**231.698**

Amounts in thousands €	**Land plots and buildings**	**Mechanical equipment and vehicles**	**Furniture and other equipment**	**Fixed assets under construction**	**Total**
Gross Book Value and Impairment	306.759	13.399	40.867	12.594	373.620
Accumulated depreciation	(109.478)	(11.541)	(30.768)	(0)	(151.789)
Net Book Value as at 31/12/2019	**197.281**	**1.858**	**10.099**	**12.594**	**221.832**
Gross Book Value and Impairment	327.448	15.572	47.409	2.797	393.227
Accumulated depreciation	(116.995)	(11.999)	(32.535)	(0)	(161.529)
Net Book Value as at 31/12/2020	**210.453**	**3.573**	**14.876**	**2.796**	**231.699**

The Company

Amounts in thousands €	**Land plots and buildings**	**Mechanical equipment and vehicles**	**Furniture and other equipment**	**Fixed assets under construction**	**Total**
Net Book Value as at 01/01/2019	**134.429**	**1.009**	**7.950**	**4.916**	**148.303**
Additions	1.646	149	1.683	3.095	6.573
Recognition of Rights-of-use assets	168				168
Reclassifications	217		74	(291)	-
Depreciation Cost	(5.366)	(175)	(1.119)	-	(6.660)
Net Book Value as at 31/12/2019	**131.093**	**983**	**8.587**	**7.720**	**148.383**
Additions	1.811	25	1.224	300	3.360
Change from lease amendment	(18)				(18)
Disposal of assets				(5.235)	(5.235)
Depreciation cost	(5.350)	(173)	(1.166)	-	(6.689)
Net Book Value as at 31/12/2020	**127.536**	**835**	**8.646**	**2.785**	**139.801**

"Land plots and buildings" item include right-of-use assets as follows:

	THE GROUP	**THE COMPANY**
Amounts in thousands €	**Rights-of-use assets (Buildings)**	
Recognition of Rights-of-use assets	22.674	168
Interest of construction period	806	
Amortization cost	(63)	(63)
Balance as at 31/12/2019	**23.417**	**104**
Change from lease amendment	(147)	(18)
Interest of construction period	551	
Impairment of right-of-use tangible assets	-	-
Amortization cost	(280)	(53)
Balance as at 31/12/2020	**23.541**	**33**

In 2020, the parent company transferred all the operations, carried out on behalf of the company "Kriezotou SA" amounting to € 5.2 million and the reconstruction of the Athens Capital Hotel - MGallery at the junction of

Panepistimiou and Kriezotou streets, in Syntagma Square was completed and started operating on September 1, 2020. The remaining amount of fixed assets under construction on 31/12/2020 amounting to € 2.9 million mainly concerns office building costs in Bucharest for the purpose of their inclusion in the building of "Grand Bretagne”.

Other additions pertain to renovations of existing facilities and supply of furniture and other equipment.
On 31/12/2020 the Management of the Group carried out an impairment test of the value of its tangible assets (hotels), including Kriezotos right-of-use, due to the health crisis of the coronavirus, which is an indication of potential impairment. The impairment test disclosed impairment of the Tangible Assets of the subsidiary EXCELSIOR by € 1,877 k and burdened the Group's Statement of Comprehensive Income.
The Management conducted the impairment test applying the value in use method. The value in use was determined based on the estimated model of Discounted Free Cash Flows and the 5-year business plan of the cash flow generating unit was used for its calculation.

The following assumptions were used in order to determine value in use:

CGU	WACC	Growth Rate
LAMPSA HELLENIC HOTELS S.A.	9,21%	2%
BMP	9,44%	2%
Excelsior	9,44%	2%
KRIEZOTOU S.A.	9,21%	2%*
Sheraton Rhodes Resort	7,98%	2%

*till the contract termination

5.3. Intangible assets

Changes in the intangible assets of the Group are analytically presented below.

Acquisition value and accumulated amortization of the Group are analyzed as follows:

Amounts in thousands €	Software licenses	Other intangible assets	Total
Net Book Value as at 31/12/2019	**189**	**79**	**268**
Additions	98	3	101
Reclassifications	1	-	1
Amortization	(66)	(20)	(86)
Net Book Value as at 31/12/2019	**222**	**62**	**284**
Additions	131	34	165
Impairment loss recognized in the income statement	(5)	-	(5)
Amortization	(68)	(18)	(86)
Net Book Value as at 31/12/2020	**281**	**78**	**359**

Amounts in thousands €	Software licenses	Other intangible assets	Total
Gross Book Value	1.044	492	1.536
Accumulated amortization and impairment	(822)	(430)	(1.252)
Net Book Value as at 31/12/2019	**222**	**62**	**284**
Gross Book Value	1.175	526	1.701
Accumulated amortization and impairment	(894)	(448)	(1.343)
Net Book Value as at 31/12/2020	**281**	**78**	**359**

Changes in intangible assets of the Company are analytically presented below as follows:

Amounts in thousands €	Software licenses	Total
Net Book Value as at 1/1/2019	**103**	**103**
Additions	80	80
Amortization	(38)	(38)
Net Book Value as at 31/12/2019	**145**	**145**
Additions	76	76
Amortization	(44)	(44)
Net Book Value as at 31/12/2020	**177**	**177**

Acquisition value and accumulated amortization of the Company are as follows:

Amounts in thousands €	Software licenses	Total
Gross Book Value	1.134	1.134
Accumulated amortization and impairment	(989)	(989)
Net Book Value as at 31/12/2019	**145**	**145**
Gross Book Value	1.210	1.210
Accumulated amortization and impairment	(1.033)	(1.033)
Net Book Value as at 31/12/2020	**177**	**177**

Intangible assets are free from liens.

5.4. Investments in subsidiaries

Analysis of the investments of the parent Company in subsidiaries and associates is presented below as follows:

Amounts in thousands €	ACQ.VALUE AS AT 31/12/2020	ACQ. VALUE AS AT 31/12/2019	DOMICILE - COUNTRY	DIRECT & INDIRECT % PART.INT.	TREASURY SHARES	RELATIONSHIP	CONS. METHOD	OPER. SEGMENT
LAMPSA HELLENIC HOTELS S.A.	-	-	Greece	PARETN		PARENT	-	Hotel Services
KRIEZOTOU TOURISTIKI SINGLE MEMBER S.A.	11.550	11.550	Greece	100,00%		SUBSIDIARY	FULL CONSOLIDATION	Hotel Services
LUELLA ENTERPRISES LTD	18.382	18.732	Cyprus	100,00%		SUBSIDIARY	FULL CONSOLIDATION	Holding
EXCELSIOR BELGRADE SOCIALLY OWNED HOTEL & CATERING TOURIST ENTERPRISES	-	7. 588	Serbia	100,00%		SUBSIDIARY	FULL CONSOLIDATION	Hotel Services
BEOGRADSKO MESOVITO PREDUZECE A.D.	-	-	Serbia	94,60%	5,40%	SUBSIDIARY	FULL CONSOLIDATION	Hotel Services
MARKELIA ENTERPRISES COMPANY LTD	-	-	Cyprus	100,00%		SUBSIDIARY	FULL CONSOLIDATION	Services
TOTAL	**29.932**	**37.520**						
ACCUMULATED PROVISIONS FOR IMPAIRMENT	(2.067)	(1.995)						
NET VALUE	**27.865**	**35.526**						

In December 2019, the parent company became a 100% shareholder of EXCELSIOR BELGRADE SOCIATE OWNED following the completion of the acquiring the remaining shares from the remaining shareholders versus a consideration of € 154 k. The acquisition price was determined following the company's valuation by an independent appraiser as required in the relevant legislation and the regulations of the local Capital Market Commission. Based on the valuation value of the company EXCELSIOR BELGRADE SOCIATE OWNED, which amounted to € 5,620 k, in 2019, an impairment of € 2,049 k was reversed and recognized in the Statement of Comprehensive Income of the parent.

In January 2020, 100% of the shares of EXCELSIOR BELGRADE AD were sold to another subsidiary BMP AD NOVI BEOGRAD, the owner of "Hyatt Regenecy Belgrade" hotel versus the consideration of € .5620, as arising from the company's valuation without any impact on the statement of comprehensive income for 2020.

On June 5, 2019 the company "Kriezotou Touristiki Single Member SA" was established, with exclusive shareholder the company "Lampsa Greek Hotels S.A.". The share capital stood at 5,800 k. €, divided into 5,800 common shares of nominal value 1 € and share premium amount of 5,750 k €. The company's objective is to establish and operated the hotel unit and other touristic facilities.

In 2019, the share capital return was performed regarding the subsidiary Luella Enterprises Company Limited through a decrease in share premium amounting to 350 k €.

On 31/12/2020, the Management conducted an impairment test of the participation cost in its subsidiaries, applying the value in use method. The value in use was determined based on the estimate model of the Discounted Free Cash Flows and the 5-year business plan of each subsidiary was used for its calculation. The impairment test disclosed an impairment of a total amount of € 2,040 k and, therefore, on 31/12/2020, the participation in the subsidiary KRIEZOTOU SA stands at € 9,510 k.

The following assumptions were used in order to determine value in use:

CGU	**WACC**	**Growth Rate**
BMP	9,44%	2%
Excelsior	9,44%	2%
KRIEZOTOU S.A.	9,21%	2%

The change in investments of the parent company is as follows:

Amounts in thousands €	**31/12/2020**	**31/12/2019**
Opening balance	**35.526**	**22.122**
Acquisitions	-	154
Subsidiary establishment	-	11.550
Disposals	(5.621)	-
Subsidiary Share Capital Decrease	-	(350)
Impairment loss recognized in the income statement	(2.040)	-
Reversed impairment loss in the income statement	-	2.050
Closing balance	**27.865**	**35.526**

5.5. Goodwill

In 2018, "LAMPSA SA" acquired the remaining 50% of the share capital of the company "TOURISTIKA THERETRA SA" (Sheraton Rhodes Resort hotel) while since prior year (2008) it held a percentage of 50%. Goodwill amounting to € 3,475 k was recognized from this acquisition. Following the acquisition of "TOURISTIKA THERETRA SA" and the acquisition of 100% of the voting rights, "LAMPSA SA" proceeded with the merger through the absorption of the latter by the former with the balance sheet date of 31/10/2018.

On 31/12/2019, the goodwill was tested for impairment, which was recognized.

For purposes of impairment test, goodwill is allocated to cash flows generating units of Sheraton Rhodes Resort hotel. The recoverable amount of Sheraton Rhodes Resort in Rhodes was determined based on its value in use. The value in use was determined by discounting the future free cash flows of the hotel after tax by the weighted average cost of capital after taxes. The result would be the same if we discounted cash flows before tax with pre-tax discount rate. In determining the value in use, the Managements uses assumptions that it deems reasonable and based on the best information that is available and valid at the reporting date of the financial statements.

No need to impair goodwill has arisen following the conduct of the impermanent test as at 31/12/2020.
The following assumptions were used in order to determine value in use:

Business Plans assumptions 2021-2026: The calculations for determining the recoverable amount of the CGU was based on 5-year business plans approved by the Management, which believes that they reflect past experience and other available information from external sources. Apart from the above considerations concerning the determination of the book value of the CGU, the Management is not aware of any other changes in circumstances that may affect the other assumptions.

Perpetuity growth: The growth rate of cash flows beyond the forecast period (growth) was calculated taking into account both macroeconomic factors and characteristics of CGU stands at 2% as at 31/12/2020 and 31/12/2019. A change of -+1% in perpetuity growth has not resulted in impairment of Goodwill.

Discount rate: The discount rate used for valuation was based on the Weighted Average Cost of Capital, which is the discount rate that converts the expected future return in present value. It is considered to be the most appropriate discount rate, since it takes into account qualitative factors such as the systematic risk of the company, the risk premium on performance and the company's tax liabilities and stands at 7.98% as at 31/12/2020 and at 7,5% as at 31/12/2019.

5.6. Other long-term receivables

Other long term receivables of the Group and the Company are analyzed below as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Guarantees	137	86	86	86
Other long-term receivables	25	-	14.044	-
Prepayments for acquisition of tangible and intangible assets	1	2.433	1	296
Other receivables	-	-	-	-
Total	**164**	**2.518**	**14.131**	**382**

The balance of the account “Other long term receivables” includes the receivables of the parent standing at € 14,044 k from its 100% subsidiary “Kriezotou Touristiki Single Member SA", ie the amounts intended for the aforementioned subsidiary’s share capital increase.

5.7. Inventory

The Group and the Company inventory is analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Goods	861	1.063	801	973
Raw materials	381	431	194	312
Spare parts	106	151	-	-
Total	1.347	1.645	996	1.285
Net Accounting Value	**1.347**	**1.645**	**996**	**1.285**

The Group has no pledged inventory.

5.8. Trade and other receivables and other assets

The Group and the Company receivables are analyzed as follows:

	THE GROUP	THE COMPANY

Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Trade receivables from third parties	861	2.149	725	1.875
Cheques receivable	15	21	15	21
Less: provision for doubtful receivables	(140)	(156)	(140)	(156)
Trade receivables – net	**735**	**2.014**	**600**	**1.740**
Prepayments	58	366	21	237
Miscellaneous debtors	299	449	230	387
V.A.T.	3.973	1.138	-	-
Receivables from Greek State	525	1.890	89	1.867
Receivables from associates	-	-	111	384
Prepaid expenses	226	344	159	292
Accrued income	156	165	116	158
Other assets	**5.237**	**4.352**	**726**	**3.326**
Total other receivables	**5.972**	**6.365**	**1.325**	**5.066**

All the above receivables are short-term. The fair value of these short-term financial assets is not determined independently because the book value is considered to approximate their fair value.

The Group's management periodically reassesses the adequacy of the allowance for doubtful receivables in connection with the credit policy and taking into account information of legal consultant as well as the historical data arising from non-collecting receivables.

There are no liens on the Group and the Company receivables.

Based on the above, the Group and the Company expected credit losses are analysed as follows:

THE GROUP			
31/12/2020	**Receivables**	**Expected credit loss (%)**	**Expected credit loss**
Safe collectability receivables	423		-
Postdated receivables examined separately for impairment purposes	132	100%	132
Receivables examined on expected credit loss basis			
Domestic companies	201	1%	2
Foreign companies	10	6%	1
Domestic travel agencies	100	5%	5
Foreign travel agencies	9	2%	0
	876		**140**

THE GROUP			
31/12/2019	**Receivables**	**Expected credit loss (%)**	**Expected credit loss**
Safe collectability receivables	1.212		-
Postdated receivables examined separately for impairment purposes	126	100%	126
Receivables examined on expected credit loss basis			
Domestic companies	303	2%	5
Foreign companies	107	6%	6
Domestic travel agencies	354	5%	18
Foreign travel agencies	68	2%	1
	1.212		**-**

THE COMPANY			

31/12/2020	Receivables	Expected credit loss (%)	Expected credit loss
Safe collectability receivables	287		-
Postdated receivables examined separately for impairment purposes	132	100%	132
Receivables examined on expected credit loss basis			
Domestic companies	201	1%	2
Foreign companies	10	6%	1
Domestic travel agencies	100	5%	5
Foreign travel agencies	9	2%	0
	740		**140**

THE COMPANY			
31/12/2019	**Receivables**	**Expected credit loss (%)**	**Expected credit loss**
Safe collectability receivables	938		-
Postdated receivables examined separately for impairment purposes	126	100%	126
Receivables examined on expected credit loss basis			
Domestic companies	303	2%	5
Foreign companies	107	6%	6
Domestic travel agencies	354	5%	18
Foreign travel agencies	68	2%	1
	1.895		**156**

5.9 Cash and cash equivalent

The Group and the Company cash available is analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Cash	272	284	262	259
Sight deposits	23.943	25.601	20.594	10.994
Total	**24.215**	**25.885**	**20.856**	**11.253**

From the above deposits, there arose financial income for the Group amounting to € 11 k (2019: Group € 21 k) k).

Sight deposits per currency are analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Sight deposits in €	23.904	25.120	20.546	11.172
Sight deposits in $	29	66	28	62
Sight deposits in RSD	2.921	3.653	2.921	2.973

5.10. Equity

The Group and the Company Equity is analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Capital and reserves attributable to shareholders of the parent				
Share capital	23.928	23.928	23.928	23.928
Share premium	38.641	38.641	38.641	38.641
Treasury shares	(3.631)	(3.631)		
Other reserves	11.158	5.455	(458)	(6.161)
Retained earnings	14.948	37.334	1.915	20.586
Total	**85.044**	**101.728**	**64.026**	**76.993**
Non-controlling interest	-	-		
Total Equity	**85.044**	**101.728**	**64.026**	**76.993**

As at 31 December 2020, the Company's share capital amounts to € 23.927.680, divided into 21.364.000 common registered shares of nominal value € 1,12 each. The Company's shares are listed on the Athens Stock Exchange, in the category of low dispersion and specific characteristics, are traded on the stock exchange in Athens Stock Exchange Security Market (Travel & Leisure Sector, Hotels).

There aren't at the end of the current year, shares of the parent Company held by it or by its subsidiaries or jointly controlled entities.

As for the subsidiaries in Serbia, BEOGRADSKO MESOVITO PREDUZECE holds 5.4% of its shares having paid the amount of € 2.5 million.

The statutory reserve is mandatory formed from the profits of each financial year and remains in equity of the Company to offset any losses incurred in the future and is taxed in each period in which they were formed and therefore is tax exempted.

Actuarial income reserves reflect actuarial gains and losses which are presented in a fiscal year and are recognized completely and directly in the Statement of Total Comprehensive income of the current year.

After the merger with the absorption of the former "TOURISTIKA THERETRA SA." (Sheraton Rhodes Resort Hotel), LAMPSA SA became the universal successor of the tax deduction right under Law 1892/1990, for the productive investments made by the former "TOURISTIKA THERETRA SA" (Sheraton Rhodes Resort Hotel) in Rhodes in the previous years.

Under provisions of Law 1892/1990, the maximum amount of profits (after deducting non-actual profits, statutory reserves, plus the tax accounting differences, less the distributed dividends of the year), the company has the right to deduct tax as that of € 11,397 k, which is 90% of the deductible expenses of the investment. The tax deduction that resulted from the profits of the fiscal years 2019 and 2018 (after deducting non-actual profits, statutory reserves, plus the tax accounting differences, less the distributed dividends of the year) amounted to € 5,7 million and € 3.8 million respectively and the tax deduction to € 1.4 million € 1.1 million respectively. Respectively, the profits expected to arise for the formation of the reserve, calculated based on the effective tax rate, from the following profit bearing year, amount to € 1.9 million and the tax deduction, calculated based on the effective tax rate, to € 0.45 million.

Changes in the "Statutory reserve" and the "Other reserves" of the Group and the Company are analyzed as follows:

THE GROUP						
Amounts in thousands €	**Statutory reserves**	**Extraordinary reserves**	**Actuarial results reserves**	**Reserves under Law 1892/90**	**Other reserves**	**Total**
Balance as at 31/12/2018	**1.629**	**404**	**(448)**	**-**	**127**	**1.712**
Changes within the FY	164		(255)	3.834		3.744
Balance as at 31/12/2019	**1.793**	**404**	**(703)**	**3.834**	**127**	**5.455**
Changes within the FY	202		(190)	5.691		5.703
Balance as at 31/12/2020	**1.994**	**404**	**(892)**	**9.525**	**127**	**11.158**

THE COMPANY							
Amounts in thousands €	**Statutory reserves**	**Extraordinary reserves**	**Actuarial results reserves**	**Reserves from subsidiary absorption**	**Reserves under Law 1892/90**	**Other reserves**	**Total**
Balance as at 31/12/2018	**1.629**	**404**	**(461)**	**(11.603)**	**-**	**127**	**(9.905)**
Changes within the FY	164		(255)		3.834		3.744
Balance as at 31/12/2019	**1.793**	**404**	**(716)**	**(11.603)**	**3.834**	**127**	**(6.161)**
Changes within the FY	202		(190)		5.691		5.703
Balance as at 31/12/2020	**1.994**	**404**	**(906)**	**(11.603)**	**9.525**	**127**	**(458)**

Detailed description of the change in the Equity of the Group and the Company is presented in the "Statement of Changes in Equity" of this report.

At the General Meeting of Shareholders, the Board of Directors is going to propose non-distribution of dividends.

5.11. Employee retirement benefit obligations

The change in the net obligation in the balance sheet of the Group and the company is as follows:

Employees end of service benefit obligations:

	THE GROUP		THE COMPANY	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Amounts in thousands €	**Defined benefit plans (Non-financed)**	**Defined benefit plans (Non-financed)**	**Defined benefit plans (Non-financed)**	**Defined benefit plans (Non-financed)**
Defined benefits obligation	4.136	3.796	4.055	3.708
Classified as:				
Long-tern liability	4.136	3.796	4.055	3.708
Short-tern liability	0	0	0	0

The change in the present value of the obligation for defined benefit plans is as follows:

	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	Defined benefit plans (Non-financed)	**Defined benefit plans (Non-financed)**		**Defined benefit plans (Non-financed)**
Defined benefits obligation as at January 1	**3.796**	**3.253**	**3.708**	**3.196**
Current employment cost	170	154	170	154
Interest expenses	35	59	35	59
Revaluation – actuarial loss/(profit) from change in experience	(23)	93	(23)	93
Revaluation – actuarial loss / (profit) from changes in demographic assumptions	-	(26)	-	(26)
Revaluation – actuarial loss /(profit) from changes in financial assumptions	272	259	272	259
Benefits payable	(292)	(129)	(292)	(129)
Cost of previous service	6	73	6	73
Settlements/ Curtails	172	60	179	29
Defined benefits obligation as at December 31st	**4.136**	**3.796**	**4.055**	**3.708**

The amounts recognised in the Income Statement are as follows:

	THE GROUP		THE COMPANY	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Amounts in thousands €	**Defined benefit plans (Non-financed)**	**Defined benefit plans (Non-financed)**	**Defined benefit plans (Non-financed)**	**Defined benefit plans (Non-financed)**
Current employment cost	170	154	170	154
Cost of previous service	6	73	6	73
Settlements/ Curtails	172	60	179	29
Net interest on benefit obligation	35	59	35	59
Total expenses recognized in the Income Statement	**383**	**345**	**390**	**314**

The amounts recognised in the Statement of Other Comprehensive Income are as follows:

	THE GROUP		THE COMPANY	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Amounts in thousands €	**Defined benefit plans (Non-financed)**	**Defined benefit plans (Non-financed)**	**Defined benefit plans (Non-financed)**	**Defined benefit plans (Non-financed)**
Actuarial profit / (loss) from changes in demographic assumptions	-	(26)	-	(26)
Actuarial profit /(loss) from changes in financial assumptions	272	259	272	259
Revaluation – actuarial loss/(profit) from change in experience	(23)	93	(23)	93
Total profit /(loss) recognized in other comprehensive income	250	327	250	327

The Company has commissioned independent actuaries to create an estimation of Company obligation to pay retirement indemnities. The key actuarial assumptions on 31 December 2020 are as follows:

	THE GROUP		THE COMPANY	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Discount rate as at December 31st	0,54%	0,97%	0,54%	0,97%
Future salary increases	1,40%	1,40%	1,40%	1,40%
Inflation	1,40%	1,40%	1,40%	1,40%
Liabilities maturity	16,34	17,97	16,34	17,97

Demographic assumptions:

The assumptions presented below pertain to various causes of employment termination.

1) Mortality

Swiss EVK2000 mortality table has been used for men and women.

2) Morbidity

Swiss EVK2000 mortality table for men and women has been used modified by 50%

3) Regular Employment Termination Ages

The terms of employment termination of the Social Insurance Fund were used regarding every employee considering recognition of average two years service under the provisions of the Insurance Act.

The above results depend on the assumptions (economic and demographic) generated under an actuarial study. Therefore, if a 0.5% lower discount rate had been applied, then the total liability would have been higher by approximately 8.15%. If a 0.5% higher discount rate had been applied, then the total liability would have been lower by approximately 7.50%. If a 0.5% higher salary increase assumption had been applied, then the total liability would have been higher by approximately 7.50%. If a 0.5% lower salary increase assumption had been applied, then the total liability would have been lower by approximately 6.50%.

5.12. Loan liabilities

The loan liabilities of the Group and of the Company, both long and short term, are analyzed in the following table:

Amounts in thousands €	THE GROUP		THE COMPANY	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Long-term debt				
Bond Loans	120.044	96.507	113.044	96.507
Long-term bank loans	1.756	2.160		
Total long-term debt	**121.800**	**98.667**	**113.044**	**96.507**
Short-term debt				
Short-term bank loans	11.440	6.240	10.900	5.700
Short-term portion of bond and bank loans	5.585	4.916	5.585	4.916
Total short-term debt	**17.026**	**11.156**	**16.485**	**10.616**
Total	**138.826**	**109.822**	**129.530**	**107.122**

During the year, the company was grated an exception from complying with the covenants effective for the € 80 million Common Bond Loan for the period 30/06/2020 and 31/12/2020.

Furthermore,

- The capital of € 1.1 million maturing on 18/08/2020, an amount of € 0.6 million maturing on 18/02/2021 and an amount of € 0.6 million maturing on 18/08/2021 concerning the Sheraton bond loan, following as of 07/07/2020 amendment, were changed into long-term borrowings.
- The capital of €1.6 million pertaining to the Common Bond Loan of 80 million, maturing on 26/09/2020, was transferred to the loan maturity (26/03/2029).
- Company has requested a transfer of an installment of € 1.6 million maturing on 26/03/2021 and an amount of € 2.45 million maturing on 26/09/2021 concerning the Common Bond Loan of 80 million to the date of the loan maturity, which was approved until the year end.
- The Company has issued two new bond loans, guaranteed by the Hellenic Development Bank, amounting to € 10 million (on 24/8/2020) from the NBG and € 8 million (on 18/9/2020) from EUROBANK exclusively to cover working capital needs with the start of capital payments on 30/06/021 (500 k) and 31/01/2022 (600 k) respectively
- Within the year, the Company received a short-term loan of €5.200 k for the working capital needs
- Finally, the subsidiary KRIEZOTOU TOURISTIKI SINGLE MEMBER S.A. has issued a bond loan of € 7 million (on 28/07/2020) for its operating needs.

On the property of the Group and the parent company there are liens amounting to € 125,300 k and $ 4.500 k versus loan liabilities.

Financial liabilities of the Group and the Company are analyzed as follows:

	THE GROUP			
	Long-term loan liabilities	Short-term loan liabilities	Loan lease liabilities	Total
Opening balance as at 1/1/2020	**98.667**	**11.156**	**23.422**	**133.244**
Cash flows:				
Repayments	(404)	(914)	(91)	(1.409)
Interest repayments			(281)	(281)
Withdrawals/Deposits	25.000	5.200	-	30.200
Non-cash changes:				
Change in lease liabilities	-	-	(147)	(147)
Interest for the period	225	-	831	1.057
Reclassifications	(1.584)	1.584	-	-
Foreign currency translation differences	(12)	-	-	(12)
Revaluation from lease amendment	(92)	-	-	(92)
Closing balance as at 31/12/2020	**121.800**	**17.026**	**23.735**	**162.561**

Amounts in thousand Euro, unless otherwise mentioned

	THE GROUP			
	Long-term loan liabilities	**Short-term loan liabilities**	**Loan lease liabilities**	**Total**
Opening balance as at 1/1/2019	**22.261**	**74.011**	**12**	**96.284**
Cash flows:				
Repayments	(629)	(72.011)	(75)	(72.715)
Withdrawals/Deposits	81.922	4.240	-	86.162
Non-cash changes:				
Recognition of Lease Liabilities	-	-	22.674	22.674
Interest for the period	-	-	811	811
Reclassifications	(4.916)	4.916	-	-
Foreign currency translation differences	28	-	-	28
Closing balance as at 31/12/2019	**98.667**	**11.156**	**23.422**	**133.244**

	THE COMPANY			
	Long-term loan liabilities	**Short-term loan liabilities**	**Loan lease liabilities**	**Total**
Opening balance as at 1/1/2020	**96.507**	**10.616**	**106**	**107.228**
Cash flows:				
Repayments		(914)	(48)	(962)
Withdrawals/Deposits	18.000	5.200		23.200
Non-cash changes:				
Change in lease liabilities			(18)	(18)
Interest for the period	225		2	228
Reclassifications	(1.584)	1.584		-
Foreign currency translation differences	(12)			(12)
Revaluation from lease amendment	(92)	-	-	(92)
Closing balance as at 31/12/2020	**113.044**	**16.485**	**42**	**129.572**

	THE COMPANY			
	Long-term loan liabilities	**Short-term loan liabilities**	**Loan lease liabilities**	**Total**
Opening balance as at 1/1/2019	**21.632**	**73.621**	**-**	**95.253**
Cash flows:				-
Repayments		(71.621)	(67)	(71.688)
Withdrawals/Deposits	79.762	3.700		83.462
Non-cash changes:				
Recognition of Lease Liabilities			168	168
Interest for the period			5	5
Reclassifications	(4.916)	4.916		-
Foreign currency translation differences	28			28
Closing balance as at 31/12/2019	**96.507**	**10.616**	**106**	**107.228**

The effective weighted average interest rates of the Group, on the balance sheet date are:

	31/12/2020	**31/12/2019**

Bank loans	3,05%	3,14%

5.13. Lease liabilities

The liabilities recognized in the Company arise from leases for offices and warehouses for a period exceeding 12 months. The Group's liabilities arise from the newly established subsidiary KRIEZOTOU TOURISTIKI SINGLE MEMBER S.A. to which the contract signed by the parent company with the AUXILIARY FUND OF FORMER EMPLOYEES OF THE AGRICULTURAL BANK OF GREECE ("ATPPEATE") was transferred and provided for the lease of the King's Palace Hotel for 35 years. The contract provides for a fixed rent which from the 2nd year will be adjusted based on the CPI plus margin and a variable rent depending on the hotel's turnover per year. Variable lease payments dependent on turnover are not included in the minimum future payments used to measure the right-of-use asset and the lease liability. Variable lease payments that are dependent on turnover will burden the results of the FY in which they are recorded as receivables. The hotel started operating on September 1st, 2020 and the first rental was paid on September 11th 2020.

The Group's and the Company's lease liabilities are analyzed as follows:

31/12/2020	THE GROUP	THE COMPANY
Long-term lease liabilities	23.565	(0)
Short-term lease liabilities	170	42
Total	**23.735**	**42**

31/12/2019	THE GROUP	THE COMPANY
Long-term lease liabilities	23.354	42
Short-term lease liabilities	68	64
Total	**23.422**	**106**

Changes in lease liability for the Group and they Company are analyzed as follows:

	THE GROUP	THE COMPANY
Balance as at 1/01/2019	**12**	**-**
Recognition of Lease Liabilities	22.674	168
Interest for the period	811	5
Payments	(75)	(67)
Balance as at 31/12/2019	**23.422**	**106**
Change from lease amendment	(147)	(18)
Interest for the period	831	2
Payments	(372)	(48)
Balance as at 31/12/2020	**23.735**	**42**

Minimum future payments for the Group and the Company are as follows:

THE GROUP 31/12/2020			
Minimum future payments	**Payments**	**Financial cost**	**Net Present Value as at 31/12/2020**
Within 12 months	1.003	(833)	170
From 1 to 5 years	5.085	(4.069)	1.016
Over 5 years	37.109	(14.559)	22.549
Total	**43.196**	**(19.461)**	**23.735**

THE GROUP 31/12/2019			

Amounts in thousand Euro, unless otherwise mentioned

Minimum future payments	Payments	Financial cost	Net Present Value as at 31/12/2019
Within 12 months	711	(831)	(120)
From 1 to 5 years	5.045	(4.067)	979
Over 5 years	37.501	(14.938)	22.563
Total	**43.258**	**(19.835)**	**23.422**

THE COMPANY 31/12/2020			
Minimum future payments	**Payments**	**Financial cost**	**Net Present Value as at 31/12/2020**
Within 12 months	43	(1)	42
From 1 to 5 years			-
Over 5 years			
Total	**43**	**(1)**	**42**

THE COMPANY 31/12/2019			
Minimum future payments	**Payments**	**Financial cost**	**Net Present Value as at 31/12/2019**
Within 12 months	67	(3)	64
From 1 to 5 years	43	(1)	42
Over 5 years	0	0	0
Total	**110**	**(5)**	**106**

Short-term leases amounting to 58 k € for the Group and the Company were recognized in the income statement.
The Company adopted Covid-19-related amendments to IFRS 16 "Leases". Lease concessions, which allow lessors not to assess whether a Covid-19-related lease is classified as a lease amendment. The adoption of these amendments, benefited the other revenues of the year for the Group by € 120 k, relating to statutory rent reductions based on Business Activity Codes.

5.14. Deferred tax assets and liabilities

Deferred income tax is calculated on temporary differences using the tax rates expected to apply in the countries where the Group companies operate. The amounts shown in the balance sheet are expected to be recovered or settled after December 31st, 2020.

The tax rate remains at 24%, as determined in 2019.

Tax rates for 2020 regarding the companies operating abroad are as follows:

Country	Tax Rate
SERBIA	15%
CYPRUS	13%

Offsetting deferred tax assets and liabilities is performed, in terms of company, when there is an enforceable legal right to do so and when the deferred income taxes relate to the same tax authority.

Changes in deferred tax assets and obligations of the Group are as follows:

	31/12/2020		31/12/2019	
Amounts in thousands €	**Deferred tax asset**	**Deferred tax liability**	**Deferred tax asset**	**Deferred tax liability**
Property, plant and equipment	1.818	(2.459)	1.084	(2.961)
Intangible Assets	64	-	82	-
Trade receivables	108	-	108	-
Employees termination benefit obligations	973	-	890	-
Bond loans	-	(25)	-	(57)
Government grants	-	(374)	-	(343)
Provisions – obligations	186	-	186	-
Financial liabilities	2	-	0	-
Recognition of tax loss	3.307	-	-	-
Tax discount under Development Law 1892/90	449	-	486	-
Total	**6.908**	**(2.858)**	**2.836**	**(3.361)**
Offsetting	(575)	575	(576)	576
Net deferred tax asset / (liability)	**6.332**	**(2.282)**	**2.260**	**(2.785)**

Amounts in thousand Euro, unless otherwise mentioned

Changes in deferred tax assets and obligations of the Group for FYs 2020 & 2019 are as follows:

Deferred tax assets (liabilities)	**01/01/2020**	**Recognized in Other Comprehensive Income**	**Recognized in Income Statement**	**31/12/2020**
Property, plant and equipment	(1.877)		1.236	(641)
Intangible Assets	82		(18)	64
Trade receivables	108		(0)	108
Employees termination benefit obligations	890	60	23	973
Bond loans	(57)		32	(25)
Government grants	(343)		(31)	(374)
Provisions – obligations	186		1	186
Financial liabilities	0		2	2
Recognition of tax loss	-		3.307	3.307
Tax discount under Development Law 1892/90	486		(37)	449
Total	**(526)**	**60**	**4.515**	**4.050**
Recognized as:				
Deferred tax asset	2.260			6.332
Deferred tax liability	(2.785)			(2.282)

Amounts in thousand Euro, unless otherwise mentioned

Deferred tax assets (liabilities)	**1.1.2019**	**Recognized in Other Comprehensive Income**	**Recognized in Income Statement**	**31.12.2019**
Property, plant and equipment	(2.054)		177	(1.877)
Intangible Assets	123		(41)	82
Other non-current assets	549		(549)	-
Trade receivables	112		(4)	108
Employees termination benefit obligations	799	72	18	890
Bond loans	-		(57)	(57)
Government grants	(326)		(18)	(343)
Tax losses to offset	-		-	-
Provisions – obligations	159		27	186
Tax discount under Development Law 1892/90	2.193		(1.707)	486
Total	**1.556**	**72**	**(2.154)**	**(526)**
Recognized as:				
Deferred tax asset	4.321			2.260
Deferred tax liability	(2.764)			(2.785)

Analysis of deferred tax assets and obligations of the Company for FYs 2020 & 2019 is as follows:

	31/12/2020		31/12/2019	
Amounts in thousands €	**Deferred tax asset**	**Deferred tax liability**	**Deferred tax asset**	**Deferred tax liability**
Property, plant and equipment	4.285		3.931	
Intangible Assets	63		82	
Investments	490		472	
Trade receivables	108		108	
Employees termination benefit obligations	973		890	
Bond loans		(25)		(57)
Government grants		(374)		(343)
Provisions – obligations	10		10	
Financial liabilities	2		0	
Recognition of tax loss	2.836			
Tax discount under Development Law 1892/90	449		486	
Total	**9.217**	**(399)**	**5.980**	**(400)**
Offsetting	(399)	399	(400)	400
Net deferred tax asset / (liability)	**8.818**	**-**	**5.580**	**-**

Changes in deferred tax assets and obligations of the Company for FYs 2020 & 2019 are as follows:

Amounts in thousand Euro, unless otherwise mentioned

	01/01/2020	Recognized in Other Comprehensive Income	Recognized in Income Statement	31/12/2020
Property, plant and equipment	3.931		353	4.285
Intangible Assets	82		(19)	63
Investments	472		17	490
Trade receivables	108		(0)	108
Employees termination benefit obligations	890	60	23	973
Bond loans	(57)		32	(25)
Government grants	(343)		(31)	(374)
Provisions – obligations	10		0	10
Financial liabilities	0		2	2
Recognition of tax loss	-		2.836	2.836
Tax discount under Development Law 1892/90	486		(37)	449
Total	**5.580**	**60**	**3.178**	**8.818**
Recognized as:				
Deferred tax asset	5.580			8.818
Deferred tax liability	-			-

Amounts in thousand Euro, unless otherwise mentioned

	1.1.2019	Recognized in Other Comprehensive Income	Recognized in Income Statement	31.12.2019
Property, plant and equipment	3.991		(60)	3.931
Intangible Assets	123		(41)	82
Investments	1.004		(532)	472
Trade receivables	112		(4)	108
Employees termination benefit obligations	799	72	18	890
Bond loans	-		(57)	(57)
Government grants	(326)		(18)	(343)
Provisions – obligations	24		(14)	10
Tax discount under Development Law 1892/90	2.193		(1.707)	486
Total	**7.921**	**72**	**(2.414)**	**5.580**

5.15. Other long-term liabilities

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Grants	960	1.095	960	1.095
Long-term suppliers liabilities	311	632	311	632
Guarantees	21	19	-	-
Other liabilities	-	-	-	-
Total long-term liabilities	**1.292**	**1.747**	**1.272**	**1.727**

5.16. Other provisions

Provisions, made by the Group and the Company, are analyzed as follows:

	THE GROUP			
	Loss from shares	**Legal claims**	**Total**	**Customers provisions**
31.12.2018	**9**	**1.725**	**1.734**	**134**
Adjustments to discount rate	-	-	-	-
Additional provisions		271	271	22
Unused amounts reversed	-	-	-	-
31/12/2019	**9**	**1.995**	**2.005**	**156**
Additional provisions		-	-	-
Unused amounts reversed		(759)	(759)	(15)
31/12/2020	**9**	**1.236**	**1.245**	**140**

	THE COMPANY			
	Loss from shares	**Legal claims**	**Total**	**Customers provisions**
31.12.2018	**9**	**822**	**831**	**134**
Additional provisions from absorption of subsidiary	-		-	-
Additional provisions				22
Unused amounts reversed	-		-	-
31/12/2019	**9**	**822**	**831**	**156**
Additional provisions				-
Unused amounts reversed		(759)	(759)	(15)
31/12/2020	**9**	**62**	**71**	**140**

The table above presents provisions for bad debts less receivables.

5.17. Suppliers and other liabilities

Analysis of suppliers and other short-term payables of the Group and the Company is presented below as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Suppliers	2.928	4.974	2.166	4.262
Total Suppliers and Other Liabilities	**2.928**	**4.974**	**2.166**	**4.262**

The fair values of trade liabilities are not presented separately as, due to their short-term maturity, the Management considers that the accounting values, recognized in the Statement of Financial Position, are approximately the same as their fair values.

5.18. Income tax

The current tax obligations of the Group and the Company are as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Current tax obligations (income tax)	-	1.278	-	1.168
Total current tax obligations	**0**	**1.278**	**-**	**1.168**

5.19. Other short-term liabilities & Contractual obligations

Other short-term liabilities of the Group and the Company are as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Social insurance	754	947	702	942
VAT and other taxes	1.835	779	1.702	618
Accrued expenses for the period	1.452	2.203	1.278	1.861
Short-term portion of grants	134	134	134	134
Other short-term liabilities	4.985	5.171	4.206	4.888
Total	**9.160**	**9.234**	**8.023**	**8.444**

The fair values of other liabilities are not presented separately as, due to their short-term maturity, the Management considers that the accounting values, recognized in the Statement of Financial Position, are approximately the same as their fair values.

The other short-term liabilities mainly concern liabilities to the Management Company.

The Group and the Company receive advance payments from clients and recognize a contractual obligation equal to the amount of the advance payment for settling the obligation to transfer goods or services in the future. These advance payments are recognized in the item "Contractual Obligations" as follows:

	THE GROUP		THE COMPANY	
	31/12/2020	**31/12/2019**	**31/12/2020**	**31/12/2019**
Long-term Contractual Obligations	519	402	519	402
Short-term Contractual Obligations	4.194	3.073	4.066	2.856
Total Contractual Obligations	**4.714**	**3.475**	**4.585**	**3.259**

Due to suspension of hotel units operation as from 22/03/2020, regarding the reservations with advance payment, which cannot be executed, vouchers have been granted to the customers for a period of eighteen months.

5.20. Analysis of Income Statement

In the first two months of the year the Group started with positive growth rates, but from the beginning of March the rapid spread of coronavirus COVID-19 in Europe began to significantly reduce travel behavior worldwide.

In March 2020, the World Health Organization (WHO) declared the coronavirus COVID-19 a pandemic, whose rapid spread has adversely affected business and economic activity around the world and has caused suspension or slowdown of activities in significant sectors of the economy.

The Group mainly operates in the hotel segment, affected since the beginning of March by the unprecedented crisis, which in the first months of the year arose from the significant reduction of travel and quickly deteriorated with the rapid spread of the virus, the occurrence of cases in the country and finally with the imposition of the suspension of operation of three hotels of the Group in Greece. The Group's Management has been timely monitoring all the developments and is in constant communication with the hotels' association, the Hotel Chamber and all the competent bodies, as well as with the special unit of the management company, for any action deemed necessary regarding the measures imposed in order to protect the health of employees and the public, At the same time, the Management records the risks and evaluates the impact of the COVID-19 pandemic at each stage, on the results and future cash flows of the Group and takes measures based on adequacy of its liquidity, ensuring the Group's going concern.

In their effort to reduce the spread of the pandemic, the countries worldwide apply a series of restrictive measures, including the suspension of hotels operation, which has a direct impact on the Group's operations.

Thereafter, as analytically described in the COVID-19 section, a global package of measures was imposed in order to address the spread of the pandemic, whose impact immediately affected the Group, following the suspension of hotels operation in Greece and almost zero hotel traffic in Serbia, while a large number of cancellations were made for future periods.

It is worth noting that the Group's Management decided to continue the investment of the subsidiary Kriezotou S.A. during the pandemic, and, as a result, the hotel "Athens Capital" opened its gates in September 2020. The investment amounted to € 27.4 million, of which € 16 million plus VAT was paid during the year. Its operation ceased on November 6, 2020 after the imposition of restrictive measures by the government. In addition, the Company started the implementation of an investment renovation plan in the group hotels (including the exterior side of the King George Hotel), which is expected to amount to 4 million.

Suspension of hotels: Specifically, the operation of Grande Bretagne and King George Hotels was suspended by government order from 22 March 2020. The Grande Bretagne Hotel reopened on 15 July 2020, while the King George Hotel remained closed until the end of 2020. The Sheraton Rhodes (seasonal) Hotel opened for the summer season on 28 July 2020 and was open until 31 October 2020. The company's hotels in Serbia ("Hyatt Regency Belgrade" and "Excelsior Mercure Belgrade") continued to operate, however, they operated with almost zero turnover, and a corresponding operating loss, which was mitigated due to the extremely low cost of wages and local government incentives.

The restriction on the Group's operations is reflected in the financial sizes of the luxury hotel market in Athens and consequently of the Group's operations during 2020.

Conference tourism has also been adversely affected by the restrictions on large gatherings. Moreover, the cruises that also made contribution to hotels operations, have been virtually nullified.

The room occupancy in Athens luxury hotels market decreased by 40.1% compared to the corresponding period of 2019, bringing the rate to 41.5% (for the period before their suspension) compared to 69.3% in 2019. The average hotel room rate decreased by 18.5% compared to 2019, reaching € 137.94 compared to € 169.31 in 2019. As a result, revenue per available room decreased in Athens luxury hotels by 51.2% (€ 57.20 against € 117.29 in 2019) and respectively the total room revenues decreased by 75.9%.

The "Grande Bretagne" Hotel presented decrease in sales by 75.25% compared to the corresponding period last year 2019, while "King George" Hotel presented a decrease in sales by 75.02%. "Sheraton Rhodes Hotel" did not open during the first half of 2020. Regarding the Group Hotels in Serbia, "Hyatt Regency Belgrade" decreased by 55.11% and "Mercure Excelsior" decreased by 69,56%.

Amounts in thousand Euro, unless otherwise mentioned

On the basis of the aforementioned, the most significant items of the Financial Statements changed as follows:

- The Group's **turnover** amounted to € 17,735 k compared to € 77,815 k in 2019, recording a decrease by 77.21%. In the parent Company respectively ("Grande Bretagne", King George and Sheraton Rhodes Resort Hotels), it amounted to € 12,789 k versus € 65,075 k in 2019, ie reduced by 80.35% due to the effects of the Covid-19 pandemic on revenue of hotel units. King George's participation amounted to € 1.2 million, compared to € 11.2 million in 2019.

- Consolidated **gross loss** amounted to € 7,781 k versus profit € 32,790 k in 2019, recording a decrease by 123.73%, while the gross loss margin stood at -43.88% in 2020 versus profit 42.14 % in 2019. Gross loss of the parent Company amounted to € 4,450 k versus profit € 29,069 k in 2019, recording a decrease by approximately -115.31%. The Company's gross loss margin amounted to -34.80% in 2020 versus profit 44.67% in the previous year. This decrease is due to the impact of the Covid-19 pandemic on hotel revenue.

- **Group's operating profit / (loss) (before tax, interest, depreciation and amortization-EBITDA)** amounted to (€ 5,194) k compared to € 23,085 k in 2019, recording a decrease by -122.50%. In the parent Company, it amounted to (€ 3,706) k against € 19,649 k in 2019 recording a decrease by -118.86% which is due to the effects of the pandemic of Covid-19 on the hotel units operations.

- **Impairment loss / gains of participations from reversal of impairment of participations** of the Parent Company include extraordinary and non-recurring impairment losses on investments in subsidiaries amounting to € 2,040 k against income from reversal of impairment amounting to € 2,050 k in the previous year as a result of Covid-19 pandemic extraordinary conditions.

- **Results (Loss) from impairment of fixed assets** include extraordinary and non-recurring impairment losses on property, plant and equipment of private hotels amounting to € 1,877 k as a result of the Covid-19 pandemic extraordinary conditions.

- As a result of the pandemic effects, the Group's **Profit or Loss before tax** amounted to loss of € 20,993 k versus profit of € 10,700 in 2019. The Company's loss before tax amounted to € 15,940 k versus profit of € 11,749 k in 2019.

- As a consequence of the aforementioned, the Group's **net results (after tax and before non-controlling interests)** amounted to loss of € 16,494 k versus profit of € 6,931 k in 2019 while the Company's net results amounted to loss of € 12,778 k against profit of € 8,166 k in 2019.

Turnover

The following table presents an analysis of the Group's revenues and the Company per major category:

	THE GROUP		THE COMPANY	
	01/01-31/12/2020	01/01-31/12/2019	01/01-31/12/2020	01/01-31/12/2019
Room Revenues	10.904	52.383	7.881	44.088
Sales of food and beverage	5.546	21.561	4.136	18.045
SPA-Health Club income	462	1.550	194	1.145
Telephone income	5	30	4	25
Other income	819	2.292	574	1.773
TOTAL	**17.735**	**77.815**	**12.789**	**65.075**

The sales of the parent are performed in Greece.

Gross Profit for the Group was as follows:

	CONSOLIDATED		CORPORATE	
Amounts in thousands €	**01/01-31/12/2020**	**01/01-31/12/2019**	**01/01-31/12/2020**	**01/01-31/12/2019**
Gross profit	(7.781)	32.790	(4.450)	29.069
Gross profit percentage	-44%	42%	-35%	45%

- ***Expenses per category***

The Group and the Company expenses per category are as follows:

	THE GROUP			THE COMPANY		
1/1 - 31/12/2020	**Cost of sales**	**Administ. expenses**	**Distrib. expenses**	**Cost of sales**	**Administ. expenses**	**Distrib. expenses**
Inventory consumption	2.916	15	0	1.736	-	-
Employee fees and expenses	8.656	2.954	637	5.710	2.617	572
Third parties fees and expenses	757	1.837	484	607	1.315	326
Utilities	2.564	873	50	1.943	869	50
Taxes-duties	619	330	27	577	253	18
Miscellanneous expenses	1.388	592	513	1.108	524	319
Depreciation	8.598	1.069	159	5.540	1.033	159
Operating provisions	17	23	24	17	23	24
Total	**25.516**	**7.692**	**1.893**	**17.239**	**6.634**	**1.467**

Miscellaneous expenses mainly concern supply of consumables (room consumables, cleaning and decoration materials) as well as promotion and advertising expenses regarding hotel units.

In FY ended as at 31/12/2020, the Group's and Company's management expenses include statutory auditors' fees of € 20 k relating to services apart from those rendered in connection with the audit of financial statements.

	THE GROUP			THE COMPANY		
1/1 - 31/12/2019	**Cost of sales**	**Administ. expenses**	**Distrib. expenses**	**Cost of sales**	**Administ. expenses**	**Distrib. expenses**
Inventory consumption	9.534	47	13	7.494	-	-
Employee fees and expenses	18.698	4.227	1.226	15.133	4.067	1.202
Third parties fees and expenses	1.188	5.072	4.036	1.202	3.654	3.667
Utilities	4.218	1.215	60	3.618	1.214	60
Taxes-duties	441	608	20	441	603	12
Miscellanneous expenses	2.961	737	1.206	2.546	661	852
Depreciation	7.979	1.048	84	5.566	1.048	84
Operating provisions	5	33	0	5	33	0
Total	**45.025**	**12.987**	**6.646**	**36.006**	**11.280**	**5.878**

Other income and expenses of the Group and the Company are analyzed as follows:

	THE GROUP		THE COMPANY	
Other income	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**
Income from grants	367	196	352	196
Other similar activities income	555	103	40	103
Income from rentals	561	767	271	340
Commissions- Brokerage	433	102	433	102
Income from previous years unused provisions	767	-	759	-
Income from previous years used provisions	1	-	-	-
Invoiced expenses	115	109	115	418
Other income	190	309	432	214
Total other income	**2.989**	**1.586**	**2.401**	**1.373**

Amounts in thousand Euro, unless otherwise mentioned

	THE GROUP		THE COMPANY	
Other expenses	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**
Loss from write off of unrecorded receipts	16	-	16	-
Provision for bad receivables and legal case compensations	0	271	-	-
Loss from damaged – disposed assets	-	10	-	-
Loss from inventory theft	-	14	-	14
Fines and surcharges	82	33	62	12
Previous year taxes	57	77	44	70
Other previous years expenses	21	31	20	29
Previous years foreign exchange translation differences	-	1	-	1
Other expenses	338	200	12	74
Total Other Expenses	**515**	**636**	**154**	**199**

5.21. Financial income / expenses & other financial results

The analysis of the financial results of the Group and of the Company was as follows:

	THE GROUP		THE COMPANY	
Interest income from:	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**
- Bank deposits	11	21	2	2
- Intracompany interest	-	-	165	41
- Customers interest	2	59	0	-
Financial income	**13**	**79**	**167**	**44**

	THE GROUP		THE COMPANY	
Interest expenses from:	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**
Employees compensation obligation	35	59	35	59
-Bank loans	3.797	3.236	3.834	3.202
-Finance lease obligations	281	5	2	5
-Other bank expenses & commissions	106	59	95	55
-Letter of Guarantee commissions	9	33	9	33
-Other financial expenses	175	28	-	-
Financial Cost	**4.403**	**3.420**	**3.975**	**3.354**

	THE GROUP		THE COMPANY	
Other financial results	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**	**1/1 - 31/12/2020**	**1/1 - 31/12/2019**
Profit from foreign currency translation differences	253	197	253	197
Loss from foreign currency translation differences	(184)	(273)	(132)	(273)
Other	97	8	92	-
Total	**166**	**(68)**	**212**	**(76)**

Amounts in thousand Euro, unless otherwise mentioned

5.22. Income tax

The amount of tax on profit before tax of the Group and the Company, differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of consolidated companies. The relationship between the expected tax expense, based on an effective tax rate of the Group, and the tax expense that was actually recognized in the income statement, is as follows:

	THE GROUP		THE COMPANY	
	01/01-31/12/2020	01/01-31/12/2019	01/01-31/12/2020	01/01-31/12/2019
Current tax expenses	16	1.615	16	1.168
Deferred income tax	(4.515)	2.154	(3.178)	2.414
Total	**(4.499)**	**3.769**	**(3.162)**	**3.582**

Deferred tax (income) was mainly generated due to recognition of of deferred tax assets from tax losses to be offset in the following years.

THE GROUP	01/01-31/12/2020	01/01-31/12/2019
Earnings before tax	**(20.993)**	**10.700**
Tax rate	24%	24%
Expected tax expense/income under the statutory tax rate	**(5.038)**	**2.568**
Effect of change in tax rate	-	460
Effect of different tax rates in other countries	512	(168)
Non-taxed revenue	2	1
Settlement of prior period tax & extraordinary contribution	16	
Non-exempted expenses	109	187
Items for which deferred tax is not recognized	(181)	491
Discount recognition under Development Law 1892/90	37	1.329
Use of discount under Development Law 1892/90	-	(1.329)
Non-recognizable loss for future offsetting	264	248
Recognized impairment loss for prior periods	(213)	
Other	(7)	(11)
Realized tax expenses, net	**(4.499)**	**3.775**
Weighted tax rate	21,43%	35,28%

THE COMPANY	01/01-31/12/2020		01/01-31/12/2019
Earnings before tax	**(15.940)**		**11.749**
Tax rate	24%		24%
Expected tax expense/income under the statutory tax rate	**(3.826)**		**2.820**
Effect of change of tax rate	-		601
Non-taxed revenue	-		-
Non-exempted expenses	16		
Items for which deferred tax is not recognized	85		143
Discount recognition under Development Law 1892/90	526		18
Use of discount under Development Law 1892/90	37		1.329
Non-exempted expenses			(1.329)
Other	-		-
Realized tax expenses/ (revenue), net	**(3.162)**		**3.582**
Weighted tax rate	19,84%		30,49%

5.23. Profit / (Loss) per share

Basic profit / (losses) per share are calculated based on profits / (losses) after taxes and Non-controlling interests from continuing operations, on the weighted average number of ordinary shares of the parent company within the accounting period.

The following is an analysis of profit/(loss) per share:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**01/01-31/12/2020**	**01/01-31/12/2019**	**01/01-31/12/2020**	**01/01-31/12/2019**
Profit attributable to the shareholders of the parent	(16.494)	6.931	(12.778)	8.166
Weighted average number of shares	21.364	21.364	21.364	21.364
Basic earnings/loss per share (in €)	**(0,7720)**	**0,3244**	**(0,5981)**	**0,3823**

5.24. Transactions with related parties

None of the transactions incorporate special terms and conditions and no guarantee was given or received.

Amounts in thousands €	**THE GROUP**		**THE COMPANY**	
Sales of services	**01/01 - 31/12/2020**	**01/01 - 31/12/2019**	**01/01 - 31/12/2020**	**01/01 - 31/12/2019**
Subsidiaries/jointly controlled	0	0	605	351
Other related parties	57	105	57	105
Total	**57**	**105**	**662**	**456**
Purchases of services	**01/01 - 31/12/2020**	**01/01 - 31/12/2019**	**01/01 - 31/12/2020**	**01/01 - 31/12/2019**
Subsidiaries/jointly controlled	0	0	0	0
Other related parties	246	1.823	246	1.823
Total	**246**	**1.823**	**246**	**1.823**
Balance of receivables	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Subsidiaries/jointly controlled	0	0	7.264	384
Other related parties	5	27	5	27
Total	**5**	**27**	**7.269**	**412**
Balance of liabilities	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Subsidiaries/jointly controlled	0	0	0	0
Other related parties	2.509	3.410	2.509	3.410
Total	**2.509**	**3.410**	**2.509**	**3.410**

The outstanding balances at year's end are unsecured and are settled in cash. No guarantees were provided or received for the above receivables.

It is also noted that between the Parent Company and its subsidiaries there are no special agreements or collaborations and any transactions carried out between them are within the usual terms and conditions effective in every market.

For the fiscal year that ended on 31 December 2020, the Company hasn't made a provision for doubtful debt relating to amounts owed by affiliated companies.

From the above transactions, transactions and balances with subsidiaries have been eliminated from consolidated financial statements of the Group. Among subsidiaries of the Group there are receivables/borrowing liabilities of € 2.1 m. The interest income/expense stood at € 74 k, while other financial results of €47 k have been written off. In addition to the above balances, there are amounts versus the share capital increase standing at € 6.9 million, to which receivables of €7.1 million, as presented in the tables above, will also be added for capitalization. During the year, the Parent Company sold fixed assets amounting to € 5,234 k to a subsidiary and acquired fixed assets amounting to € 70 k from other related parties.

Fees of directors and members of management were as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**01/01-31/12/2020**	**01/01-31/12/2019**	**01/01-31/12/2020**	**01/01-31/12/2019**
Key executives and BoD members				
Salaries-Fees	1.242	1.367	853	811
Social insurance cost	88	156	88	156
Bonus	210	211	210	211
Total	-	-	-	-
Amounts in thousands €	**1.540**	**1.735**	**1.150**	**1.178**

The provision made for compensation of the Group's and Company's staff includes an amount of € 214 k (2019: 276 k) pertaining to executives and BoD members, while in the income statement the recorded amounts are € 8,8 k (2019: 9,6 k).

No loans have been granted to members of the Board of Directors or the Group or management personnel and their families.

5.25. Employee benefits

The employee benefits of the Company and the Group are as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**01/01-31/12/2020**	**01/01-31/12/2019**	**01/01-31/12/2020**	**01/01-31/12/2019**
Employee salaries-Bonus	9.642	19.175	6.940	16.221
Social insurance cost	1.488	4.212	1.050	3.822
Other employee benefits	763	478	554	104
Provision for employee compensation	355	287	355	256
Total	**12.247**	**24.151**	**8.899**	**20.402**

The number of employees occupied on daily wages basis and salaried employees is as follows:

	THE GROUP		THE COMPANY	
	31/12/2020	**31/12/2019**	**31/12/2020**	**31/12/2019**
Salary employees	600	514	292	263
Daily wages employees	268	409	252	409
Total	**868**	**923**	**544**	**672**

The aforementioned table depicts the employees of the company as at 31 December. The branch of the company operating in Rhodes discloses as representative period the 30th of September due to seasonality. On 30 September 2020, this branch employed 103 persons. However, on 31 December 2020, the number of its employees stands at 22 persons, who are included in the aforementioned table.

5.26. Operating leases

- **Operating leases - Income**

The Group leases certain offices and shops under lease agreements. The analysis of contractual rentals to be collected in the coming years is presented below as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Operating leases collectable in 1 year	617	361	397	361
Subtotal 1: Short-term operating leases	**617**	**361**	**397**	**361**
Operating leases collectable in 2 to 5 years	2.841	1.541	1.521	1.541
Subtotal 2	**2.841**	**1.541**	**1.521**	**1.541**
Operating leases collectable after 5 years	1.934	604	229	604
Subtotal 3	**1.934**	**604**	**229**	**604**
Subtotal 4 (=2+3): Long-term operating leases	4.775	2.145	1.750	2.145
TOTAL (=1+4)	**5.392**	**2.507**	**2.147**	**2.507**

5.27. Contingent assets – liabilities

Litigations

a) Administrative procedures for the compensation to former owners of the land on which the Hyatt Hotel (subsidiary company BEOGRADSKO MESOVITO PREDUZECE) and other third party structures have been constructed. Given the new data regarding the case and the lawyer's representation letter, the company has calculated that the estimated value of the provision shall amount to a total of € 1.169 k.

b) Court cases filed against the subsidiary company BEOGRADSKO MESOVITO PREDUZECE standing at 1.1 m (less interest and surcharges) referring to the former employees demanding compensation due to termination of the employment relationship. The Group's Management estimates that there are no reasons for compensation concerning the termination of the employment relationship, given that both plaintiffs voluntarily resigned. The Management of the Subsidiary has also acted against the plaintiffs, and interrogations for both conflicts have not yet started. As the cases are still at an early stage, the final outcome cannot presently be determined, and no provision has been made in the financial statements of the Group.

Apart from the aforementioned, there are no other litigation or arbitration disputes of courts or arbitration bodies that may have a significant influence on the financial statements or operations of the Group and the Company beyond the provisions that have already been made (§ 5.11).

Unaudited tax years

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

Company	Unaudited Years
LAMPSA HELLENIC HOTELS S.A.	2018-2020
LUELLA ENTERPRISES LTD	2011 - 2020
TOURISTIKA THERETRA S.A. (BEFORE ABSORPTION)	2014-2018 (10 month)
EKSCELSIOR BELGRADE SOCIALLY OWNED HOTEL & CATERING TOURIST ENTERPRISES	2007 - 2020
BEOGRADSKO MESOVITO PREDUZECE	2011 - 2020
MARKELIA LTD	2011 - 2020
KRIEZOYOU S.A.	2019 (from 5/6/2019) - 2020

For the unaudited tax years of the Group companies, there is a probability for additional taxes and penalties to be imposed, during the period when they are examined and finalized by the relevant tax authorities.

For the FYs 2011-2019, the parent company and TOURISTIKA THERETRA S.A. were subject to tax audit of the Certified Public Accountants as provided by Article 82, par.5, Law 2238/1994 and Article 65a, Law 4174/2013. Regarding the companies audited by Statutory Auditors and Auditing Firms in respect of tax provisions, the issues are selected for tax inspection in compliance with Article 26, Law 4174/2013, as effective. The tax inspection in question can be conducted within the FY, during which the Tax Authorities are entitled to issue tax identification acts.

For the FY 2020, the tax audit of the Certified Public Accountants for the issue of the Tax Compliance Report is in progress. The management does not expect that significant tax liabilities are to arise upon the completion of the tax audit, other than those recorded and presented in the financial statements.

According to the relevant legislation, the audit and issue of tax certificates are optional for the years 2017 and onwards.

For the fiscal years 2015-2017, tax authorities audited the parent company based on the audit order dated 14/05/2019 for all tax items. During the final phase of the audit, the findings of the tax authorities were disclosed to the company and accepted. Regarding these findings, the Parent has submitted amending statements to Income and Stamp Duties under the favorable provisions of Law 4512/18. The total amount of additional taxes and fines paid amounted to € 61 k for all three years and was charged to the Income Statement for 2019. The Tax Authorities delivered the Final Audit File (KEMEP) on 18/05/2020.

In addition, the audit order on 10/06/2019 was disclosed regarding the former company TOURISTIKA THERETRA SA, which was absorbed by the parent company in the previous fiscal year, for the fiscal year 2016-2017 for Income Taxes and VAT issues. The above audit has not started yet while it might be conducted as till 31/12/2021.

On 31/12/2020 the fiscal years until 31/12/2014 expired according to the provisions of par. 36 of Law 4174/2013, with the exceptions provided by the current legislation for the extension of the right of the Tax Administration to issue an administrative act, estimated or corrective tax determination in specific cases.

It is estimated that no significant additional tax liabilities will arise for the unaudited tax years of the other companies of the Group and, therefore, no relevant provision has been made.

5.28. Guarantees

The Group and the Company have contingent liabilities and assets related to banks, other guarantees and other matters arising in the ordinary course of business, as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Liens on land plots and building for provision of loans	125.300	134.400	125.300	134.400
Liens on land plots and building for provision of loan in $	4.500	25.500	4.500	25.500
Guarantees to ensure liabilities and Letters of Credit	1.187	3.527	1.187	3.527
Guarantees to ensure liabilities of the absorbed subsidiary	4.230	2.750	4.230	2.750

6. Risk management policies objectives

The Group is exposed to financial risks such as market risk (fluctuations in exchange rates, interest rates, market prices, etc.), credit risk and liquidity risk.

The Group's financial instruments mainly include bank deposits, overdraft rights, trade receivables and payables, loans to subsidiaries, associated companies, dividends payable and lease obligations.

Since 2008, the Group applies a risk management program for such risks. The Group's risk management program aims to limit the negative impact on the financial results of the Group caused by unpredictability of financial markets and fluctuation in the variables of cost and sales.

The risk management procedure applied by the Group, is as follows:

- Evaluation of risks associated with the activities and operations of the Group,
- Design of methodology and selection of appropriate financial products to reduce risks and
- Application/implementation, in accordance with the procedure approved by the management, of the risk management procedures.

6.1. Currency risk

The Group operates in Greece, Cyprus and Serbia and its functional currency is Euro. However, there is a certain limited exposure to currency translation risk regarding US Dollar, mainly arising from loan and other liabilities in Dollars. The exchange rate risk of this kind arises from the rate of these currencies against Euro, partially offset by corresponding liabilities (e.g. loans) of the same currency.

Financial assets and liabilities in foreign currency converted into Euro at the closing rate are as follows:

	2020	2019
Amounts in thousands		
Nominal amounts	**US$**	**US$**
Financial assets	28	173
Financial liabilities	1.658	935
Short-term exposure	**1.630**	**762**
Financial assets		
Financial liabilities	-	1.642
Long-term exposure	**-**	**1.642**
Total	**1.630**	**2.404**

The following tables show the sensitivity of the result for the financial year as well as the equity in relation to financial assets and financial liabilities and Euro/Dollar exchange rate.

We assume a change of approximately 4.88% as at 31 December 2020 in the exchange rate of EUR / USD (2019: 2.25%). These percentages were based on the average market volatility in exchange rates for a period of 3 months from the end of each year (31/12).

In case € increases compared to the above currency, with the percentages mentioned above, the impact on the income statement for the year and equity will be as follows:

Amounts in thousands	**2020**	**2019**
	US$	**US$**
Earnings before tax	71	56
Equity	54	43

In case € decreases compared to the above currency, with the percentage mentioned above, the impact on the income statement for the year and equity will be as follows:

Amounts in thousands	**2020**	**2019**
	US$	**US$**
Earnings before tax	(64)	(54)
Equity	(49)	(41)

The exposure of the Group to foreign exchange risk varies during the year depending on the volume of transactions in foreign currency. However, the above analysis is considered representative of the Group's exposure to currency risk.

6.2. Sensitivity analysis of interest rate risk

Long-term financing is related to leasing contracts with variable interest rates (mainly Euribor and Libor).

The Group's policy is to minimize its exposure to cash flow interest rate risk on long-term financing. On 31 December 2020, the Company is exposed to changes in market interest rates, with regard to its bank loans, which are subject to variable interest rate.

The following table shows the sensitivity of the income statement for the year and equity to a reasonable change in interest rate of +1.0% or -1.0% (2019: + / -1%). The changes in interest rates are estimated to be reasonable compared to market conditions.

	01/01-31/12/2020		**01/01-31/12/2019**	
Amounts in thousands €	**1,0%**	**-1,0%**	**1,0%**	**-1,0%**
Earnings before tax	(1.243)	1.243	(1.031)	1.031
Equity	(945)	945	(783)	783
Tax rate	**24%**		**24%**	

6.3. Credit risk analysis

The Group's exposure to credit risk is limited to financial assets (instruments) which, at the balance sheet date, are as follows:

Amounts in thousands €	**THE GROUP**		**THE COMPANY**	
Financial assets categories	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Cash and cash equivalents	24.215	25.885	20.856	11.253
Trade receivables	5.972	6.365	1.325	5.066
Total	**30.187**	**32.250**	**22.181**	**16.319**

The majority of the Group's sales are performed through credit cards, the credit sales though are made to customers with evaluated credit history.

Regarding trade and other receivables, the Group is not exposed to significant credit risk. The credit risk in respect of liquidation receivables and other short term financial assets is considered limited.

The Group's management considers that all the above financial assets that are not impaired at the financial statements prep ration date are of high credit quality, including those owed.

None of the financial assets of the Group has been mortgaged or committed to any other form of credit insurance.

6.4. Liquidity risk analysis

The Group manages its liquidity needs by carefully monitoring the long-term financial liabilities as well as the daily payments. Liquidity needs are monitored in various time zones, on a daily and weekly basis and on a rolling 30-day period. The liquidity needs for the next 12 months are determined monthly.

The maturity of the Group and the Company liabilities to be settled on a cash basis is as follows:

THE GROUP	**31/12/2020**			
Amounts in thousands €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**within 6 months**	**6 to 12 months**
Bank debt	540	10.900	1.756	-
Bond loan	2.635	2.950	39.801	80.244
Finance lease liabilities	85	85	1.016	22.549
Other long-term liabilities	-	-	1.137	154
Trade liabilities	2.928	-	-	-
Other short-term liabilities	9.160	-	-	-
Total	**15.348**	**13.935**	**43.711**	**102.948**

	31/12/2019			
Amounts in thousands €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**over 5 years**
Bank debt	544	5.700	2.160	-
Bond loan	1.877	3.039	41.994	54.512
Finance lease liabilities	672	32	791	22.563
Other long-term liabilities	-	-	1.726	20
Trade liabilities	3.203	1.770	-	-
Other short-term liabilities	9.234	-	-	-
Total	**14.891**	**10.541**	**46.672**	**77.096**

THE COMPANY	**31/12/2020**			
Amounts in thousands €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**over 5 years**
Bank debt		10.900		
Bond loan	2.635	2.950	32.800	80.244
Finance lease liabilities	21	21	(0)	-
Other long-term liabilities	-		1.118	154
Trade liabilities	2.166		-	-
Other short-term liabilities	8.023	-	-	-
Total	**12.846**	**13.871**	**33.918**	**80.398**

THE COMPANY	**31/12/2019**			
Amounts in thousands €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**over 5 years**
Bank debt		5.700		
Bond loan	1.877	3.039	41.994	54.512
Finance lease liabilities	32	32	42	-
Other long-term liabilities	-		1.707	20
Trade liabilities	2.492	1.770	-	-
Other short-term liabilities	8.444	-	-	-
Total	**12.845**	**10.541**	**43.743**	**54.533**

The above contractual maturities reflect the gross cash flows, which may differ from the carrying amounts of liabilities at the balance sheet date.

As at 31/12/2020, the Company and the Group had negative working capital, as current liabilities exceed current assets by € 7,606 k and € 1,943 k respectively. The Company's current liabilities include current instalments of bond loans amounting to € 5,585 k (the Group: €5,585), of which, regarding the amortization, amounting to € 4,050 k, in 2021, the Company has agreed with the Bond Lenders to transfer the installments to the end of the contract (2029). Finally, short-term contractual obligations amounting to € 4,066 k for the Company (the Group: €4,194), which relate to prepayments for 2021 bookings are expected either to be transferred to the following years or settled through rendering services. Taking into account the above, the company's working capital becomes positive by € 510 k and the Group's – by € 6,173 k.

Moreover, regarding the impact of health crises caused by COVID-19, analytical information is provided in Unit C Risks and Uncertainties of the Board of Directors Report.

The financial statements of the Parent company and the subsidiaries have been prepared based on the going concern principle as the Group Management assesses that given the currently available data and its estimates of the impact of the Covid-19 pandemic on the financial sizes of the Group for in the next 12 months and in relation to the aforementioned actions that have been carried out, there will be sufficient liquidity in order to ensure the Group's ability to continue as a going concern.

Moreover, in case the Company's liquidity needs to be strengthened, its two main shareholders "NAMSOS ENTERPRISES COMPANY LIMITED" and "DRYNA ENTERPRISES" (56.11%) as well as their final beneficiaries are committed to and have the financial capacity to cover the contingent needs at least for the next twelve months from the date of approval of its annual financial statements.

6.5. Risks & effects of Covid 19 pandemic - taking measures to address them

The Group started the first two months of the year with positive growth rates, but from the beginning of March, the rapid spread of the COVID-19 in Europe began to significantly reduce travel behavior worldwide. Subsequently, a global package of measures was imposed to address the spread of the pandemic, whose impact immediately affected the Group, as there was a suspension of hotels operation in Greece and almost zero hotel traffic in Serbia, while a large number of reservation cancellations were made for future periods.

Restrictions on the Group's operations have further adverse effect on the Group's financial sizes:

- The Management estimates that during 2020, the Group lost revenue of € 60 million and the Company of € 53 million. For 2021, an increase in sizes is expected, but it is estimated to be decreased by approximately 60% compared to 2019 when the Group recorded the peak of its turnover.

- Financial structure – liquidity :

The effects of the pandemic are expected to be significant for the Group resulting in generation of losses in 2021, however the Company's capital adequacy is expected to remain strong. In addition, a direct impact of the aforementioned shrinkage of the Group's turnover is the restriction on its liquidity. In order to endure the Group's going concern, the Group Management secured an additional liquidity of 18 million through borrowing with the guarantee of the European Development Bank.

- COVID-19 outbreaks, mutations, inability to address the crisis or ongoing imposition of restrictive measures on travel may continue to adversely affect the Group,

The pandemic is expected to change the behavior of both corporate and private clients and a decline in event revenue and catering is expected.

- Impairment of non-current assets (including goodwill):

Due to the impact of the pandemic on the global economy, in our country and consequently on the financial performance of the Group, during the conduct of the impairment test of the Group assets (privately owned hotels, right-of-use hotels, goodwill) and the Company (participations), decreased values in use have arisen, on case basis, whose impairment burdened the income statement and the financial position of the Group and the Company. The consolidated results of 2020 have been burdened with impairment of € 1,877 k (€ 1,596 k after tax), while the results of the Parent Company have been burdened with impairment of € 2,040 k (€ 1,550 k after tax).

These impairments are extraordinary and reflect the results of the pandemic period as well as the period required for the return to the pre-COVID-19 time. As all the impairments exclusively pertain to the effects of the Covid - 19 pandemic, the Management estimates that - with the return to normalcy - the Group's and the Company's non-current assets will regain their value.

The Management's actions to address the effects of Covid-19 and ensure the Group's going concern.

On the basis of the aforementioned procedure of assessment and identification of risk areas and always with the aim of ensuring the health of employees and customers, protection of public health in view of the hotels reopening as well as the Group's going concern, the Management took the following actions:

• Expenditure of approximately € 500 k on equipment and facilities, required for the hotels reopening, applying all the necessary hygiene protocols for customers and staff.

• The Management of the parent company secured a certificate from the representative of the Bondholding Creditors for their consent to the exception of the measurement of the financial ratios as of 31.12.2020 due to the effects of the pandemic.

• The company agreed with lending banks for the transfer of payments of € 7,950 k to the maturity of the loans, of which an amount of € 5,250 k was to be paid within the next 12 months.

• Due to LAMPSA Group solvency, the Management has already received new loans amounting to € 25 m for the Group and € 18 m for the parent company, through the business support program "Guarantee Fund for granting guarantees on new loans to companies affected by COVID 19 through the Hellenic Development Bank (HDB).

• The company participates in the labor subsidy programs for employees implemented by the government (suspension, "Syn-ergasia", etc.). This way achieves a reduction in wage costs for the period, when the hotels are closed or operating at low occupancy. Moreover, to facilitate further savings, fixed-term employee contracts expiring in the near future are not expected to be renewed. Finally, synergies are expected between the Group's hotels, with staff lending, for more cost-effective management. Following the implementation of the aforementioned actions, the company in 2020 managed to reduce its payroll costs by approximately € 9.2 m or 58% compared to the payroll costs in 2019.

• Finally, the company has dispatched credit vouchers, amounting to approximately € 450 k, to customers who have prepaid their future reservation, in order to avoid immediate outflow of money by repaying advances, while for the remaining advances it has already signed agreements to postpone scheduled visits.

The financial statements of the Parent and its subsidiaries have been prepared on the basis of the going concern principle as the Group's Management considers that given the currently available data and its estimates of the impact of Covid-19 pandemic on the Group's financial sizes for the following 12 months and in line with the aforementioned actions that have been planned, there will be sufficient liquidity in order to ensure the Group's ability to continue as a going concern. Moreover, in case the Company's liquidity needs to be strengthened, its two main shareholders "NAMSOS ENTERPRISES COMPANY LIMITED" and "DRYNA ENTERPRISES" (56.11%) as well as their final beneficiaries are committed to and have the financial capacity to cover the contingent needs at least for the next twelve months from the date of approval of its annual financial statements.

7. Capital management policies and procedures

The objectives of the Group in order to manage the capital are:

- to ensure the ability of the Group to continue as a going-concern, and
- to provide an adequate return to shareholders by pricing products according to the risk level.

The Group monitors capital on the basis of the amount of equity, less cash and cash equivalents as reflected in the Statement of Financial Position. The capital for the years 2020 and 2019 is analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**2020**	**2019**	**2020**	**2019**
Total equity	85.044	101.728	64.026	76.993
Less: Cash and cash equivalents	(24.215)	(25.885)	(20.856)	(11.253)
Capital	**60.830**	**75.842**	**43.170**	**65.740**
Total equity	85.044	101.728	64.026	76.993
Plus: Loans	162.561	133.244	129.572	107.228
Total capital	**247.606**	**234.972**	**193.597**	**184.221**
Capital to Total capital	**2/10**	**3/10**	**2/10**	**4/10**

A medium term objective of the Group regarding capital management, and until the negative climate is reversed, it to maintain the ratio at the same level.

The Group sets the amount of capital in relation to its overall capital structure, for example equity and financial liabilities. The Group manages its capital structure and makes adjustments at the time when the economic situation and the risk characteristics of existing assets change. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends payable, return capital to shareholders, issue share capital or sell assets to reduce debt.

In the first two months of the year the Group started with positive growth rates, but from the beginning of March the rapid spread of coronavirus COVID-19 in Europe began to significantly reduce travel behavior worldwide.

In March 2020, the World Health Organization (WHO) declared coronavirus COVID-19 pandemic, whose rapid spread has adversely affected business and economic operations globally and has slowed down or put on hold activities of major segments of the economy.

The Group operates mainly in the hotel segment, which has been affected since the beginning of March by the unprecedented crisis, which in the first months of the year arose from significant travel restrictions and quickly deteriorated through the rapid spread of the virus, its emergence in our country and finally though the imposition of the suspension of operation of the Group's three hotels in Greece. The Management of the Group from a very early stage monitors all developments and is in constant contact with the hotel owners' association, the Hotel Chamber and all the competent bodies, as well as with the special unit of the management company, regarding any action deemed necessary to facilitate taking measures to protect the health of the employees and the broader public. Moreover, the Management records the risks and evaluates the impact of COVID-19 pandemic at its every stage on the income statement and future cash flows of the Group, taking measures based on adequacy of liquidity and ensuring the Group's going concern.

It is obvious from the aforementioned sizes, that 2020 was the most difficult period in the recent history of the Company, a fact that also applies to the hotel services segment in general. 2021 started for the segment with the same extremely difficult and uncertain conditions, due to the new outbreaks as well as the mutations of the virus that continue to apply pressure on the health systems of all countries and prevent lifting of restrictive measures, especially in travel, which are mostly still effective. In this environment, the forthcoming months are expected to be extremely difficult in terms of movement of visitors.

The Company's response to the pandemic was immediate while the effort continues at the same intensive pace to ensure the prospect of recovery when conditions allow. All the actions to ensure adequate liquidity and rational cost management aim both - at dealing with the unprecedented crisis and strengthening the Company's competitiveness in the long term and, consequently, at its return to pre-pandemic operational and financial condition.

The effect of the pandemic during the next year cannot be accurately determined at this stage as it depends on epy factors such as any additional measures, time required to develop the drug and extension of vaccinations, the time of recovery of the countries (USA , Great Britain, France, Spain, Italy, Central and Northern Europe) which constitute the main clientele of the hotels operating in Greece and the mentality of travelers. The exact timing of vaccination rates, the degree and speed of demand recovery, as well as state agreements on relocation protocols, remain significantly uncertain, especially at the time of restarting.

Amounts in thousand Euro, unless otherwise mentioned

From the information available so far and the development of vaccination programs internationally, for 2021, the sizes are estimated to increase, though they will be reduced by approximately 60% compared to 2019, when the Group recorded the peak turnover.

Due to the devastating consequences of the pandemic for the hotel segment, a gradual return to the size of 2019 is expected to be achieved in 2024-2025.

8. Post Balance Sheet Date events

Apart from the aforementioned, there are no other post Financial Statements events regarding either the Group or the Company that shall be reported under the International Financial Reporting Standards.

Athens, 30 April, 2021

President of the BoD	Chief Executive Officer	Financial Director
GEORGE GALANAKIS ID No. Ξ 282324	ANASTASIOS HOMENIDIS ID No. AI 506406	KOSTAS KYRIAKOS ID No. AZ 512473 A' Class License 0010932

E. Annual Financial Statements publication website

The Company annual financial statements, the Independent Auditor’s Report and the Report of the Board of Directors for FY ended as at December 31st, 2020, have been posted on the Company website www.lampsa.gr.

The aforementioned Financial Statements will remain at the disposal of the investors for at least five (5) years following the preparation date.