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, 2021

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 1/1/2021 – 31/12/2021 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 29, 2022

The designees,

PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	MEMBER OF THE BOARD OF DIRECTORS
CHLOE MARIA LASKARIDI ID NUM. AM 632086	ANASTASIOS HOMENIDIS ID NUM. AI 506406	GEORGE GALANAKIS ID NUM. AM 536478

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, 2021, 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 "LAMPSA HELLENIC HOTELS S.A." and its subsidiaries (the Group) as of December 31st, 2021, 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
Revenue Recognition	
The revenue cycle of the Group and the Company is an area of special audit consideration due to the volume of transactions and the complexity of the information systems necessary for the provision of services. As mentioned in Note 5.20 to the Financial Statements as at 31/12/2021, the turnover of the Group and the Company amounted to € 50,704 k and € 36,935 k respectively; recording a proportional increase of 185.9% for the Group and 188.8 % for the Company versus the pervious year. Information relevant to the Company revenue recognition accounting policies is presented in Note 3.5 to the Financial Statements.	Our audit approach included among others the following procedures: • We have performed a reconciliation between the guest ledger and the general ledger of the financial statements. • We evaluated the adequacy of the guest ledger internal audit procedures and we assessed whether they are designed effectively as to prevent any errors or omissions in revenue recognition. • We conducted substantive analytical procedures as to recalculate the room revenue based on the hotel occupancy and the respective room rates. • We evaluated the adequacy of the financial statement disclosures regarding the aforementioned matter.
Assessmernmt of Goodwill impairment	
As at December 31, 2021, the Group recognized goodwill amounting to € 3,475 k, which had arisen from acquisition of 50% of the share capital of the company "TOURISTIKA THERETRA S.A." (Sheraton Rhodes Hotel) while the Group held a percentage of 50% from the prior FY(2008). Under the provisions of IAS 36 "Impairment of Assets", Goodwill shall be tested for potential impairment on an annual basis. The Company's Management assessed the recoverable amount of the Cash-Generating Unit to which the Goodwill (Sheraton Rhodes Resort Hotel) had been allocated. Given the significant value of Goodwill and the significance of the Management's assumptions/ accounting estimates in respect of estimating the fiat value, this area is regarded as crucial to our audit. The disclosures made by the Management in respect of the Group Goodwill impairment test are included in Note 5.5 to the separate and consolidated financial statements.	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 specializing in preparation and evaluation of future cash flows financial models. • We reviewed mathematical accuracy of the discounted cash flows models. • We examined whether Goodwill impairment arises in relation to the defined value. • We evaluated the adequacy of the financial statement disclosures regarding the aforementioned matter.

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 31.12.2021.

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, 2021 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 17 consecutive years.

5. Bylaws (Internal Regulation Code)

The Company has in effect Bylaws (Internal Regulation Code) in conformance with the provisions of article 14 of Law 4706/2020.

6. Assurance Report on European Single Electronic Format

We examined the digital records of the Company "LAMPSA HELLENIC HOTELS S.A.", prepared in accordance with the European Single Electronic Format (ESEF) as defined by the European Commission Delegated Regulation 2019/815, amended by the Regulation (EU) 2020/1989 (ESEF Regulation), which comprise the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in XHTML format "213800AQG2XP9JM4TF17-2021-12-31-el" as well as the provided XBRL file "213800AQG2XP9JM4TF17-2021-12-31-el.zip" with the appropriate mark-up, on the aforementioned consolidated financial statements.

Regulatory Framework

The digital records of the ESEF are prepared in accordance with the ESEF Regulation and the Commission Interpretative Communication 2020/C379/01 of November 10, 2020, in conformance with Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (ESEF Regulatory Framework).

In summary, this framework includes, inter alia, the following requirements:

- All annual financial reports shall be prepared in XHTML format.
- For the consolidated financial statements in accordance with IFRS, financial information included in the statements of comprehensive income, financial position, changes in equity and cash flows shall be marked-up with XBRL tags, in accordance with the effective ESEF Taxonomy. ESEF technical specifications, including the relevant taxonomy, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF Regulatory Framework constitute the appropriate criteria for expressing a conclusion of reasonable assurance.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in accordance with the requirements of ESEF Regulatory Framework, and for such internal control as management determines is necessary to enable the preparation of digital records that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to design and conduct this assurance engagement in accordance with No. 214/4/11-02-2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines on the auditors' engagement and reasonable assurance report on European Single Electronic Format (ESEF) for issuers whose securities are admitted to trading on a regulated market in Greece" as issued by the Institute of Certified Public Accountants of Greece on 14/02/2022 (hereinafter "ESEF Guidelines"), in order to obtain reasonable assurance that the separate and the consolidated financial statements of the Company and the Group, prepared by the management in accordance with ESEF are in compliance, in all material respects, with the effective ESEF Regulatory Framework.

We conducted our work in accordance with the Code of Ethics for Professional Accountants (IESBA Code) issued by the International Ethics Standards Board for Accountants, as incorporated in Greek legislation and we have complied with the ethical requirements of independence, in accordance with Law 4449/2017 and EU Regulation 537/2014.

We conducted our assurance work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and our procedures are limited to the requirements of ESEF Guidelines. Reasonable assurance is a high level of assurance, but is not a guarantee that this work will always detect a material misstatement of non-compliance with the requirements of ESEF Regulation.

Conclusion

Based on the procedures performed and the evidence obtained, we conclude that the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in XHTML format "213800AQG2XP9JM4TF17-2021-12-31-el", as well as the provided XBRL file "213800AQG2XP9JM4TF17-2021-12-31-el.zip" with the appropriate mark-up on the above consolidated financial statements, have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

Athens, 29 April 2022

The Certified Public Accountant

Thanasis Xynas

SOEL Reg Num. 34081

Grant Thornton

Chartered Accountants Management Consultants

58, Katehaki Av., 115 25 Athens, Greece

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 2021

Dear Shareholders,

The current Annual Report of the Board of Directors pertains to the closing year from 1/1/2021 to 31/12/2021 and has been prepared in accordance with the provisions of CL 4548/2018 Article 150-154 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 (01.01.2021 - 31.12.2021), 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 and presents the most significant non-financial information affecting the Company and the Group, aimed at providing general reporting to the shareholders and the investing public.

The current report accompanies the annual financial statements (01/01/2021 - 31/12/2021) 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

The Group is mainly operating in the hotel segment, affected by the unprecedented crisis of COVID-19 pandemic, which in the first months of the year significantly decreased travel (business and leisure). 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 every 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.

During the summer of the current year, tourism product has partially recovered, resulting in gradual return of part of the lost hotel dynamics in terms of revenue. However, significant players in sales, such as conference tourism, have been hit hard by the ban on large gatherings, business travel has been almost completely replaced by online communications, and the cruises that also made contribution to hotels operations, have been virtually nullified.

Hotel Suspension: King George Hotel has been closed since the beginning of the year and reopened on June 14, 2021. The Athens Capital Hotel has been closed since the beginning of the year and reopened on May 10, 2021. Sheraton Rhodes Hotel (seasonal)) started its operation for the summer season on May 22, 2021 and operated until October 26, 2021.

Partial recovery in the Group's operations is reflected in the financial sizes of the luxury hotel market of Athens and consequently of the Group during 2021. During this period significant increases were recorded compared to the corresponding last year period, when hotels incurred unprecedented losses, as well as several fluctuations in the comparative sizes of hotels between the two years, due to their different number of operating days and the separate effects of the pandemic.

The room occupancy in the market of luxury hotels in Athens increased by 37.3% compared to the corresponding period of 2020, setting the ratio at 38.5% compared to 28.0% in 2020. The average price of a room in hotels increased by 18.2% compared to 2020, reaching € 165.55 versus € 140.08 in 2020. As a result, revenue per available room increased in Athens luxury hotels by 62.3% (€ 63.67 versus € 39.24 in 2020) while total room revenue increased by 135.3%.

The "Great Britain" Hotel recorded an increase in sales of 180.34% compared to the corresponding period of 2020, while the "King George" Hotel recorded an increase in sales of 351.68%. The "Athens Capital" Hotel started its operation in September 2020. The "Sheraton Rhodes" Hotel recorded an increase in sales of 120.45%. Regarding the Group Hotels in Serbia, the "Hyatt Regency Belgrade" recorded an increase of 83.38%, and the "Mercure Excelsior" an increase of 156.83%. Especially for the Group Hotels, the data were as follows:

Results for 31-12-2021						
	Grand Bretagne	**King George**	**Athens Capital**	**Hyatt Belgrade**	**Sheraton Rhodes**	**Excelsior**
Revenue per available	150,45	109,13	63,55	44,00	58,96	29,56
Hotel occupancy rate	38,62%	32,62%	35,48%	46,00%	46,56%	54,86%
Average hotel room price	389,53	334,57	179,09	95,00	126,62	48,98
Results for 31-12-2020						
	Grand Bretagne	**King George**	**Athens Capital**	**Hyatt Belgrade**	**Sheraton Rhodes**	**Excelsior**
Revenue per available	66,84	103,15	32,39	21,20	38,62	10,64
Hotel occupancy rate	22,59%	45,38%	19,55%	23,10%	40,15%	21,92%
Average hotel room price	295,94	227,29	165,66	94,80	96,18	48,21

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

- The Group’s **turnover** amounted to € 50,704 k against € 17,735 k in 2020, recording an increase of 185.90%. In the parent Company respectively ("Great Britain", King George and Sheraton Rhodes Resort Hotels) it amounted to € 36,935 k against € 12,789 k in 2020, ie increased by 188.8% due to the gradual recovery of the economy in general and the segment in particular, from the effects of the Covid-19 pandemic. King George's participation amounted to € 5.4 million, compared to € 1.2 million in 2020.

- In 2021, consolidated **gross profit** amounted to € 13,622 k against loss € 7,766 k in 2020, recording an increase of 275.41%, while in 2021, gross profit margin amounted to 26.87% against loss 43,79% in 2020. The gross profit of the parent company amounted to € 12,371 k against loss € 4,435 k in 2020, recording an increase of 378.97%. The Company’s gross profit margin amounted to 33.49% in 2021 compared to loss 34.67% in the previous year. This increase is due to the recovery of the economy in general and the segment in particular from the effects of the Covid-19 pandemic resulting in a positive effect on hotel revenue.

- **Group’s operating profit / (loss) (before tax, interest, depreciation and amortization-EBITDA)** amounted to € 19,191 k against (€ 5,178) k in 2020, recording an increase of 470.59%. In the parent company they amounted to € 14,933 k against (€ 3,690) k in 2020, recording an increase of 504.64%, which is mainly due to the recovery of the hotel units operations from the effects of the Covid-19 pandemic as well as extraordinary revenues from state aid & reassessment of management fees of previous years.

- **Impairment (loss) / gains of participations from reversal of impairment of participations** of the Parent Company include in the previous year extraordinary and non-recurring impairment losses on investments in subsidiaries amounting to € 2,040 k as a result of the extraordinary conditions of the Covid-19 pandemic. During the current year, no impairment of participations of the Parent Company applied.

- **Results (Loss) from impairment of fixed assets** of the Group include, for the comparative period, extraordinary and non-recurring impairment losses on property, plant and equipment of private hotels amounting to € 1,877 k as a result of the extraordinary conditions of the Covid-19 pandemic. During the current year, no impairment of property, plant and equipment of both the Group and the Parent Company applied.

- The Group's **Profit or Loss before tax** amounted to profit of € 2,998 k against loss of € 20,947 k in 2020. Respectively, the Company's profit before tax amounted to € 4,100 k against loss of € 15,895 k in 2020.

- As a consequence of the aforementioned, the Group's **net results (after tax and before non-controlling interests)** amounted to profit of € 2,043 k against loss of € 16,459 k in 2020 while the Company's net results amounted to profit of € 2,464 k against loss of € 12,744 k in 2020.

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 2021 compared to 2020 were as follows:

	2021	2020
EBITDA	19.191	-5.178
ROCE	3,50%	-6,21%
ROE	2,29%	-18,90%

B. Significant Events

SIGNIFICANT EVENTS DURING THE FISCAL YEAR 2021

The Group is mainly operating in the hotel segment, which was affected by the unprecedented crisis of the COVID-19 pandemic, which during the first months of the year significantly reduced travel (business and leisure). During the summer period of the year, tourism product has partially recovered, resulting in gradual return of part of the lost hotel dynamics in terms of revenue. However, significant players in sales, such as conference tourism, have been hit hard by the ban on large gatherings, business travel has been almost completely replaced by online communications, and the cruises that also made contribution to hotels operations, have been virtually nullified. Further analysis on the effects of COVID-19 is presented in section "C. Risks and Uncertainties ".

The Company was awarded a Public bidding tender for lease from E.F.K.A. of a property on 7-9 Zalokosta Street, for a period of 30 years with the possibility of extension for another 10 years, through upgrading the building structure. The monthly rental was set at € 34,500. The relevant decisions was disclosed to the Company on December 16, 2021.

On 08.09.2021 the Regular General Meeting of Shareholders of the company "Kriezotou Touristiki Single Member SA" decided to increase the share capital through cash payment and capitalization of receivables in the total amount of twelve million (€ 12,000,000) euro with the issuance of four million (4,000.000) new common registered shares, with a nominal value of one (€ 1.00) euro each, with a sale price in share premium and specifically a value in share premium of two (€ 2.00) euro per share. During the above Regular General Meeting, the sole Shareholder of the Company, i.e. " LAMPSA HELLENIC HOTELS S.A." made a statement on the exercise of pre-emptive rights and expressed its intention to take over all the shares of the increase.

The Board of Directors considered that the sole Shareholder of the Company, i.e. "LAMPSA HELLENIC HOTELS S.A." had prepaid the part of the increase amount corresponding to cash payment, i.e. the amount of one hundred sixty-nine thousand eight hundred twenty-two euro and sixty-eight cents (€ 169,822.68) to the Company's account at Alfa Bank, in exchange for an increase in the share capital. It is clarified that the part of the above increase corresponding to the capitalization of receivables was made in order to amortize the Company's equal liability to its sole Shareholder and therefore, no amount was disbursed.

Taking into account the aforementioned, in accordance with the Company's Articles of Association and the law, the Company's Board of Directors certified the payment in cash of the amount of one hundred sixty nine thousand eight hundred twenty two euro and sixty eight cents (€ 169,822.68) and consequently full payment of the share capital increase by cash payment and capitalization of receivables was decided pursuant to the decision of the Regular General Meeting held on 08.09.2021 as well as the share premium of the sole Shareholder, i.e. " LAMPSA HELLENIC HOTELS S.A." respectively.

The Annual Regular General Meeting of the shareholders of the Company "LAMPSA HELLENIC HOTELS S.A." held on July 29, 2021, legally attended by shareholders representing 15,837,209 of common nominal shares of a total of (21,364,000) common nominal shares of the Company, i.e. approximately 74.13%, unanimously decided on the following issues 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 2020 (01.01.2020 - 31.12.2020), following the disclosure of the Independent Auditor's Report on the annual financial statements of 31 December 2020 (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 01.01.2020 to 31.12.2020.

(3) regarding the third issue, that is the audit of the annual and interim financial statements of the Company for the fiscal year 2021, 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 1.1.2021 to 31.12.2021 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 meeting approved the proposed updated Remuneration Policy. In particular, the amendment of the Company's remuneration policy is deemed necessary in order to introduce the criteria, based on which the meaning of significant remuneration or benefit is defined in accordance with Article 9 par. 2 (a) of Law 4706/2020.
The validity term of the Remuneration Policy is four years, starting from its approval and extending until the date of the first Regular General Meeting after the end of the four-year period and is subject to change in case of substantial change of the conditions under which it was prepared.
The full text of the proposed updated Remuneration Policy is available on the Company's website www.lampsa.gr.

(5) regarding the fifth 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 2020 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 2020 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 1.1.2021 to 31.12.2021.

(6) regarding the sixth 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 2020 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.

(7) regarding the seventh issue, the Chairman of the Audit Committee informed the shareholders about the activities of the Audit Committee for the fiscal year 2020 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).

(8) regarding the eighth 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 2020, as follows:

- an amount of €5.086,80 to the Chairman of the Audit Committee Athanasios Bournazos,
- an amount of €5.086,80 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 meeting approved the Suitability Policy of the members of the Board of Directors of the Company, which was prepared in accordance with the provisions of Article 3 of Law 4706/2020, taking into account the no. 60 / 18.09.2020 circular of the Hellenic Capital Market Commission and approved by the Company's Board of Directors in accordance with Article 3 par. 1 of Law 4706/2020. The Suitability Policy as approved by the General Meeting will be posted on the Company's website (www.lampsa.gr).

(10) regarding the tenth issue and in the context of the immediate, substantial and effective compliance and adaptation of the Company with the requirements and regulations of Law 4706/2020 (Government Gazette A' 136 / 17.07.2020) on corporate governance and in particular both the provisions and the essential criteria and conditions of independence of the proposed independent members, and the provisions on suitability, diversity and adequate representation by gender in the Board of Directors,

unanimously approved the election of a new ten-member (10-member) Board of Directors. .: (1) Georgios Galanakis, (2) Anastasios Homenidis, (3) Tomas Miller, (4) Chloi Laskaridis, (5) Vassilios Theocharakis, (6) Souzana Laskaridis-Doulaki, who had been elected by 15/06 2018 decision of the Regular General Meeting of the Company's shareholders, as well as the election as new members of Messrs. (1) Maria Damanaki, (2) Nikolaos Nanopoulos, (3) Timotheos Ananiadis, (4) Katerina Karatza.

Following the aforementioned, and after it was ascertained by the Board of Directors of the Company that:
(a) the requirements and provisions of Articles 3 and 5 of Law 4706/2020 for adequate gender representation on the Board of Directors and the number of legally proposed independent non-executive members required by law are met in full;
(b) the candidates to be elected members of the Board of Directors have theoretical training, skills and abilities, guarantees of morality, reputation and integrity, independence of judgment and experience for the performance of the tasks to be assigned to them;
(c) there is no impediment or incompatibility in the person of the candidate members of the Board of Directors, in accordance with the provisions of Law 4706/2020, the Company's Internal Rules of Procedure, the effective Corporate Governance Code and the established Suitability Policy, as decided during the discussion of the aforementioned ninth (9th) Item of the agenda and
(d) the proposed as independent members meet the conditions and criteria of independence provided in Article 9 par. 1 and 2 of Law 4706/2020);
the new Board of Directors of the Company will consist of the following members:

1. George Galanakis, father’s name Emmanuel
2. Anastasios Homenidis, father’s name Georgios
3. Nikolaos Nanopoulos, father’s name Konstantinos
4. Thomas Miller, father’s name Louis,
5. Vassilios Theocharakis, father’s name Nikolaos
6. Chloe Laskaridis, father’s name Athanasios
7. Suzana Laskaridi-Doulaki, father’s name Panagiotis
8. Maria Damanaki, father’s name Theodoros
9.Timotheos Ananiadis, father’s name Theodoros
10. Katerina Karatza, father’s name Theodoros

Simultaneously with the same unanimous decision, it appointed as independent members of the Board of Directors of the Company, according to Article 9 par. 1 & 2 of Law 4706/2020, the following persons: (1) Maria Damanaki, father’s name Theodoros (2) Nikolaos Nanopoulos, father’s name Konstantinos, (3) Katerina Karatza, father’s name Theodoros, since, as it was ascertained by the Board of Directors after a thorough examination, all the provisions of Article 9 par. 1 and 2 of Law 4706/2020 and independence criteria are met
The term of office of the newly elected Board of Directors is three years, ie until 29.07.2024 and is automatically extended until the completion of the deadline within which the next Regular General Meeting shall convene and until the relevant decision is taken (according to Article 13 of the Company’s Articles of Association).

(11)) regarding the eleventh 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. Athanasios Bournazos, father’s name Mathaios, independent within the meaning of Article 9 par. 1 & 2 of Law 4706/2020.

3. Nikolaos Nanopoulos, independent member of the Company's Board of Directors, within the meaning of Article 9 par. 1& 2 of Law 4706/2020.

It is to be noted that the Company's Board of Directors is committed to assign to the independent member of the Board of Directors, elected by the Regular General Meeting of the Company as a member of the Company's Audit Committee, Mr. Nanopoulos, the position of non-executive member of the BoD.

Furthermore, it is to be noted that, following the verification made by the Board of Directors of the Company, all members of the Audit Committee (a) have sufficient knowledge in the field in which the Company operates as well as proven sufficient knowledge and experience in auditing and accounting (international standards), as can be seen in their CVs and (b) 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 the necessary actions for the implementation of this Decision.

(12) regarding the twelfth issue, various 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.

Finally, on November 25, 2021, an Extraordinary General Meeting of the shareholders of the Company "LAMPSA HELLENIC HOTELS S.A." was convened, during which shareholders legally participated representing 15,843,109 common nominal shares of a total of (21,364,000) common nominal shares of the Company or approximately 74.16% and **decided unanimously** on the following items on the agenda:

1) regarding the single item on the agenda, 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 Joint Committee** and will consist of one (1) 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), for a term of two (2) years, with the possibility of extension no later than the next Regular General Meeting and in any case within the same calendar year. The Chairman will be appointed by the members of the new Audit Committee at its meeting for formation and will be independent of 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.
Furthermore, the General Meeting with 15,843,109 votes, ie with a percentage of 74.16% of a total of 21,364,000 voting rights, appoints all the new members of the Audit Committee and specifically:

1. **Konstantinos Vassiliadis, father's name Vassilios**, third party (non-member of the Board of Directors of the Company), independent within the meaning of Article 9 par. 1 & 2 of Law 4706/2020.
2. **Athanasios Bournazos, father's name Mathaios**, third party (non-member of the Board of Directors of the Company) independent within the meaning of article 9 par. 1 & 2 of Law 4706/2020.
3. **Timotheos Ananiadis, father's name Theodoros**, non-executive member of the Board of Directors of the Company.

It is to be noted that the Company's Board of Directors, during its meeting on its formation on 29.07.2021, assigned Mr. Timotheos Ananiadis, the position of non-executive member of the BoD.

Furthermore, it is to be noted that all members of the Audit Committee have sufficient knowledge in the field in which the Company operates, while Messrs. Athanasios Bournazos and Konstantinos Vassiliadis have proven sufficient knowledge and experience of auditing and accounting (international standards), as is clear from the relatively short CVs, and therefore Messrs. Athanasios Bournazos and Konstantinos Vassiliadis relating to the approval of the financial statements, in accordance with the provisions of Art. 44 par. 1 per (g) of Law 4449/2017. Furthermore, following a verification carried out by the Remuneration and Nomination Committee of the Company, the members of the new Audit Committee are in their majority independently within the meaning of Article 9 par. 1 & 2 of Law 4706/2020 and specifically Messrs. Athanasios Bournazos and Konstantinos Vassiliadis.

POST REPORTING PERIOD SIGNIFICANT EVENTS

On 31/01/2022 the societe anonyme under the title "ZALOKOSTA TOURISTIKI SINGLE MEMBER SPECIAL PURPOSE SOCIETE ANONYME" and distinctive title "SUITES APARTMENTS ZALOKOSTA" was established. The company is a 100% subsidiary of the Lampsa Hellenic Hotels SA. On April 1, 2022, both companies jointly signed a Building Lease Agreement, of total area of 1,854 sq.m. located in Athens, at 7-9 Zalokosta Street, owned by the Electronic National Social Security Agency (e-EFKA) in the context of the application of the award No. 258667 / 08.07.2021 of the Tender Announcement conducted by EFKA for lease of the above property. The contract was signed between e-EFKA on the one hand as a Lessor, on the other hand of the Company ZALOKOSTA SA as a Lessee, and on the other hand of LAMPSA SA as a Guarantor. The lease term is set at thirty (30) consecutive full years, with the right of extension by ten (10) years. The Basic Monthly Rental is set at € 34,500 and the Independent Percent Rental is set at 1.2% of the total annual turnover plus any kind of operating income, provided that the turnover plus any kind of operating income equals or exceeds € 600,000.

Following two years of uncertainty caused by the coronavirus pandemic, the war in Ukraine poses further challenges for the global economy.

In addition to the humanitarian issue which is the most significant in any case, the disruption prevailed internationally since the beginning of 2022 due to the war between Russia and Ukraine, has caused a number of effects on the international economy, mainly at the level of raw material and energy prices.

The Group and the Company do not have significant exposure in the markets of Ukraine and Russia. Moreover, our contacts with the main booking networks (North America and Western Europe), ie travel agencies, local offices of the management company and conference organizers - groups, confirm that there are no reasons for cancellations or restrictions on travel due to war in Ukraine. Therefore, no direct or indirect adverse effects are expected on the projected revenue for the year 2022 for this reason.

In addition to the aforementioned, no other events subsequent to the Financial Statements occurred, 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 may continue to be adversely affected by outbreaks of COVID-19 cases, mutations, inability to cope with the crisis or continued imposition of restrictive measures on travel. The pandemic is expected to change the habits of both corporate and private clients and a decrease in event revenue and food segment is expected.

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

- The Management estimates that the current year, the Group lost revenue of € 33 million and the Company of € 28 million. For 2022, an increase in sizes is expected, but it is estimated to be decreased by approximately 15% 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 25 million through borrowing with the guarantee of the European Development Bank.

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 Group Management, from the beginning of

2020 and throughout 2021 acted immediately to mitigate the effects of the pandemic and took the following actions:

• Expenditure of approximately € 700 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 30/06/2021 and 31.12.2021 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.

• In 2021, the Group received from the "Refundable Advance Payment" Programs an amount of € 258 k, from the Real Estate Leasing subsidy program an amount of € 182 k and from the Fixed Expenditure Grant Program an amount of € 1,856 k.

• 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. The Company has paid for the year 2021, reduced insurance contributions amounting to € 565 k using the State program "Insurance Contribution Subsidy". 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 2021 managed to reduce its payroll costs by approximately € 8.9 m or 45.5% 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. It is estimated that an amount of approximately € 250 k from the above vouchers remain pending on 31.12.2021, with the reservations related to them being postponed for 2022 and subsequent years.

The financial statements of the Parent Company and the subsidiaries have been prepared based on the going concern principle as the Group Management evaluates that with the data so far and its estimates for the effect of various external factors on the financial sizes of the Group for the next 12 months, there will be sufficient liquidity to ensure the Group’s smooth operation.

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:

	2021	2020
Amounts in thousand		
Nominal amounts	**US$**	**US$**
Financial assets	30	28
Financial liabilities	1.709	1.658
Short-term exposure	**1.679**	**1.630**
Financial assets		
Financial liabilities	-	-
Long-term exposure	**-**	**-**
Total	**1.679**	**1.630**

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 1.99% in as 31 December 2021 exchange rate of EUR / USD (2020: 4.88%). 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	**2021**	**2020**
	US$	**US$**
Income statement before tax	31	71
Equity	24	54

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	**2021**	**2020**
	US$	**US$**
Income statement before tax	(30)	(64)
Equity	(23)	(49)

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	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Cash and cash equivalent	25.868	24.215	20.186	20.856
Trade and other receivables	4.333	5.972	3.045	1.325
Total	**30.202**	**30.187**	**23.231**	**22.181**

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	**31/12/2021**			
Amounts in thousand €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**over 5 years**
Bank debt	540	5.900	1.216	-
Bond loan	4.400	5.400	45.901	68.579
Finance lease liabilities	100	100	1.122	22.282
Other long-term liabilities	-	-	548	287
Trade liabilities	3.385	-	-	-
Other short-term liabilities	7.317	-	-	-
Total	**15.742**	**11.400**	**48.787**	**91.149**

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**

COMPANY	**31/12/2021**			
Amounts in thousand €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**over 5 years**
Bank debt		5.900		
Bond loan	3.800	4.800	40.100	68.579
Finance lease liabilities	14	14	11	
Other long-term liabilities			538	288
Trade liabilities	2.835			
Other short-term liabilities	6.394			
Total	**13.043**	**10.713**	**40.649**	**68.868**

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**

As at 31/12/2021, the Group had positive working capital, standing at € 1,252 k while the Company had negative working capital as current liabilities exceed current assets by € 2,517 k. It is to be noted that the Company's current liabilities include short-term contractual obligations amounting to € 3,218 k (the Group: €3,482), which relate to prepayments for 2022 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 € 701 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.

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% (2020: +/-1 %). It is estimated that changes in rates logically reflect the market conditions.

	01/01-31/12/2021		01/01-31/12/2020	
Amounts in thousand €	**1,0%**	**-1,0%**	**1,0%**	**1,0%**
Income statement before tax	(1.354)	1.354	(1.243)	(1.243)
Equity	(1.056)	1.056	(945)	(945)
Tax rate	**22%**		**24%**	

D. Projected course – Group's Prospects and Strategy for 2022

Outbreaks of COVID-19 cases, mutations, inability to address the crisis or continued imposition of restrictive measures on travel may continue to adversely affect the Group. The pandemic is expected to change the habits of both corporate and private clients and a decrease in event revenue and food segment is expected.

For the segment, 2022 started under the same difficult and uncertain conditions, due to new outbreaks as well as the mutations of the virus that put pressure on the health systems of all countries and prevented lifting of restrictive measures. However, after the first quarter of 2022, there is already a gradual easing of restrictive measures internationally, and if this positive development in terms of the impact of the pandemic continues, the coming months are expected to be more favorable in terms of visitor movements.

All the actions of the Management to ensure adequate liquidity and rational cost management aim both at dealing with the health crisis and strengthening the Company's competitiveness in the long-term and consequently restoring to its pre-pandemic operational and financial condition.

The Management estimates that in 2021, the Group lost revenues of € 33 million and the Company - of € 28 million respectively. As far as 2022 is concerned, an increase in size is expected, but it is estimated to be decreased by approximately 15% compared to the 2019 when the Group recorded the peak of its turnover.

Due to the devastating consequences of the pandemic for the hotel segment, a gradual return to the sizes of 2019 is expected in 2023-2024.
The Group and the Company have been adversely affected by the increase in energy costs, expected to be approximately 800 k higher than in 2021, but given that consumption reduction policies are implemented as well as taking into account the state aid that has already been incorporated in the energy accounts, a policy that is expected to continue in the future, does not provide a significant impact on the results of the Group and the Company.

E. Transactions with related parties

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 2021, 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 2021.

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

a) the amount of such transactions for the financial year 2021

(b) the outstanding balance at the end of the financial year (31/12/2021)

(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 31/12/2021 and 31/12/2020 respectively, are as follows:

Amounts in thousand €	**THE GROUP**		**THE COMPANY**	
Sales of services	**01/01 - 31/12/2021**	**01/01 - 31/12/2020**	**01/01 - 31/12/2021**	**01/01 - 31/12/2020**
Subsidiaries/Jointly controlled entities	0	0	85	605
Other associates	16	57	16	57
Total	**16**	**57**	**101**	**662**
Acquisition of services	**01/01 - 31/12/2021**	**01/01 - 31/12/2020**	**01/01 - 31/12/2021**	**01/01 - 31/12/2020**
Subsidiaries/Jointly controlled entities	0	0	0	0
Other associates	116	246	116	246
Total	**116**	**246**	**116**	**246**
Balance of Receivables	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Subsidiaries/Jointly controlled entities	0	0	13	7.264
Other associates	0	5	0	5
Total	**0**	**5**	**13**	**7.269**
Balance of Liabilities	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Subsidiaries/Jointly controlled entities	0	0	0	0
Other associates	26	2.509	26	2.509
Total	**26**	**2.509**	**26**	**2.509**

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, 2021, the Group companies have 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. Among the Group's subsidiaries, there are receivables / liabilities amounting to € 2.1 million in 2021. The interest income / expenses amounted to € 61 k.

Key executives and BoD members remuneration was as follows:

	THE GROUP		THE COMPANY	
Amounts in thousand €	**01/01-31/12/2021**	**01/01-31/12/2020**	**01/01-31/12/2021**	**01/01-31/12/2020**
Executives and BoD members				
Salaries - Fees	930	1.242	475	853
Social Insurance Cost	43	88	43	88
Bonus	-	210	-	210
Other	-	-	-	-
Total	**973**	**1.540**	**518**	**1.150**

The provision made for compensation of the Group's and the Company's staff includes an amount of € 66 k (2020: 73 k) concerning the Executives and Management members while an amount of € 9.7 k (2020: 8.8 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 contractual obligation to lending banks and the company's protection of liquidity, will propose to the Regular General Meeting of Shareholders not to distribute dividends in 2021.

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 31/12/2021 are presented in the table below:

TITLE	PERCENTAGE
DRYNA ENTERPRISES COMPANY LIMITED	30,93%
NAMSOS ENTERPRISES COMPANY LIMITED	25,19%
HOMERIC DEPARTMENT STORES A.E.	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 31/12/2021 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 4548/2018.

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 the provisions of Article 24 par. 1 line (b) and (c) of Law 4548/2018 and in combination with the provisions of Article 6 of its 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 Article 113 of Law 4548/2018, 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, withing the meaning of Articl 32 of Law 4308/2014.

In any case, the decision of the General Meeting must specify the maximum number of shares that can be acquired or issued, if the beneficiaries exercise the above right, the offering price or the method of determining it, the terms of distribution of the shares to the beneficiaries, and the beneficiaries or their categories, without prejudice to paragraph 2 of article 35 of Law 4548/2018, the duration of the program, as well as any other relevant condition. With the same decision of the General Meeting, the Board of Directors may be assigned to determine the beneficiaries or these categories, the manner of exercising the right and any other term of the share distribution plan.

The Board of Directors, in accordance with the terms of the plan, issues to the beneficiaries who exercised their stock options and, at a maximum of a calendar quarter, delivers the shares already issued or issues and delivers the shares to the above beneficiaries, increasing the capital of the company and amending the Articles of Association accordingly. It also certifies the capital increase and complies with the publicity formalities. The decision of the Board of Directors for the capital increase and the certification of its payment is taken every calendar quarter, by way of derogation from the provisions of Article 20 of Law 4548/2018, while Article 26 of Law 4548/2018 does not apply to these capital increases.

Furthermore, the General Meeting, by its decision, may authorize the Board of Directors to establish a stock option plan, with the above conditions, possibly increasing the capital and taking all other relevant decisions. This authorization is valid for five (5) years, unless the General Meeting sets a shorter period of its validity and is independent of the powers of the Board of Directors of paragraph 1 of Article 24 of Law 4548/2018.

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 49 of Law 4548/2018.

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 31/12/2021, reached € 1,532 k. There is no provision for compensation for BoD members.

K. NON-FINANCIAL REPORTING

Business model

Corporate Activity

LAMPSA HELLENIC HOTELS S.A. (hereinafter LAMPSA Company or the Company) 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 Company 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 Company 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 Company recognizes the development achieved incorporating 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.

Policies and Procedures

LAMPSA Company, guided by Sustainable Development, has established specific policies and implements appropriate management systems and related procedures and regulations, which determine the way in which its business objectives are achieved, while strengthening the framework of its responsible operation. Specifically, the Company, among others, has established and implements:

- Rules of Procedure of the Board of Directors
- Rules of Procedure of the Audit Committee
- Rules of Procedure of the Remuneration and Nomination Committee
- Rules of Procedure of the Internal Control Unit
- Code of Ethics and Conduct
- Code of Conduct for Suppliers of the Group
- Suitability policy of Board members
- Remuneration Policy
- Education policy
- Risk Management Policy
- Sustainable Development Policy
- Health and Safety Policy
- Environmental Policy
- Health and Food Safety Policy
- Human Rights Policy

Labour and social issues

Well aware of the key role that human resources play in its development, LAMPSA S.A. constantly invests in its employees, amply rewards their efforts and provides incentives for increasing productivity in a highly efficient, fully equipped and, at the same time, congenial working environment. The main areas on which the Company focuses in respect of the human resources are as follows:

- Provision of an array of opportunities for staff training and education through the application of specialized staff training programs
- Regular assessment of staff performance at all levels
- Programs designed to promote regular communication between Management and staff, as well as among employees
- Provision of special and extraordinary benefits, such as the Special Health Care Program, Special Pension Scheme, Bonus Payments etc.
- Participation of staff members in the ordinary Associates Committee for the adoption of pioneering programs, the planning of supplementary benefits and incentives, the coordination of all business activities, as well as the provision of moral satisfaction and material rewards to employees
- Holding a range of events for employees, in the context of internal communication actions.

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

Key human resources data

	Human resources allocation per position / hierarchy rank								
	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Board of Directors	8	1	9	8	1	9	8	1	9
Directors	3	2	5	3	2	5	3	2	5
Supervisors	10	6	16	10	6	16	10	6	16
Employees	185	164	349	175	160	335	170	152	322
Other employees	139	114	253	116	99	215	92	74	166
Total*	345	287	632	312	268	580	283	235	518

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

Ongoing training and development

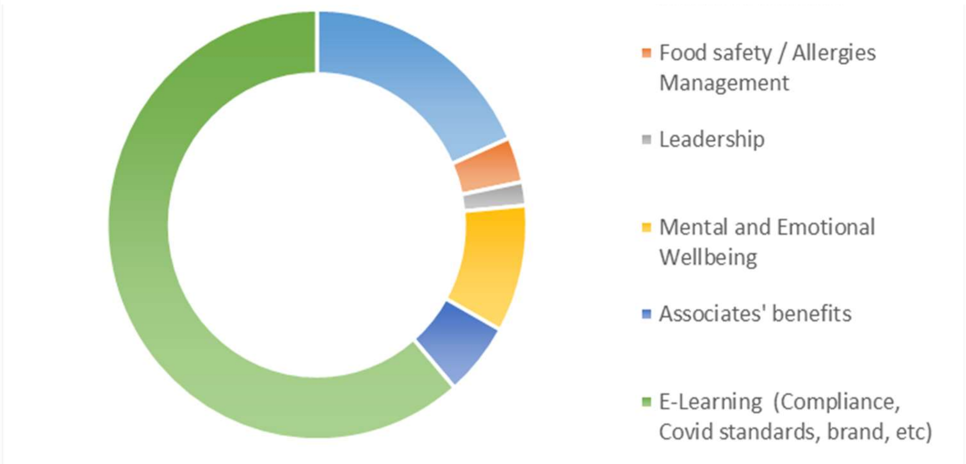
The Company pays great attention on the continuous development of its employees, thus contributing to the expansion of their skills and the achievement of their personal goals. The Company provides training programs on methods and procedures at local and multinational level through Marriot International. In this context, the Company offers an individual Information & Training plan and is addressed to all employees, regardless of their position.

Assessment

Performance appraisal is a key component for the continuous improvement of the Company's people, as well as for their personal and professional development. Through the evaluation process developed by the Company, the positive contribution of all employees is recognized, while additional incentives are offered, through a specific goal for further improvement.

Training in 2021 at a glance

3.000+ Participations **100 + Seminars** **8.000+ Training Hours**



Strengthening relationships with human resources

"Associate commitment is something we must strive for on a daily basis, as building trust is much more complex than simply satisfying our associates, as it is directly related to how excited every member of our team is about the objectives and our vision as a Company. Moreover this is about giving our best self every day, so that together we can achieve the best possible result. That's the basis of our success. "

The Company's aim is to communicate a significant message, and thus, it assigns the team of the Human Resources department, with the upgrading of all departments, during the departmental meetings. In particular, due to the unprecedented conditions that prevailed in 2020 - 2021 until today due to the pandemic, the need for frequent communication with our Associates was even more urgent. We have organized and continue every month a series of informative and educational teleconferences (online through Microsoft teams), a series of discussions and updates HR TALKS: TEAM STAY IN TOUCH, STAY

SAFE AND STAY POSITIVE in order to continue the communication with all our Associates according the the values of our company.

In order to ensure the most effective communication between the Management and its employees, the Company has established an Employee Relations Committee (ERC), in which employees from all its departments participate. The Human Resources Department selects the members of the committee every year, ensuring that employees from different levels and from all employment contracts participate, so that there is an adequate and objective representation of all the people who work in the Company. The committee meets with Management representatives twice a year, to discuss issues that concern employees. In the same context, the institution of improvement proposals is applied, through which all employees have the opportunity to submit an idea or proposal to the Management and be rewarded for for its innovation

Another initiative followed by LAMPSA Company is the institution "Manager on duty" where on weekends the directors of the departments as well as the Hotel Manager, are close to the employees who are employed these days, giving them the opportunity to get in touch with the Company Management representatives.

Moreover, the Human Resources Department is always at the disposal of the employees and provides its support in case they face any problem or need advice and directions. In addition, the General Manager is available to listen to any complaints or concerns of employees.

Complaint mechanism

The Company has recognized the significance of submitting complaints, as through resolving them, it identifies the points that need improvement and takes the necessary corrective measures. At the Great Britain Hotel, a complaints box has been placed, in an area where the anonymity of the employees is ensured, for the submission of suggestions, proposals and / or complaints.

In addition, all employees of LAMPSA Hotels can use the Marriott International (EthicsPoint) hotline, where they can call and submit any concerns or complaints anonymously. Marriott International offers the possibility of submitting an online complaint or inquiry form through the website https://secure.ethicspoint.com.

Additional benefits

The LAMPSA 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
- Additional health care
- Additional insurance (Special Pension Program)
- Funding of postgraduate programs
- Transportation expenses
- QCC employee loyalty program
- Food Vouchers
- Provision of progress prizes and granting of camps for the children of the employees
- Additional days of leave, in case of maternity

Health and Safety Policy

The Company, recognizing the primary importance of a healthy and safe working environment, takes care to ensure the best possible working conditions, in all its facilities and takes all the necessary measures to protect against occupational risks.

The Company has established a health and safety committee, which meets once a month and consists of the health and safety manager, the external safety technician, the occupational physician and 7 employees. The primary objective of the committee is to eliminate accidents and eliminate the factors that can lead to an incident or the occurrence of an occupational disease.

In case of an event, the head of department, where the event took place, also participates in the committee, in order to examine all the parameters and to take corrective measures. All events (minor accidents and accidents) that may occur, are recorded and monitored by the safety technician and whenever necessary, the necessary corrective actions are implemented.

In order to strengthen the commitment for a safe working environment, LAMPSA Company has adopted and implements a Health and Safety Policy through which it is committed to:

- Provide and ensure healthy and safe working conditions, taking into account the current legislation.
- Train and guide staff so that they could carry out their work safely and efficiently.
- Provide all the necessary safety devices and personal protection equipment for employees and supervise their correct application and use.
- Maintain everyone's interest in health and safety.

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

- Apply health and safety regulations.
- Work with due care.
- Use the protective equipment provided.
- Follow the procedures as defined for every type of work.
- Help in investigating the accidents.
- Suggest ways to improve working conditions for greater security.
- Report directly to their supervisor about any equipment that is not working properly and can cause an accident.

Addressing Covid-19 pandemic

LAMPSA Company, giving priority to the protection of the health and safety of its employees and associates, from the beginning of the pandemic responded immediately, developing a comprehensive framework of measures and actions to reduce the effects of the pandemic. The framework of actions implemented by the Company is in full harmonization with the government directives aiming at ensuring the health and safety of its employees, customers, as well as all its associates, in combination with the smooth going concern.

Training on Health and Safety

One of the key pillars of Associates' training is health and safety at work, based on Marriott's Putting People First. The Academy of Education works in conjunction with the "Committee on Health and Safety" to assist in an excellent and safe work environment, and also investigates the cause of accidents at work as well as the analysis of statistics so that we are constantly improving.

In particular and per training category:
Covid-19

- Personal Protection Measures (Gloves, Masks, Glasses, Ecolab Chemicals)
- Social distancing and maintain the right distances
- Cleaning procedures (workplace, personal hand hygiene, etc.
- Marriott Commitment to Clean program procedures
- Contactless Service - remote service procedures with minimal contact with customers

General knowledge on security issues

- Customer safety (Room, common areas, etc.)
- Safety of electronic means (Credit cards, access to systems, PC codes, etc)

- Safety of Customer and Partner Personal Data (GDPR)
- Fire extinguishing systems
- Building evacuation systems
- Protocols in case of earthquake
- Protocols in case of terrorist act (Bomb, etc)
- Customer disease protocols
- Company's Codes of Conduct
- Knowledge and procedures to avoid Human Trafficking and Anti-Harassment / equal opportunities

Specialized knowledge on safety issues
- Avoiding occupational accidents
- Proper use of machinery and tools by specialty
- Personal Protection Measures by specialty (Kitchen, Floors and Technical Department)
- HACCP systems, ISO 22000, Legionella disease, allergen and chemical management

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.

In 2021, 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 12 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.
- In 2021, our partners participated in the digital race "Athens Virtual Marathon", which took place from 13 to 14 November 2021. Our team reached 15 members.
- "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 and 2021, 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. In 2021, we managed to collect 50 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.
- From 1 December 2021 and for seven months, the amount of € 1.50 will be charged to every receipt issued at the Great Britain Hotel restaurants with the consent of the guests. Proceeds for this year will be donated to the non-profit organization "KIVOTOS TOU KOSMOU"

- In 2021, as well as the 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 2021 we continued the cooperation we have with "DESMO". Due to the pandemic that plagues the whole world, the money we spent in both 2020 and 2021, was used by DESMO in actions against COVID-19. Some of their activities include the provision of sanitary ware, disinfectants and antiseptics, medical equipment, medicines and consumables, food, personal hygiene items, technological equipment, food portions, and even a means of transportation for home help for the elderly.
- In 2021 we continued the cooperation we have with "DESMOS". Due to the pandemic, the whole world is suffering, the money we allocated in 2020 and 2021, 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.

In addition, in cooperation with DESMOS, assistance was provided to areas affected by the catastrophic fires in the summer of 2021.
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.

Equal opportunities and human rights

LAMPSA Company respects the internationally recognized human rights, the relevant principles of the Universal Declaration of Human Rights (UDHR), as well as the institutionalized labor rights. Marriott's Human Rights Policy has been developed based on the principles of the Universal Declaration and has been adopted by the LAMPSA Company. In this Policy, the Company commits to its employees that it respects diversity and provides equal opportunities regarding salaries, additional benefits and working hours, without any separation in relation to gender, nationality, religion and other individual characteristics. Also in the Company is not accepted any event of child and / or forced labor and makes every effort to eliminate them.

Customer-centric philosophy

The customer-centric philosophy is a key pillar of the Company's working culture, which puts customer satisfaction at the heart of its operation.

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.

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.

Through this specific policy our commitment is as follows:

- 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.

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.

Environmental issues

Environmental protection and responsible environmental behavior is an integral part of the strategy and key priority of LAMPSA Company. Specifically, the Company recognizes the need for continuous improvement of its environmental performance and ensures that it is in full compliance with existing legislation and international directives.

The Company's commitment to environmental care is reflected in the Environmental Policy it has adopted as a member of Marriott Worldwide Organization. Through this Policy, the Company is committed to implementing practices to contribute to:

- Saving natural resources.
- Protecting the biodiversity of ecosystems.
- Promoting sustainable development.
- Minimizing waste and contamination.
- Raising awareness among workers, visitors and local communities.

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

LAMPSA Company systematically monitors the energy consumption in its facilities, with the aim of continuously improving its performance. In this context, the Company has implemented significant projects to achieve energy savings such as:

- 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.

Waste Management

Responsible management of the generated waste is a priority for LAMPSA Company, which implements a specific management procedure in order to achieve the reduction of their volume and the increase of the percentage of waste that is recycled. The Company cooperates exclusively with properly licensed companies for their management and constantly trains its staff in matters of recycling and responsible use of energy.
The materials recycled from the Company's facilities are: glass, paper, plastic, light bulbs, used kitchen oils, organic materials, inks, batteries and electrical appliances.

Collection of quantities for recycling 2021			
Paper (kg)	**Plastic (kg)**	**Glass (kg)**	**Organic waste (kg)**
3.500	1.500	2.000	1.500

Since 2018 the company has launched a structured 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" which was awarded with Sustainable Development Champions Award.
Through the program, it has installed an organic waste management system from the kitchens of the hotel facilities and achieves 70% of their recycling in the form of composting.
Moreover the hotels of LAMPSA Company, participate in the international program of recycling of personal hygiene items "Clean the World", such as soaps, shower gels and shampoos. Through this program, the Company also recycles plastic containers containing shower gels or shampoos.

International environmental awards

Since 2010, Grand Bretagne hotel has been awarded the Green Key Award, an international and ecological quality program for tourism aiming at raising awareness among owners, employees, customers, and local communities about actions in issues of environment and sustainable development such as environmental management and staff participation in it, customer information, water and waste management, etc ..,

Grand Bretagne and King George Hotels have been certified for nine consecutive years, and in 2021 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.

This year, as in previous years, we celebrated Earth Hour in our hotels. The employees participated, either by writing their promise and taking part in the video that has been posted on the social media of the Hotels, or participating in the “Your Earth Hour” competition with their photo.

Responsibility to supply chain

The suppliers are important partners for LAMPSA Company, and a specific procurement procedure is applied, as it is one of the most important processes in its operation and is related both to the quality of the services offered and to the health and safety of its visitors / customers.

LAMPSA applies an evaluation procedure of suppliers on an annual basis and the key evaluation criteria are as follows:

- Consistency in quality
- Price competitiveness
- Level of service
- Adherence to management systems procedures (ISO / HACCP)

As food safety is a priority to the Company, control and evaluation of food suppliers are very strict and ongoing. The Company takes precautionary measures which are applied not only in the stages of the production process, but also in the receipt of raw materials, as well as in the storage and disposal of food in restaurants and other areas of its hotels.
LAMPSA has established specific standards per type of supply that must be met by suppliers. In addition, every receipt of products is checked at its premises (on the vehicle) regarding:

- The quality of any kind
- The marking of any kind
- the temperature of the product (fresh in the refrigerator).

Moreover, the Company expects from all suppliers to respect human rights related to diversity and any kind of harassment at work.

Corporate Governance

Responsible operation of LAMPSA Company is based on the effective Corporate Governance framework it implements, the main features of which are transparency in information, independence in management, dynamic support of development initiatives and innovations and risk management within self-regulatory frameworks.

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

Personal data protection

The Company protects privacy and all confidential information that may arise during the provision of its services to its customers and takes all appropriate measures to protect personal data, in accordance with the requirements of the law.

Risk Management

The Company operates in an economic and social environment which is characterized by various risks, financial and not. In this context and in order to manage them effectively, it works predictively by recording the factors that can create these risks based on the principle of prevention.

An example of non-financial risk was the COVID-19 pandemic, which developed rapidly and the measures imposed by the Government from March 2020 to 2021 affected the Company's financial and business operations. Risk management information is provided in Section 6.

Disclosures related to the European Taxonomy Regulation (EU Taxonomy Regulation)

We commit to complying with all the applicable laws and regulations. As a listed company occupying over 500 employees, we fall within the scope of the European Classification Regulation of the EU. At present, we do not consider that our core economic activities fall within the scope of the technical annexes to the European Climate Change Regulation on climate change mitigation and adaptation. Based on our current understanding, available data and claims assessment, we have zero eligible reporting activities within Revenue, Opex and Capex. We know that the European Classification Regulation of the EU is in progress, so we will continue to review the relevant announcements / updates for any future reporting obligations.

NOTE:

Non-financial indicators for 2021 presented in this report are in accordance with the guidelines for the issuance of Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI Standards). The selection of these indicators was based on their relevance to the activities of the LAMPSA HELLENIC HOTELS S.A. Detailed data on the performance in the issues of sustainable development, the actions and activities of responsible operation of the Company, will be presented in the annual Sustainable Development Report 2021 which will be available on the Company's website (https://www.lampsa.gr/el/).

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.

6. Suitability policy adopted by the Company in accordance with Article 3, Law 4706/2020

1. Introduction

This Suitability Policy (hereinafter "Policy") was prepared by the Board of Directors of the company "LAMPSA HELLENIC HOTELS S.A." hereinafter referred to as "Company", based on the provisions of Article 3 of Law 4706/2020 as well as Circular No. 60 of the Hellenic Capital Market Commission on "Guidelines for the Suitability Policy of Article 3 of Law 4706/2020", was approved following the decision of the Board of Directors dated 24/9/2021 and the decision of the Regular General Meeting of the Company's shareholders held as at 29/7/2021. The scope of its application includes selecting the members of the Board of Directors with competent persons, who will ensure sound and effective management for the benefit of the Company and all stakeholders and will improve the effectiveness of the risk management system regarding the risks, the Company is exposed to through its internal operation and organization. The Suitability Police ensures that the members of the Board of Directors have professional qualifications, knowledge and experience that allow them to exercise sound and consistent management and be adequate in terms of reputation and integrity. The Policy is posted on the Company's website.

2. Suitability Policy Principles

The key principles of the present Policy is as follows:

- Clarity, sufficient documentation, transparency and proportionality regarding the criteria applied for the selection of the members of the Company's Board of Directors, in accordance with the Rules of Procedure and the Corporate Governance Code applied by the Company.

- Inclusion of size, internal organization, risk-taking disposition, nature and complexity of the Company's activities in the context of Board of Directors members selection.

- Inclusion of more specific description of the responsibilities of each member of the BoD or their participation or not in committees, the nature of duties (executive or non-executive member of the Board) as well as specific incompatible or contractual commitments.

- Regular assessment of the Suitability Policy or its assessment on extraordinary basis when significant events or changes occur.

3. Approval and Amendment of the Policy

The Company monitors the effectiveness of the Suitability Policy and conducts its periodic evaluation on a regular basis or when significant events or changes take place. The Company amends the Policy and reviews its design and implementation, when appropriate, taking into account, inter alia, the recommendations of the Nomination Committee and the Internal Audit Unit and any other external bodies.

The Suitability Policy is approved by the Board of Directors, according to Article 3 par. 1 of Law 4706/2020 and is submitted for approval to the General Meeting, according to Article 3 par. 3 of Law 4706/2020. Amendments to the Political Suitability are approved by the Board of Directors and - if essential - are submitted to the General Meeting for approval in accordance with Article 3 par. 3 of Law 4706/2020.

The Suitability Policy and any substantial amendments are valid following the approval of the General Meeting. Amendments that introduce deviations or that significantly alter the content of the Suitability Policy, in particular as regards the general principles and criteria applicable, are considered substantial.

The Suitability Policy is updated and posted on the Company's website.

The Suitability Policy takes into account the specific description of the responsibilities of every member of the Board of Directors or their participation or not in committees, the nature of their duties (executive or non-executive member of the BoD) and their characterization as independent or non-independent members of the BoD, as well as incompatible or characteristic or contractual commitments that are related to the nature of the Company's operations or the Corporate Governance Code applied.

4. Assessment Criteria of Suitability of the members of the Board of Directors.

A. Individual Suitability

The individual suitability of the members of the Board of Directors is evaluated based on the criteria of paragraphs 4.1 - 4.5 hereof, which apply to all the members of the Board of Directors, regardless of their capacity as executive or non-executive. Special impediments, obligations and conditions required by the relevant legislation in relation to the capacity of the members of the Board of Directors as executive or non-executive, are applied regardless of the suitability criteria.

4.1 Vocational training, experience, adequacy of knowledge and skills

The members of the Board of Directors must have sufficient knowledge, skills, professional training and experience at least for the most significant operations and activities of the Company during the performance of their duties.

The term "experience" refers to both - theoretical training acquired by the members of the Board of Directors through theoretical and practical training (field of study and specialization), especially in relation to the activities related to the Company or other related fields and the practical experience from previous positions of responsibility, or from doing business for a sufficient period of time.

All the members of the Board of Directors should understand the essence of the Company's operations and the key risks it is exposed to.

The existence of the required conditions will be ascertained through analytical CVs, providing information on their training and professional experience and copies of diplomas and, where appropriate, professional certifications. The Company may request legally verified copies of the above.

4.2. Ethics and reputation

Good reputation, honesty, ethics and integrity of the members of the Board of Directors are criteria of exceptional significance for the Company, which the latter evaluates analytically. A member of the Board of Directors is presumed to have these characteristics, as long as there are no objective and proven reasons to suggest otherwise.

To facilitate evaluation of reputation, honesty and integrity of a candidate or an existing member of the Board of Directors, the Company may conduct an investigation and, subject to the legislation on personal data protection, request data and relevant supporting documents for any final administrative and judicial decisions against them, in particular for infringements and offenses related to their capacity as members of the BoD or by non-compliance with the provisions of the legislation of the Hellenic Capital Market Commission or in general with financial crimes.

Without prejudice to the provisions of Article 3 par. 4 and 5 of Law 4706/2020, this evaluation can also tale into account the extent of the offense or the role of the member, the seriousness of the offense as well as the general circumstances, including mitigating factors, the role of the person involved, the sentence imposed, the stage of the proceedings and any remedial action taken.

It is helpful to consider the time elapsed and the person's conduct after the infringement or offense.

4.3. Conflict of interests

The members of the Board of Directors shall always be fully informed about and comply with the conflict of interest policy implemented by the Company included in its Internal Rules of Procedure.

The Conflict of Interest Policy applied by the Company includes procedures for prevention of conflict of interest, measures for disclosure and management of the conflict of interest and any cases and conditions that, exceptionally, would be acceptable for a member of the BoD to have conflicting interests, provided that the member's interests are significantly limited or properly managed.

All actual and potential conflicts of interest at BoD level are subject to adequate disclosure, discussion, documentation, decision-making and proper management (i.e. the necessary conflict mitigation measures are taken).

4.4. Independence of judgment

Every member of the Board of Directors shall apply independent judgment and actively participate in the meetings and take their own correct, objective and independent decisions and judgments in the performance of their duties.

"Objectivity" means the impartial attitude and mentality, which allows the members of the Board of Directors to perform their work as they believe and not to accept compromises in terms of their quality.

"Independence" means the exemption from conditions that prevent the members of the Board of Directors from judging impartially in the exercise of their duties.

In assessing the independence of the crisis of the members of the Board of Directors, the Company takes into account whether all members of the Board of Directors have the necessary behavioral skills that include in particular:

(a) courage, conviction and vigor to make a substantial assessment and challenge of the proposals or views of other members of the Board of Directors;

(b) ability to ask reasonable questions to members of the Board of Directors, and in particular to its executive members, and to exercise judgments, and

(c) ability to resist the phenomenon of herd thinking.

4.5. Adequacy of time

The members of the Board of Directors shall have the time required for sound performance of their duties. The expected time required for every candidate member of the Board of Directors to devote to their duties, is determined by the Company according to its needs and is disclosed to the candidate. Capacity and responsibilities assigned to the member of the Board of Directors by the Company are taken into account In determining the adequacy of time. The members of the Board of Directors shall inform the Company about the number of positions they may hold in other boards and the positions they hold at the same time, as well as about their other professional or personal commitments and conditions to the extent that they are able to influence their time in exercising their duties as members of the Board of Directors of the Company. The parallel participations in other Boards of Directors of unrelated public limited companies should not result in the members of the Board of Directors not to be able to devote sufficient time to the performance of their duties.

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

B. Collective Suitability

The Board of Directors shall be suitable to exercise its responsibilities and its composition should contribute to the effective management of the Company and balanced decision-making. The members of the Board of Directors must collectively be in position to make appropriate decisions taking into account the business model, risk-taking, strategy and markets in which the Company operates, as well as to effectively monitor and assess the decisions of the senior management executives.

All areas of knowledge required for the business activities of the Company are covered by the BoD collectively with sufficient expertise among its members and there is a sufficient number of knowledgeable members in each field to enable a discussion of the decisions to be taken. The members of the BoD collectively have the necessary skills to present their views.

For the evaluation of the collective suitability, it is taken into account whether the composition of the Board of Directors reflects the knowledge, skills and experience required for the exercise of its responsibilities as a collective body. In particular, the Board of Directors as a whole must have an adequate understanding of the areas for which the members are collectively responsible, and have the necessary skills to exercise the actual management and supervision of the Company, in particular regarding its business activity and key risks. related to it, strategic planning, financial reporting, compliance with the legal and regulatory framework, understanding of corporate governance issues, the ability to identify and manage risks, the impact of technology on its activity and adequate gender representation.

The Board of Directors, collectively, can understand and manage the issues related to the environment, social responsibility and governance (ESG), within the framework of the strategy it formulates.

The Company has the primary responsibility for identifying gaps in terms of collective suitability. For this purpose, the Board of Directors conducts its self-evaluation annually. Also, the Board of Directors can be evaluated by third parties.

4.6. Adequate gender representation

Gender must be adequately represented on the Board of Directors (by 25% of all members of the Board of Directors), a criterion which is taken into account by the Nomination and Remuneration Committee when submitting proposals for the appointment of members of the Board of Directors. According to this Policy, the Board of Directors shall always ensure equal treatment and equal opportunities between genders. This aspect extends beyond the selection of Board members to the provision of training to the members of the Board of Directors.

5. Diversity criteria

To facilitate promotion of an appropriate level of differentiation in the Board of Directors and a diverse group of members, the Company implements a diversity policy when appointing new members of the Board of Directors. In addition to adequate gender representation as provided in section 4.6 above, when selecting new members for the Company's Board of Directors there is no exclusion due to discrimination based on sex, race, color, ethnic or social origin, religion or belief, property, birth, disability, age or sexual orientation. The Company has set as a goal until 2026 the representation of the BoD per gender to be at least 35%.

6. Implementation, Monitoring and Amendment of the Suitability Policy - Suitability Assessment

The members of the Board of Directors are collectively responsible for monitoring the implementation of the Suitability Policy. The Board of Directors significantly assists the Nomination and Remuneration Committee, which follows and implements the Suitability Policy within its respective responsibilities, organizes the conduct of the annual self-evaluation of the Board of Directors based on the above criteria and prepares proposals for harmonization with the corporate governance framework, the corporate culture and the risk-taking disposition set by the Company, including any amendments to the Suitability Policy. This process is assisted by the Company's Internal Audit unit where required. Relevant reference is made in the annual Corporate Governance Statement of the Company. The Board of Directors performs an annual self-evaluation as a whole and each party individually, in accordance with the procedure provided by the Company, which is initiated and organized by the Nomination and Remuneration Committee. The documentation regarding the approval of the Suitability Policy and any amendments thereto, are kept in the electronic file of the Company. The Board of Directors shall record the results of the suitability assessment and in particular any weaknesses identified between the intended and actual individual and collective suitability, as well as measures to be taken to address these deficiencies.

7. Curriculum Vitae of the Members of the Board of Directors

• George Emm. Galanakis

He studied Law and Political Science at the University of Athens. He has been working as a Lawyer and Legal Advisor since 1976, specializing in Maritime and Commercial Law

• Anastasios Homenidis

Born in 1954. Civil Engineer of NTUA since 1977 and Doctorate of the ECOLE NATIONALE DES PONTS ET CHAUSSEES in Paris since 1982, specializing in infrastructure and large investments. He has been an executive in Technical Companies since 1983 and has been CEO of ETA (1999-2004). Since 2004 he has been an Investment Development Consultant with a focus on tourism.

• Thomas Miller

He studied political science at the University of Michigan and received a Ph.D. in international relations from the same university. Former State Department career diplomat, including term of office as Ambassador to Greece and Croatia. He is currently International Executive Director and CEO of the international charity "Plan".

• Chloe Maria Laskaridis

She studied International Relations and History (BA) at the University of Reading, England and then did two postgraduate degrees in London, one in War Studies (MA) at King's College and one in HR (MRS) at the London School of Economics. She has been serving as Corporate Development Manager at Lambsa SA since 2008.

• Vassilios Theocharakis

He is a graduate of the Law School of the National University of Athens. President and CEO of Theocharakis Group. The Group has a significant presence with prestigious companies in the automotive, shipping and construction sectors. He has more than 45 years of ongoing and consistent business presence in Greece and he has been repeatedly awarded. He is Chairman and a founding member of Marfin - Egnatia Bank. He is also Chairman and one of the main shareholders of the Metropolitan Hospital of Athens. Apart from his business activities, he is also a well-known painter and has exhibited his works many times both in Greece and abroad. His paintings can be found in various public spaces and museums, such as the National Gallery of Greece, the Ministry of Foreign Affairs as well as in many private collections. Significant albums have been published on his collection. Since 2007, he has been co-founder with his wife of the Marina and Vassilis Theocharakis Foundation. He has participated in official state committees and is a member of the Industrial Chamber of Commerce as well as the Chamber of Arts and Crafts. For his overall artistic and business contribution he has been honoured by the French Government with the title of "Knight of the Order of the Legion of Honour".

• Suzanna Laskaridi

She studied Fine Arts, Art Communication and Maritime Studies and completed her Master Degree in Maritime Law from the City University of London. Since 2007 she has been working at Laskaridis Shipping Co. and Lavinia Corp. where she is involved in all areas of day-to-day management. She is a member of the Board of Directors of the Hellenic Shipowners Association, the Hellenic War Risks Association and the United Kingdom Defence Club. She is also General Secretary and Treasurer of the Aikaterini Laskaridis Foundation since its establishment.

• Maria Damanaki

Maria Damanaki works as a Special Advisor to SYSTEMIQ (London), the Paradise Foundation (China) and the Rockefeller Brothers Foundation (USA). She is a member of the Board of Directors of the Prince Albert II of Monaco Foundation, Oceanographic Institute (Monaco), Marine Regions Forum (Berlin), Marine Stewardship Council (MSC) (London), Friends of Ocean Action (World Economic Forum).

Maria Damanaki served for five years as Global Managing Director for Oceans at The Nature Conservancy USA. She served as Commissioner for Maritime Affairs and Fisheries at the European Commission. Under her leadership, the Commission managed to restore marine population to healthier levels - from around 5 sustainable stocks in 2010 to over 30 today. Maria Damanaki served as a Greek politician for many years. She was the first woman president of a Greek political party and is the author of four books on Gender and Human Rights, Education and European Policy.

• Nikolaos Nanopoulos

Nikos Nanopoulos has been present in the financial and banking services segment for over 35 years. He started his career at the World Bank in 1982, where he was promoted to Senior Manager in the Treasury Department and then worked as Managing Director of a brokerage firm, a subsidiary of the HSBC Group in New York. In 1990 he returned to Greece where he was one of the founding executives of the Euroinvestment Bank of the Latsis Banking Group (renamed Eurobank). From 1996 to 2013 he was CEO of Eurobank and under his leadership the Bank became one of the four Greek systemic banks active in a wide range of financial products and services. Since its establishment, the Bank has grown rapidly both organically and through acquisitions and mergers (Banks of Crete, Athens, Ergasias, etc.), consolidating its presence in a total of ten countries and reaching a staff of more than twenty thousand people. For about ten years he also served as Vice President of the Hellenic Bankers Association and participated in many other Boards of Directors (in areas such as industry, insurance, mutual funds, retail, etc.).

Nikos Nanopoulos studied Engineering (B.S., M.S., MIT), Economics (M.Sc., LSE) and Business Administration (MBA, INSEAD) and holds a Ph.D. in Economics from the University of Reading, England. He is currently Chairman of DIORAMA Investment Sicar, S.A. (Luxembourg) and Chairman of its Investment Committee. In addition, he is Chairman of EFG Investment & Wealth Solutions Holding AG (Zurich). He is a member of the Board of Directors of Aegean Aviation S.A. (Aegean) and Altius Insurance (Cyprus) of which he is also a member of its Investment Committee. He is also a member of the Executive Committee of the Foundation for Economic & Industrial Research (IOBE) and of the I.S. Latsis Public Benefit Foundation. Finally, he is a member of the Association and other Committees of the Hellenic American Educational Foundation and the CEO Organization. He is involved in youth entrepreneurship and participates in the Advisory Board of EGG (Enter Grow Go), Eurobank's start-up incubator and is a judge in the Investment Competitions organized by the MIT Enterprise Forum.

• Timotheos Ananiadis

With over 40 years of international experience in the hospitality segment, Mr. Ananiadis began his career at Hyatt Regency Atlanta, followed by appointments as Director of Food and Beverage at Hyatt Regency New Orleans, Hilton Head, Nashville, Buffalo and Columbus. In 1988 he held the position of Corporate Food and Beverage Manager for Hyatt Hotels with primary responsibilities in menu engineering, product development, recruiting, service and training specification development and implementation, concept development and pre-opening support for new hotels.

Mr. Ananiadis' career as General Manager includes positions in the US at the Hyatt Regency Pittsburgh, Hyatt Regency Coral Gables and Hyatt Regency Miami. In 1999 he joined Hyatt International as General Manager of the Hyatt Regency Thessaloniki in Greece and later moved to India as General Manager of the Grand Hyatt Mumbai.

In 2003 Mr. Ananiadis joined Starwood Hotels and Resorts, returning to Greece as General Manager/CEO of the Grande Bretagne Hotel. From 2006 to 2012 he was assigned the additional responsibility of Director for the Greece, Turkey & Cyprus Region overseeing 18 Starwood-affiliated hotels. From 2013 the local responsibility included the Balkans until Marriott International merged with Starwood, when he took over the responsibility of the Marriott Business Council for Greece and Cyprus and remained Managing Director of the Grande Bretagne and King George Hotel Group until October 2020. He is currently Senior Hospitality Consultant for the Laskaridis family and on the Board of Directors of Lampsa Hellenic Hotels and Lucknam Park Estate, both owned by the Laskaridis family.

He is active in several business and non-profit organizations, Mr. Ananiadis serves as Vice President of the American Community Schools (ACS) of Athens, Vice President of the Athens Hotel Association, Board Member of the Hellenic Health Tourism Association, Board Member of the American Hellenic Institute (AHI) and Chairman of the Tourism Committee of the American-Hellenic Chamber of Commerce (AMCHAM).

Mr. Ananiadis' business philosophy for an ideal hotel is to provide a comfortable, friendly and efficient environment for guests and partners, while maximizing financial results through continuous innovation, active management and intuitive service. His personal guiding principle is "be courteous and treat your associates the way you expect them to treat your guests and they will surely reward you."

Being Greek and American, Mr. Ananiadis was born and raised in Greece and studied at Ryerson University, Toronto, Canada. His career has been evenly split between the US and Greece, having worked for over 20 years in each country. Mr. Ananiadis and his wife, Jennifer, currently share their time between Athens and Miami and have three adult boys who reside in Athens, Miami and Dallas.

• Katerina Karatza

Katerina Karatza is a graduate of the Law School of the National and Kapodistrian University of Athens and holds an LLM from Columbia University in New York. She is a member of the Athens and New York Bar Associations.

She worked at the law firm of Shearman & Sterling in New York from 1988 to 1992, when she joined the law firm of Karatzas & Associates (then Karatzas Law Firm), where she has been a Managing Partner since 1996.

Karatzas & Partners is consistently ranked in the first tier (Tier 1), and its partners among the top lawyers in Greece, in international legal guides such as Chambers & Partners, Legal 500 and IFLR1000.

She is always at the forefront of law developments and has been and continues to be involved in some of the most significant transactions for the Greek economy.

She has been and remains the only female Managing Partner of a major law firm in Greece. She has been honoured with the pan-European award in the financial regulation category at the International Financial Law Review Europe Women in Business Law awards in 2015, has been awarded the IFLR1000 Women Leaders 2020 - EMEA title and in 2018 she was appointed in the Legal 500 Hall of Fame. She is a member of the Board of Directors and Executive Committee of the Institute of Economic and Industrial Research (IOBE).

She is married and has 3 children. She is fluent in English and French and has good knowledge of Italian.

Based on the above, the proposed members of the Board of Directors meet the independence criteria under Article 9 par. 1 & 2 of Law 4706/2020, they are not subject to any impediments or incompatibilities, and according to their curricula vitae they are considered suitable for the positions and the performance of their duties, as they possess sufficient knowledge, skills and experience, independence of judgment, moral guarantees, and good reputation. Furthermore, no final court decision has been issued within one

(1) year prior to their election, recognizing their liability for loss-making transactions of a listed company or a non-listed company under Law 4548/2018, with related parties.

The CVs of the above candidates have been posted in due time, in accordance with Article 18 of Law 4706/2020, on the Company's website www.lampsa.gr.

8. CVs of members of senior management

Mr. Homayoon Amirparviz, General Manager of Grande Bretagne and King George Hotels, undertook his duties on 15 October 2020. He has a degree in Hotel & Tourism Management and has extensive experience in the luxury hospitality sector. He started in 1996 as Director of F&B at Hyatt Regency Baku in Azerbaijan and continued in the following years in the same role at Hyatt Regency La Manga Resort in Spain and Grand Hyatt Muscat in the Sultanate of Oman. In 2001 he was Assistant General Manager at the Hyatt Regency Adelaide in Australia and in 2006 he returned to the Hyatt Regency Baku, this time in the role of General Manager. In 2009 he became General Manager at the Hyatt Regency Bishkek in Kyrgyzstan. In 2012 he joins our Group as General Manager at Hyatt Regency Belgrade in Serbia.

Mr. Grigoris Liasidis is the General Manager of the Sheraton Rhodes Resort Hotel, a position he assumed on August 1, 2018. Prior to joining the LAMPSA Group, he worked for Hyatt Hotels since 1997. He has been with the Group since 2009, initially taking up the position of Deputy General Manager of the Grande Bretagne and King George Hotels. He has extensive experience in the Food and Beverage Sector. He studied at the School of Tourism Professions in Glion, Switzerland.

Mrs. Aneta Svoronou is the Assistant Manager of Grande Bretagne and King George Hotels. She has been working in our group since June 2011, taking over the position of Deputy Director on 1 August 2018. She has extensive previous experience in Sales, Marketing, Reservations & Revenue Management. She has worked in large multinational companies abroad and in Greece. She studied Tourism Business Administration at TEI of Athens.

Mr. Konstantinos Kyriakos is the Chief Financial Officer of the Company and the LAMPSA Group. He is a graduate of the Athens University of Economics and Business and the School of Tourism Business. Mr. Kyriakos has considerable experience in Commercial, Hotel and Multinational companies. He has been working in our group since 1999.

Ms. Katerina Tziha is the Director of Human Resources. She has extensive experience in Human Resources Management in large Greek and multinational companies and in different business sectors. She studied at the University of Piraeus, at the Department of Statistics and Insurance Science. She has been working in our group since May 2010.

Mr. Aristides Lefas, Sales Director and Head of the Hotels' Conferences Department, has a rich professional experience in the field of Sales, Conferences & International Diplomatic Missions. He has been working in our group since 1988. He holds a degree in the field of tourism.

Mr. Filippos Koutropoulos is the Director of the Revenue Management Department as well as the Communication and Reservations Department of the Hotels. He has extensive previous experience in the field of reception, reservations, and revenue. He studied at the Corfu School of Tourism Professions & holds a Master's degree from BCA. He has been working in our group since 2003.

Mr. Ioannis Dermatidis is the Internal Auditor and Head of the Internal Control Unit of the Company. He has the appropriate knowledge and professional experience for the above position. He holds a degree in Business Administration from the Athens University of Economics and Business Administration and has more than 20 years of work experience in the preparation and auditing of financial statements of various economic entities, with many years of experience in the internal control of hotel units.

9. Information regarding the participation of the members of the Board of Directors in its meetings

[1] Calendar distinction due to cessation of validity of Law 3016/2002. It concerns the decisions of the Company's Board of Directors No. 1090 - 1098.

A/A	Name/surname BoD Member	BoD Member capacity	Participation in BoD Meetings
1	George Galanakis, father's name - Emmanuel	Chairman, Non-executive Member	9/9
2	Apostolos Doxiadis, father's name -Thomas	Deputy Chairman, Non-executive Member	9/9
3	Anastasios Homenidis, father's name - Georgios	Chief Executive Officer, Executive Member	9/9
4	Maurice Montiano, father's name - Iosif	Non-Executive Member	9/9
5	Vassilios Theocharakis, father's name - Nikolaos	Non-Executive Member	9/9
6	Nikolaos Dandolos, father's name - Dimitrios	Non-Executive Member	9/9
7	Chloe Laskaridi, father's name - Athanasios	Non-Executive Member	9/9
8	Filippos Spyropoulos, father's name - Konstantinos	Independent Non-Executive Member	9/9
9	Suzanna Laskaridi - Doulaki, father's name - Panagiotis	Non-Executive Member	9/9
10	Thomas Miller, father's name - Luis	Independent Non-Executive Member	0/9

From 16.07.2021 to 31.12.2021[2]			
A/A	Name/surname BoD Member	BoD Member capacity	Participation in BoD Meetings
1	Chloe Laskaridi, father's name - Athanasios	Chairman, Executive Member	8/8

10. Information on the number of shares held by every member of the Board of Directors and every chief executive officer of the Company, by providing the information in table form for every member of the Board of Directors. and for every senior executive, separately.

The members of the BoD and executives own no treasury shares.

11. Activities of the Committees under Article 10, Law 4706/2020:

- Audit

- Remuneration

- Nomination

Activities of the Audit Committee 2021

In 2021, the Company's Audit Committee had three different compositions, as follows:

(I) Existing Audit Committee (election 25.11.2021 until today)

[2] Calendar distinction due to initiation of Law 4706/2020. It concerns the decisions of the Company's Board of Directors No. 1099 – 2006.

1. Athanasios Bournazos, third party (non-member of the Board of Directors of the Company) independent within the meaning of Article 9 par. 1 & 2 of Law 4706/2020, Chairman of the AC.
2. Konstantinos Vassiliadis, third party (non-member of the Board of Directors of the Company), independent within the meaning of Article 9 par. 1 & 2 of Law 4706/2020, Member of the AC.
3. Timotheos Ananiadis, non-executive member of the Board of Directors of the Company, Member of the AC.

(II) Previous Audit Committee (election 29.07.2021 to 24.11.2021)
1. Nikolaos Nanopoulos (chairman), independent non-executive member of the Board of Directors of the Company, within the meaning of Article 9 par. 1 & 2 of Law 4706/2020
2. Athanasios Bournazos (member), third party (non-Member of the Board of Directors of the Company) independent within the meaning of Article 9 par. 1 & 2 of Law 4706/2020
3.Konstantinos Vassiliadis (member) third party (non-Member of the Board of Directors of the Company) independent within the meaning of Article 9 par. 1 & 2 of Law 4706/2020

(III) Previous Audit Committee (Election 15.06.2018 to 28.07.2021)
Athanasios Bournazos (Chairman)
Konstantinos Vassiliadis (member)
Filippos Spyropoulos (member)

The Meetings of the Company's Audit Committee and the Items discussed for the period 01.01.2021-31.12.2021, are the following:

(1) Meeting of 15/03/2021 (Audit Committee III)
Single Item: Preliminary Report of the Auditing Firm Grant Thornton to the Audit Committee for the year 31/12/2020. Design stage - audit work in progress.

(2) Meeting of 27/04/2021 (Audit Committee III)
Item One: Supplementary Report of the Auditing Firm Grant Thornton to the Audit Committee for the year ended 31 December 2020 (in accordance with Article 11 of EU Regulation 537/2014).
Item Two: Internal Auditor Report Presentation - Internal Hotel Operating Procedures

(3) Meeting of 08/07/2021 (Audit Committee III)
Single Item: Suggestion for selection of an Auditing Firm for the Company's regular audit.

(4) Meeting of 29/07/2021 (Audit Committee II)
Single Item: Election of the Chairman of the Audit Committee of the Company, in accordance with the provisions of Article 44 of Law 4449/2017 (Government Gazette A' 7 / 24.01.2017) and its formation in a body.

(5) Meeting of 10/09/2021 (Audit Committee II)
Single Item: pre-approval of the provision of the following audit services as expected to be provided by the auditing firm Grant Thornton to the LAMPSA HELLENIC HOTELS S.A. for the period 01/09/2021 to 30/09/2021.
"Agreed upon procedures on the procedure for granting aid in the form of fixed costs subsidy for the period April - December 2020 to companies that were financially affected by the outbreak and dissemination of Covid-19, as provided by Government Gazette 3354_26 / 07/2021 of"LAMPSA HELLENIC HOTELS S.A.".

(6) Meeting of 23/09/2021 (Audit Committee II)
Item One: Updating of the Company's Operating Regulations.

Item Two: Appointment of Head of the Company's Internal Control Unit.
Item Three: Preparation of a draft Regulation for the Operation of the Company's Internal Control Unit.
Item Four: Preparation of a draft Rules of Procedure of the company "KRIEZOTOU TOURISTIKI SINGLE PERSON SOCIETE ANONYME" as a "significant subsidiary" of the Company, according to article 2 par. 16 and article 14 par. 1 L. 4706/2020.

(7) Meeting of 29/09/2021 (Audit Committee II)
Single Item: Report of the Auditing Firm Grant Thornton to the Audit Committee regarding the review of the Interim Financial Report for the period 01 / 01-30 / 06/2021. Summary Presentation of the Report

(8) Meeting of 11.10.2021 (Audit Committee II)
Item One: Preparation of a draft Regulatory Compliance Procedure and Regulatory Compliance Policy of the Company.
Item Two: Preparation of a draft Risk Management Procedure and Risk Management Policy of the Company.

(9) Meeting of 09.11.2021 (Audit Committee II)
Item Only: pre-approval of the provision of the following audit services as expected to be provided by the auditing firm Grant Thornton to the LAMPSA HELLENIC HOTELS S.A. for the period 09/11/2021 to 31/12/2021.
Agreed upon procedures on the separate and consolidated financial statements for the period 01/01/2021 - 30/09/2021 of "LAMPSA HELLENIC HOTELS S.A.".

(10) Meeting of 19.11.2021 (Audit Committee II)
Single Item: Updating of the existing Rules of Procedure of the Audit Committee

(11) Meeting of 22.11.2021 (Audit Committee II)
Single Item: Grant of Consent for the Provision of Non-Audit Services by the firm Grant Thornton SA for the provision of non-audit services related to agreed upon procedures regarding the evaluation of the preparation of the Documentation File of Intragroup Transactions for the year 2021 at a cost of € 5.500.

(12) Meeting of 25.11.2021 (Existing Audit Committee I)
Single Item: Election of the Chairman of the Audit Committee of the Company, in accordance with the provisions of Article 44 of Law 4449/2017 (Government Gazette A' 7 / 24.01.2017) and its formation in a body.

(13) Meeting of 14.12.2021 (Existing Audit Committee I)
Single Item: pre-approval of the provision of the following consulting services as expected to be provided by the auditing firm Grant Thornton to the LAMPSA HELLENIC HOTELS S.A. for the period 01/01/2022 to 31/12/2022.

"Obtaining understanding consulting services on the obligation to submit the annual financial reports for the year 2021 with the European Single Electronic Format (ESEF), based on the requirements of Directive 2004/109 / EC."

Remuneration and Nomination Committee

The Company has assigned the responsibilities of the Remuneration Committee and the Nomination Committee under Articles 11 and 12 of Law 4706/2020 to a committee in accordance with the possibility given by paragraph 2 of Article 10 of Law 4706/2020, entitled " Remuneration and Nomination Committee ", hereinafter referred to as" Committee ", to which all the responsibilities of the Remuneration Committee and the Nomination Committee were assigned in accordance with Article 10 par. 2 of Law 4706/2020. For this purpose, according to the decision no. 2002 / 06.10.2021 of the Board of Directors, the Remuneration Committee was abolished and the existing Remuneration and Nomination Committee was established.

The members and the term of office of the members of the Remuneration and Nomination Committee are as follows:

Composition of Remuneration and Nomination Committee				
A/A	Name/surname BoD Member	Capacity	Beginning of term	End of term
1	Nikolaos Nanopoulos	Chairman of the Committee - Independent, within the meaning of article 9 par. 1 & 2 of Law 4706/2020, Non-executive Member of the Board of Directors	06/10/2021	29.07.2024 (the tem can be automatically extended until the deadline, within which the next Regular General Meeting must convene and the relevant decision is made)
2	Ekaterini Maria Karatza	Member of the Committee - Independent, within the meaning of article 9 par. 1 & 2 of Law 4706/2020, Non-executive Member of the Board of Directors	06/10/2021	29.07.2024 (the tem can be automatically extended until the deadline, within which the next Regular General Meeting must convene and the relevant decision is made)
3	Timotheos Ananiadis	Chairman of the Committee - Non-Executive Member of the Board of Directors	06/10/2021	29.07.2024 (the tem can be automatically extended until the deadline, within which the next Regular General Meeting must convene and the relevant decision is made)

Remuneration and Nomination Committee Objective:

The main objective of the Committee is to assist the Board of Directors in the performance of its duties in relation to (a) the remuneration provided by the Company, designing and implementing a Remuneration Policy to determine appropriate remuneration in order to attract competent executives to staff the Board. Board positions as well as 2 senior management positions, maximizing shareholder value and long-term viability of the Company, in accordance with the strategic objectives of the Company, as well as the relevant legislative and regulatory framework, and (b) the establishment efficient and transparent process for the nomination of suitable candidates for the filling of positions of members of the Board of Directors and senior executives of the Company.

Members and term of office

- The members of the Committee are elected and appointed by the Board of Directors.
- The Committee consists of three members and as Chairman of the Committee an independent non-executive member of the Board of Directors is appointed. All members of the Committee are non-executive members of the Board of Directors, while at least 2 members are independent non-executive members.
- The term of office of the members of the Committee is proportional to the term of office of the BoD.

Duties and Responsibilities

In relation to remuneration:

i. formulating proposals to the Board of Directors on the Remuneration Policy adopted by the Company and submitted for approval to its General Meeting and evaluation, on a periodic basis, of the need to update the Company's Remuneration Policy taking into account legislative developments, best practices, the Corporate Governance Code of the Company as well as the relevant findings / proposals of the Internal Control Unit.

ii. formulating proposals to the Board of Directors regarding a) the salaries of the persons that fall within the scope of the Remuneration Policy, according to Article 110 of Law 4548/2018, ie the members of the Board of Directors and if there is the General Manager or the Deputy and / or any additional persons specified in the Company's Articles of Association, and b) the remuneration of the Company's executives, in particular the head of the Internal Control Unit,

iii. examining the information included in the final draft of the annual Remuneration Report and the provision of relevant opinion to the Board of Directors, before the submission of the above report to the General Meeting, in accordance with Article 112 of Law 4548/2018. The Committee reports to the Board of Directors describing how the Remuneration Report takes into account the voting outcome of the General Meeting on the previous Remuneration Report.

iv. explaining temporary deviations from the Company's Remuneration Policy, provided that (a) the Remuneration Policy sets out the procedural conditions under which a derogation from its content may be applied, (b) the Remuneration Policy sets out its details, to which the derogation may apply and (c) this derogation is necessary for the long-term service of the Company's interests as a whole or to ensure its viability.

In relation to the nomination of candidates:

i. formulating proposals to the Board of Directors in relation to the preparation, review and implementation of the Suitability Policy, as well as the Diversity Policy of the members of the Board of Directors,
ii. nominating candidate members of the Board of Directors and senior executives is based on a clearly defined procedure. In this context, the Committee evaluates the adequacy of the skills, knowledge and experience of the candidates in accordance with the Company's Suitability Policy and the specific procedure provided in this article. In addition, it prepares the description of the roles, skills and time commitment required by each position.
iii. periodic evaluation, at least annually, of the Board of Directors and its Committees at collective level, as well as of the Chairman, the Chief Executive Officer and the other members of the Board of Directors at individual level, and the review of the renewal needs of the Board of Directors. During the overall evaluation, the composition, the diversity and the effective cooperation of the members of the Board of Directors for the fulfillment of their duties are taken into account.
iv. preparation, updating and submission to the Board of Directors for approval of a succession plan for the members of the Board of Directors, the Chief Executive Officer and the senior executives.
v. formulating proposals to the Board of Directors for the design and implementation of an introductory information program for the new members of the Board of Directors, as well as a plan for continuous training of the members of the Board of Directors based on the relevant Education Policy of the BoD members.
vi. assisting the Board of Directors in the annual evaluation of the performance of the Chief Executive Officer.

vii. reviewing, on an annual basis, of the categories of the Company's personnel whose nature of activities has a material impact on its risk profile.
vii. examining the proposals of the stakeholders, including the key shareholders and the Management of the Company in the context of its duties. viii. Further, it investigates and proposes to the General Meeting, suitable persons, as candidates for filling the positions of the Audit Committee.

Operation of the Remuneration and Nomination Committee

- The Committee convenes regularly at least quarterly every year and whenever circumstances require.
- The Chairman of the Committee decides on the items on the agenda, the frequency and the duration of the meetings.
- The Chairman of the Committee convenes its members by invitation, which is notified to them at least two (2) working days before the meeting. The invitation lists the items on the agenda, the date, time and place of the meeting. The items on the agenda as well as the relevant documents will normally be made available to each member at least two (2) working days before the meeting. Relevant documents can also be circulated via e-mail.
- The Committeé is in quorum and meets validly when at least two (2) members are present, while the participation΄ by a representative is not allowed. The Committeé may also meet on its own initiative, provided that all its members are present. Decisions are taken by an absolute majority of the members present, while in cases of a tie, the vote of the Chairman of the Committee shall prevail.
- In each case, minutes are kept for every meeting of the Committee, for the observance of which the Corporate Secretary of the Board of Directors is responsible. The minutes are made available to all members of the Committee and the Board of Directors.
- The Committee has the opportunity to invite to its meetings, whenever it deems appropriate, any member of the Board of Directors, any executive of the Company or any person it deems appropriate to assist in its work.
- The Committee may convene by teleconference or conference call. The participation of a member of the Committee in a meeting, through visual or audio connection, will be considered valid for this purpose.
- The Chairman of the Committee regularly informs the Board of Directors about the activities of the Committee. Also, the activities of the Remuneration and Nomination Committee, as well as the participation of the members of the Board of Directors in its meetings, should be reflected in the Corporate Governance Statement included in the management report of the Board of Directors prepared according to Article 152 of law 4548 / 2018, as in each case.
- The Rules of Procedure of the Committee are posted on the Company's website.

In 2021 the Remuneration Committee and the Remuneration and Nomination Committee met 2 and 3 times respectively. The participation in the meetings of each member is presented in the following table:

Remuneration Committee meetings from 01/01/2021 to 05/10/2021			
A/A	**Name/surname BoD Member**	**Capacity**	**Participation in the meetings of the Audit Committee**
1	Maurice Montiano	Chairman of the Committee - Non-Executive Member of the Board of Directors	2/2
2	Filippos Spyropoulos	Member of the Committee - Independent - Non-Executive Member of the Board of Directors	2/2
3	Thomas Miller	Member of the Committee - Independent - Non-Executive Member of the Board of Directors	2/2

Composition of Remuneration and Nomination Committee from 06/10/2021 to 31/12/2021			
A/A	**Name/surname BoD Member**	**Capacity**	**Participation in the meetings of the Audit Committee**
1	Nikolaos Nanopoulos	Chairman of the Committee - Independent, within the meaning of article 9 par. 1 & 2 of Law 4706/2020, Non-executive Member of the Board of Directors	3/3
2	Ekaterini Maria Karatza	Member of the Committee - Independent, within the meaning of article 9 par. 1 & 2 of Law 4706/2020, Non-executive Member of the Board of Directors	3/3
3	Timotheos Ananiadis	Member of the Committee - Non-Executive Member of the Board of Directors	3/3

The items and activities of the previous Remuneration Committee and the Remuneration and Nomination Committee for 2021 are summarized in the following table:

Activities of Remuneration Committee and Meetings from 01.01.2021 to 05.10.2021
- Examining whether the approved Remuneration Policy contributes to the business strategy and the long-term interests and viability of the Company. Preparation and approval of a revised draft Remuneration Policy, suggestion for its approval by the Board of Directors.
- Preparation and approval of the remuneration report of the members of the Board of Directors and proposal for its approval by the Board of Directors.
- Proposal and approval of the Suitability Policy to the Board of Directors
- Proposal to the Board of remuneration (including any additional remuneration in accordance with the Remuneration Policy) _ of the Executive Members of the Board of Directors, of the Independent Non-Executive, of the members of the Audit Committee, of the Internal Auditor, of the Non-Executive Members and of the Executives the BoD regarding the pre-approval of a remuneration amounting to € 18,000 to the member of the BoD Mr. Anastasios Homenidis for the FY from 1.1.2021 to 31.12.2021.

Activities of Remuneration and Nomination Committee and Meetings from 06.10.2021 to 31.12.2021
- Formation in a body and election of Chairman
- Evaluation of canditates for the election of the Company's Regulatory Compliance Officer and the Risk Management Manager - Preparation and submission of Recommendations to the Company's Board of Directors
- Evaluation of candidates for the election of a new Audit Committee, according to Article 44 of Law 4419/2017 - Preparation and submission of a Proposal to the Extraordinary General Meeting held on 25/11/2021 in accordance with Article 5.1 (viii) of the Rules of Procedure of the Remuneration and Nomination Committee.

12. Information on the participation of the members of the Audit, Remuneration and Nomination Committees in the meetings of the competent body with a table representation for each member (in case all members of the Committees participated in all meetings, the relevant statement of the Company is sufficient).

The Members of the Audit & Remuneration and Nomination Committees participated online in all the meetings of the BoD.

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, 29 April 2022
President of the BoD

CLOE MARIA LASKARIDI

I.D. No AM 632086

D. Annual Financial Statements

The accompanying financial statements were approved by the Board of Directors of "LAMPSA HELLENIC HOTELS S.A." on April 29, 2022, 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.

The financial statements of consolidated non-listed subsidiaries of LAMPSA Group are published on the website www.lampsa.gr.

Statement of Financial Position

Amounts in thousands €	NOTE	CONSOLIDATED 31/12/2021	CONSOLIDATED 31/12/2020 *	CORPORATE 31/12/2021	CORPORATE 31/12/2020 *
ASSETS					
Non Current Assets					
Property, plant and equipment	5.2	225.638	231.698	136.946	139.801
Intangible Assets	5.3	643	359	471	177
Goodwill	5.5	3.476	3.476	-	-
Investments in Subsidiaries	5.4	-	-	39.865	27.865
Other Long-term Assets	5.6	212	164	93	14.131
Deferred Tax Assets	5.14	4.615	5.684	6.521	8.169
Total		**234.584**	**241.380**	**183.896**	**190.144**
Current Assets					
Inventory	5.7	1.675	1.347	1.226	996
Trade and other receivables	5.8	1.552	735	1.253	600
Other Receivables	5.8	2.781	5.237	1.792	726
Cash and cash available	5.9	25.868	24.215	20.186	20.856
Total		**31.877**	**31.534**	**24.457**	**23.177**
Total Assets		**266.460**	**272.914**	**208.354**	**213.320**
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		14.218	12.057	2.246	441
Treasury Shares		(3.631)	(3.631)	-	-
Retained Earnings		15.995	16.103	3.770	3.070
Equity attributable to owners of the parent		**89.151**	**87.098**	**68.585**	**66.080**
Non-controlling interest		-	-		
Total Equity		**89.151**	**87.098**	**68.585**	**66.080**
Long-term liabilities					
Employee termination benefits obligations	5.11	1.532	1.434	1.440	1.352
Long-term Debt	5.12	115.695	121.800	108.679	113.044
Long-term Lease Liabilities	5.13	23.404	23.565	11	(0)
Deferred Tax Obligations	5.14	2.172	2.282		
Other Long-term Liabilities	5.15	836	1.292	826	1.272
Long-term contractual Liabilities		1.767	719	1.767	719
Other Provisions	5.16	1.277	1.245	71	71
Total		**146.684**	**152.338**	**112.795**	**116.458**
Short-term Liabilities					
Suppliers and other liabilities	5.17	3.385	2.928	2.835	2.166
Income tax payable	5.18	-	0	-	-
Short-term debt	5.12	7.640	11.440	5.900	10.900
Short-term portion of bond and bank loans	5.12	8.600	5.585	8.600	5.585
Short-term Lease Liabilities	5.13	200	170	28	42
Other liabilities	5.19	7.317	9.160	6.394	8.023
Short-term contractual obligation	5.19	3.482	4.194	3.218	4.066
Total		**30.625**	**33.478**	**26.974**	**30.783**
Total liabilities		**177.309**	**185.816**	**139.769**	**147.241**
Total Equity and Liabilities		**266.460**	**272.914**	**208.354**	**213.320**

** The comparative sizes of the Group and the company Statement of Financial Position for FY 2020 have been revised due to the change in accounting p[policy under IAS 19 see note 2.2.3).*

Potential differences are due to rounding. The accompanying notes form an integral part of the annual financial report.

Statement of Comprehensive Income

Amounts in thousands €	**Note**	**1/1-31/12/2021**	**1/1-31/12/2020 ***	**1/1-31/12/2021**	**1/1-31/12/2020 ***
Sales	5.20	50.704	17.735	36.935	12.789
Cost of Sales	5.20	(37.082)	(25.501)	(24.564)	(17.224)
Gross Profit		**13.622**	**(7.766)**	**12.371**	**(4.435)**
Distribution Expenses	5.20	(2.680)	(1.893)	(1.895)	(1.467)
Administrative Expenses	5.20	(10.105)	(7.692)	(7.767)	(6.634)
Other Income	5.20	7.754	2.989	5.649	2.401
Other expenses	5.20	(334)	(515)	(101)	(154)
Operating Profit		**8.257**	**(14.877)**	**8.257**	**(10.289)**
Financial expenses	5.21	(5.194)	(4.373)	(4.098)	(3.945)
Financial income	5.21	1	13	1	167
Other financial results	5.21	(65)	166	(61)	212
Results (Losses) / from reverse of investments valuation		-	-	-	(2.040)
Results (Losses) from impairment of assets	5.21	-	(1.877)		
Profit / (Loss) before Tax		**2.998**	**(20.947)**	**4.100**	**(15.895)**
Income Tax	5.22	(955)	4.488	(1.636)	3.151
Net Profit / (Loss) for the period		**2.043**	**(16.459)**	**2.464**	**(12.744)**
Other Comprehensive Income not reclassified into Income Statement for Subsequent Periods					
Actuarial results reserves		53	(9)	53	(9)
Effect of tax on actuarial results reserves		(12)	2	(12)	2
Effect of tax on actuarial results reserves due to change of tax rate		(0)	-	(0)	-
Other comprehensive income for the period after tax		**41**	**(7)**	**41**	**(7)**
Total Comprehensive Income for the Period		**2.084**	**(16.466)**	**2.505**	**(12.750)**
Profit for the period allocated to:					
Owners of the parent		2.043	(16.459)	2.464	(12.744)
Non controlling Interests		-	-		
		2.043	**(16.459)**	**2.464**	**(12.744)**
Total Comprehensive Income for the Period allocated to:					
Owners of the parent		2.084	(16.466)	2.505	(12.750)
Non controlling Interests		-	-	-	-
		2.084	**(16.466)**	**2.505**	**(12.750)**
Earnings per share allocated to owners of the parent					
Basic in €	5.23	0,0956	-0,7704	0,1153	-0,5965

		CONSOLIDATED		**CORPORATE**	
		1/1-31/12/2021	**1/1-31/12/2020 ***	**1/1-31/12/2021**	**1/1-31/12/2020 ***
EBIT		8.257	(14.877)	8.257	(10.289)
EBITDA		19.191	(5.178)	14.933	(3.690)

** The comparative sizes of the Group and the company Statement of Financial Position for FY 2020 have been revised due to the change in accounting p[policy under IAS 19 see note 2.2.3).*

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 2020	**23.928**	**38.641**	**5.455**	**(3.631)**	**37.334**	**101.728**	**-**	**101.728**
Adjustment due to change in accounting policy under IAS 19			716		1.121	1.837		1.837
Revised Balances as at January 1, 2020	**23.928**	**38.641**	**6.171**	**(3.631)**	**38.455**	**103.564**	**-**	**103.564**
Distribution of dividends for the FY 2019			202		(202)	-		-
Total Comprehensive Income for the FY 2020			(7)		(16.459)	(16.466)		(16.466)
Transfers			5.691		(5.691)	-		-
Equity balance as at 31 December 2020	**23.928**	**38.641**	**12.057**	**(3.631)**	**16.103**	**87.098**		**87.098**
Balances as at 1 January 2021	**23.928**	**38.641**	**12.057**	**(3.631)**	**16.103**	**87.098**	**-**	**87.098**
Total Comprehensive Income for the FY 2021			41		2.043	2.084		2.084
Owners' Expenses					(31)	(31)		(31)
Transfers			2.120		(2.120)	-		-
Equity balance as at 31 December 2021	**23.928**	**38.641**	**14.218**	**(3.631)**	**15.995**	**89.151**	**-**	**89.151**

** The comparative sizes of the Group and the company Statement of Financial Position for FY 2020 have been revised due to the change in accounting p[policy under IAS 19 see note 2.2.3).*

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 2020	**23.928**	**38.641**	**(6.161)**	**20.586**	**76.993**
Adjustment due to change in accounting policy under IAS 19			716	1.121	1.837
Revised Balances as at January 1, 2020	**23.928**	**38.641**	**(5.445)**	**21.706**	**78.830**
Distribution of dividends for the FY 2019			202	(202)	-
Total Comprehensive Income for the FY 2020			(7)	(12.744)	(12.750)
Transfers			5.691	(5.691)	-
Equity balance as at 31 December 2020	**23.928**	**38.641**	**441**	**3.070**	**66.080**
	-	-	0	(0)	(0)
Balances as at 1 January 2021	**23.928**	**38.641**	**441**	**3.070**	**66.080**
Total Comprehensive Income for the FY 2021			41	2.464	2.505
Transfers			1.764	(1.764)	-
Equity balance as at 31 December 2021	**23.928**	**38.641**	**2.246**	**3.770**	**68.585**

** The comparative sizes of the Group and the company Statement of Financial Position for FY 2020 have been revised due to the change in accounting p[policy under IAS 19 see note 2.2.3).*

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 01/01-31/12/2021	THE GROUP 31/12/2020 *	THE COMPANY 01/01-31/12/2021	THE COMPANY 31/12/2020 *
Operating activities				
Profit / (Loss) before tax	**2.998**	**(20.947)**	**4.100**	**(15.895)**
Plus / less adjustments for:				
Depreciation	11.069	9.833	6.810	6.733
Amortization of grants	(134)	(134)	(134)	(134)
Profit / (Loss) of asset sale – impairment	1	1.877	(4)	
Provisions/ (Revenues from unused provisions of previous years)	167	(991)	121	(1.014)
Impairment losses /(Profit from reversal of impairment)	-	-	-	2.040
Foreign exchange differences	15	34	10	(12)
Non-cash expenses	-	-		-
Interest income	(1)	(13)	(1)	(167)
Interest expenses	5.153	4.346	4.098	3.945
Operating profit prior to changes in working capital	19.266	(5.996)	15.000	(4.504)
Plus/ less adjustments for changes in working capital accounts or accounts related to operating activities:				
Decrease / (increase) in inventories	(328)	298	(231)	289
Decrease / (increase) in receivables	1.716	2.335	(1.793)	2.308
(Decrease) / increase in liabilities (except for banks)	379	896	(3)	(2.962)
Less:				
Interest expense and related expenses paid	(4.979)	(4.149)	(3.924)	(3.761)
Taxes paid	(0)	(1.278)	-	(1.168)
Total inflows / (outflows) from operating activities (a)	**16.054**	**(7.894)**	**9.049**	**(9.799)**
Investing activities				
Acquisition of tangible and intangible assets	(7.094)	(22.581)	(5.251)	(1.559)
Acquisition of shares of subsidiary	-	0	-	5.621
Sales of property, plant and equipment	1	-	1	-
Subsidiaries share capital increase	(40)	(0)	2.130	(6.900)
Interest collectable	1	13	1	2
Total inflows / (outflows) from investing activities (b)	**(7.133)**	**(22.567)**	**(3.119)**	**(2.837)**
Financing activities				
Proceeds from issued/received loans	-	30.200	-	23.200
Payments of loans	(7.076)	(1.318)	(6.535)	(914)
Repayment of finance lease liabilities (amortization)	(193)	(91)	(65)	(48)
Total inflows / (outflows) from financing activities (c)	**(7.268)**	**28.791**	**(6.600)**	**22.238**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**1.654**	**(1.670)**	**(670)**	**9.603**
Year opening cash and cash equivalents	**24.215**	**25.885**	**20.856**	**11.253**
Year closing cash and cash equivalents	**25.868**	**24.215**	**20.186**	**20.856**

** The comparative sizes of the Group and the company Statement of Financial Position for FY 2020 have been revised due to the change in accounting p[policy under IAS 19 see note 2.2.3).*

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 29 April, 2022.

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. Accor Hotels 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.

All the revised or newly issued Standards and Interpretation applicable to the Group and effective as from January 1, 2021 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 2020, adjusted to the new Standards and revisions imposed by IFRS effective for fiscal years starting as at January 1st, 2021.

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 01/01/2021.

- **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 amendments do not affect the consolidated and separate Financial Statements.

- **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 has finalized its response to the ongoing reform of IBOR and other interest benchmarks by issuing a package of amendments to 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. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for a change in its hedging relationships as a result of the reform, as well as relevant information required to be disclosed. The amendments do not affect the consolidated and separate Financial Statements.

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

In March 2021, the IASB issued amendments to the practical expedient of IFRS 16, that extend the application period by one year to cover Covid-19-related rent concessions that reduce only lease payments due on or before 30 June 2022. The effect of the Company and the Group results is regarded non-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 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 it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2022.

- **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 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 01/01/2023.

- **Amendments to IAS 1 "Presentation of Financial Statements" (effective for annual periods starting on or after 01/01/2023)**

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required 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 been adopted by the European Union with effective date of 01/01/2023.

- **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 that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. 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 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. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the 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 12 "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction" (effective for annual periods starting on or after 01/01/2023)**

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. 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 IFRS 17 "Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information" (effective for annual periods starting on or after 01/01/2023)**

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements in IFRS 17 to address an important issue related to temporary accounting mismatches between insurance contract liabilities and financial assets in the comparative information presented when applying IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" for the first time. The amendment aims to improve the usefulness of comparative information for the users of the financial statements. 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.

2.2.3 Change in accounting policy regarding attributing defined benefit to periods of service in accordance with IAS 19 "Employee Benefits"

In May 2021, IFRS Interpretations Committee issued the final agenda on "Attributing Benefit to Periods of Service (IAS 19)" which includes explanatory material regarding the way of distribution of benefits in periods of service following a specific defined benefit plan proportionate to that defined in Article 8 of Law 3198/1955 regarding provision of compensation due to retirement (the "Labor Law Defined Benefit Plan").
This decision differentiates the way in which the basic principles and regulations of IAS 19 have been applied in Greece in the previous years, and therefore, entities that prepare their financial statements in accordance with IFRS are required to amend their Accounting Policy accordingly
Prior to the issuance of the agenda decision, the Group applied IAS 19 attributing the benefits defined under Article 8, Law 3198/1955, Law 2112/1920, and its amendment by Law 4093/2012 in the period from hiring until the employee retirement date.
The application of this final agenda decision in the accompanying consolidated financial statements has led to attributing benefits in the last 16 years until the date of employee retirement following the provisions of Law 4093/2012.
Based on the above, the aforementioned final decision has been will be treated as a Change in Accounting Policy, applying the change retroactively from the beginning of the first comparative period, in accordance with paragraphs 19 - 22 of IAS 8.

The following tables present the effect of implementing the final agenda decision regarding every affected specific item of the financial statements. The tables do not include the items not affected by the changes to accounting policies.

Excerpt from the Statement of Financial Position			
Amounts in thousands €	**The Group**		
	31/12/2019	**Adjustment under IAS 19**	**Revised 01/01/2020**
Deferred tax assets	2.260	(580)	1.680
Reserves	5.455	716	6.171
Profit/Loss carried forward	37.334	1.121	38.455
Employee end of service benefits	3.796	(2.416)	1.379

Excerpt from the Statement of Financial Position			
Amounts in thousands €	**The Company**		
	31/12/2019	**Adjustment under IAS 19**	**Revised 01/01/2020**
Deferred tax assets	5.580	(580)	5.000
Reserves	(6.161)	716	(5.445)
Profit/Loss carried forward	20.586	1.121	21.706
Employee end of service benefits	3.708	(2.416)	1.291

Excerpt from the Statement of Comprehensive Income			
Amounts in thousands €	**The Group**		
	31/12/2020	**Adjustment under IAS 19**	**Revised 31/12/2020**
Cost of sales	(25.516)	16	(25.501)
Cost of financing	(4.403)	30	(4.373)
Income Tax	4.499	(11)	4.488
Actuarial results reserves	(250)	241	(9)
Effect of tax on actuarial results reserves	60	(58)	2

Excerpt from the Statement of Comprehensive Income			
Amounts in thousands €	**The Company**		
	31/12/2020	**Adjustment under IAS 19**	**Revised 31/12/2020**
Cost of sales	(17.239)	16	(17.224)
Cost of financing	(3.975)	30	(3.945)
Income Tax	3.162	(11)	3.151
Actuarial results reserves	(250)	241	(9)
Effect of tax on actuarial results reserves	60	(58)	2

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.

- **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.

On 31/12/2020 the Management of the Group carried out an impairment test of the participation cost in its subsidiaries and 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 an impairment of a total amount of € 2,040 k regarding the participation in the subsidiary KRIEZOTOU SA and impairment of the Tangible Assets of the subsidiary EXCELSIOR by € 1,877 k burdening the Group 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 management evaluated the existence of further indications of impairment as well as the change in key assumptions such as discount rate and the course of the Group's operations in relation to the budgets and concluded that there are no further indications in order to conduct an analytical impairment test.
The Group annually tests goodwill for impairment in accordance with the accounting policy as mentioned above and no impairment arose regarding FY 2021. Further information is provided in Note 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 31/12/2021. 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 2021, 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.

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 31/12/2021.

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.

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.

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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.
As also analytically recorded in paragraph 2.2, the Company's management estimates no indications of impairment are effective regarding 2021.

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 remeasurement 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.

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.

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.

Amounts in thousand Euro, unless otherwise mentioned

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, 2021 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

In 2020, the reconstruction 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 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 Regency 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.

The aforementioned disposal did not burden the results of the Company’s comparative year as the provision for the impairment of the participation, made in the previous years, amounting to € 2,049 k was used.

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 2021	Athens City Hotels	Resorts	Belgrade City Hotels	Other	Total
Sales					
				-	
Rooms Sales	26.377	3.712	5.216	-	35.305

Food and Spirits Sales	8.977	1.394	2.443	-	12.814
Other Sales (Spa, Health Club etc.)	1.686	200	698	-	2.584
Total Sales	**37.041**	**5.306**	**8.357**	**-**	**50.704**
Financial Income	1	0	0	-	1
Financial Expenses	4.526	556	103	9	5.194
Depreciation	6.897	2.362	1.810		11.069
Earnings before tax	**4.451**	**(1.679)**	**250**	**(24)**	**2.998**
Income tax	1.756	(450)	(351)	-	955
Earnings after tax	**2.695**	**(1.229)**	**601**	**(24)**	**2.043**
					-
31/12/2021					-
Non-current assets	157.619	38.778	30.096	-	226.493
Deferred Tax Asset	9.362	(4.747)	-		4.615
Other assets	25.697	1.133	3.531		31.877
Total Assets	**192.691**	**38.639**	**33.614**	**1.516**	**266.460**
Total Liabilities	**142.346**	**28.889**	**6.069**	**5**	**177.309**

FY 2020	**Athens City Hotels**	**Resorts**	**Serbia 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	3.796	490	79	8	4.373
Depreciation	5.484	2.373	1.976		9.833
Earnings before tax	**(14.837)**	**(2.144)**	**(3.950)**	**(16)**	**(20.947)**
Income tax	(3.778)	(290)	(421)	0	(4.488)
Earnings after tax	**(11.059)**	**(1.855)**	**(3.530)**	**(16)**	**(16.459)**
					-
31/12/2020					-
Non-current assets	162.566	39.207	30.448	-	232.220
Deferred Tax Asset	10.798	(5.114)	-	-	5.684
Other assets	26.787	695	4.052	-	31.534
Total Assets	**200.151**	**38.263**	**32.960**	**1.540**	**272.914**
Total Liabilities	**167.040**	**12.089**	**6.682**	**5**	**185.816**

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 31/12/2019	**197.281**	**1.858**	**10.100**	**12.594**	**221.832**

Additions	1.807	228	1.599	17.510	21.143
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)	(26)	(31)	(1.902)
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**
Additions	662	114	912	3.104	4.793
Recognition of right-of-use assets	63	-	-	-	63
Disposal of assets	-	(91)	(164)	-	(255)
Reclassifications	2.471	23	105	(2.605)	(6)
Impairment loss recognized in the income statement	-	-	-	(0)	(0)
Depreciation Cost	(8.319)	(548)	(2.039)	-	(10.906)
Disposed assets depreciation	-	89	162	-	251
Net Book Value as at 31/12/2021	**205.330**	**3.161**	**13.851**	**3.296**	**225.638**

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	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 31/12/2019	**210.453**	**3.573**	**14.875**	**2.796**	**231.698**
Gross Book Value and Impairment	330.645	15.618	48.262	3.296	397.821
Accumulated depreciation	(125.315)	(12.457)	(34.412)	(0)	(172.184)
Net Book Value as at 31/12/2020	**205.330**	**3.161**	**13.851**	**3.296**	**225.638**

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 01/01/2020	**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**
Additions	600	68	728	2.378	3.774
Recognition of right-of-use assets	63	-	-	-	63
Disposal of assets	-	(51)	-	-	(51)
Reclassifications	2.338	-	76	(2.415)	-
Depreciation cost	(5.326)	(157)	(1.211)	-	(6.693)
Disposed assets depreciation	-	51	-	-	51
Net Book Value as at 31/12/2021	**125.211**	**747**	**8.239**	**2.748**	**136.946**

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

	THE GROUP	**THE COMPANY**
Amounts in thousands €	**Rights-of-use assets (Buildings)**	
Balance as at 01/01/2020	**23.417**	**104**
Change from lease amendment	(147)	(18)
Interest of construction period	551	
Amortization cost	(280)	(53)

Balance as at 31/12/2020	**23.541**	**33**
Recognition of Rights-of-use assets	63	63
Impairment of right-of-use tangible assets	(3)	(3)
Amortization cost	(732)	(54)
Balance as at 31/12/2021	**22.869**	**39**

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 31/12/2021 amounting to € 2.7 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 management evaluated the existence of further indications of impairment as well as the change in key assumptions such as discount rate and the course of the Group's operations in relation to the budgets and concluded that there are no further indications in order to conduct an analytical impairment test.

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 €	Licences - Software licenses	Other intangible assets	Total
Net Book Value as at 01/01/2020	**222**	**62**	**284**
Additions	131	34	165
Impairment losses reversed in the income statement	(5)	-	(5)
Amortization	(68)	(18)	(86)
Net Book Value as at 31/12/2020	**281**	**78**	**359**
Additions	437	10	447
Amortization	(144)	(19)	(163)
Net Book Value as at 31/12/2021	**575**	**69**	**643**

Amounts in thousands €	Licences	Software licenses	Other intangible assets	Total
Gross Book Value	0,00	1.175	526	1.701
Accumulated amortization and impairment	0,00	(894)	(448)	(1.343)
Net Book Value as at 31/12/2020	**0,00**	**281**	**78**	**359**
Gross Book Value	0,00	1.613	536	2.149
Accumulated amortization and impairment	0,00	(1.038)	(468)	(1.505)
Net Book Value as at 31/12/2021	**0,00**	**575**	**69**	**643**

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

Amounts in thousands €	Software licenses	Total
Net Book Value as at 1/1/2020	**145**	**145**
Additions	76	76
Amortization	(44)	(44)
Net Book Value as at 31/12/2020	**177**	**177**
Additions	411	411
Amortization	(116)	(116)
Net Book Value as at 31/12/2021	**471**	**471**

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

Amounts in thousands €	Software licenses	Total
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**
Gross Book Value	1.621	1.621
Accumulated amortization and impairment	(1.149)	(1.149)
Net Book Value as at 31/12/2021	**471**	**471**

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 31/12/2021	ACQ. VALUE AS AT 31/12/2020	DOMICILE - COUNTRY	DIRECT & INDIRECT % PART.INT.	TREASURY SHARES	RELATIONSHIP	CONS. METHOD	OPER. SEGMENT
LAMPSA HELLENIC HOTELS S.A.	-	-	Greece	PARENT		PARENT	-	Hotel Services
KRIEZOTOU TOURISTIKI SINGLE MEMBER S.A.	23.550	11.550	Greece	100,00%		SUBSIDIARY	FULL CONSOLIDATION	Hotel Services
LUELLA ENTERPRISES LTD	18.382	18.382	Cyprus	100,00%		SUBSIDIARY	FULL CONSOLIDATION	Holding
EXCELSIOR BELGRADE SOCIALLY OWNED HOTEL & CATERING TOURIST ENTERPRISES	-	-	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	**41.932**	**29.932**						
ACCUMULATED PROVISIONS FOR IMPAIRMENT	(2.067)	(2.067)						
NET VALUE	**39.865**	**27.865**						

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 08.09.2021 the Regular General Meeting of Shareholders of the subsidiary company "Kriezotou Touristiki Single Member SA" decided to increase the share capital through cash payment and capitalization of receivables in the total amount of twelve million (€ 12,000,000) euro with the issuance of four million (4,000.000) new common registered shares, with a nominal value of one (€ 1.00) euro each, with a sale price in share premium and specifically a value in share premium of two (€ 2.00) euro per share. During the above Regular General Meeting, the sole Shareholder of the Company, i.e. "LAMPSA HELLENIC HOTELS S.A.” made a statement on the exercise of pre-emptive rights and expressed its intention to take over all the shares of the increase. Following the above, the parent company’s participating interest in the subsidiary as at 31/12/2021 stands at € 21,483 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.

The management evaluated the existence of further indications of impairment as well as the change in key assumptions such as discount rate and the course of the Group’s operations in relation to the budgets and concluded that there are no further indications in order to conduct an analytical impairment test.

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

Amounts in thousands €	**31/12/2021**	**31/12/2020**
Opening balance	**27.865**	**35.526**
Acquisitions	-	-
Subsidiary establishment	-	-
Disposals	-	(5.621)
Subsidiary Share Capital Increase	12.000	-
Impairment loss recognized in the income statement	-	(2.040)
Reversed impairment loss in the income statement	-	-
Closing balance	**39.865**	**27.865**

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 31/12/2021, 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 31/12/2021.

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 31/12/2021 and 31/12/2020. A change of -+1% in perpetuity growth would not result 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 7.86% as at 31/12/2021 and at 7.98% as at 31/12/2020.

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 €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Guarantees	127	137	93	86
Other long-term receivables	85	25	-	14.044
Prepayments for acquisition of tangible and intangible assets	-	1	-	1
Total	**212**	**164**	**93**	**14.131**

Other long-term receivables of the parent company decreases following a refund of € 2 million and capitalization of receivables in the context of the share capital increase of its 100% subsidiary "Kriezotou Touristiki Single Member SA" by € 12 million.

5.7. Inventory

The Group and the Company inventory is analyzed as follows:

Amounts in thousands €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Goods	653	861	573	801
Raw materials	885	381	653	194
Spare parts	137	106	-	-
Total	1.675	1.347	1.226	996
Net Accounting Value	**1.675**	**1.347**	**1.226**	**996**

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 €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Trade receivables from third parties	1.688	861	1.392	725
Cheques receivable	3	15	-	15
Less: provision for doubtful receivables	(139)	(140)	(138)	(140)
Trade receivables – net	**1.552**	**735**	**1.253**	**600**
Prepayments	47	58	2	21
Miscellaneous debtors	1.170	299	1.062	230
V.A.T.	28	3.973	-	-
Receivables from Greek State	756	525	102	89
Receivables from associates	0	0	-	111
Prepaid expenses	564	226	510	159
Accrued income	217	156	117	116
Other assets	2.781	5.237	1.792	726
Total other receivables	**4.333**	**5.972**	**3.045**	**1.325**

Amounts in thousand Euro, unless otherwise mentioned

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			
31/12/2021	**Receivables**	**Expected credit loss (%)**	**Expected credit loss**
Safe collectability receivables	929		-
Postdated receivables examined separately for impairment purposes	131	100%	122
Receivables examined on expected credit loss basis			
Domestic companies	234	1%	3
Foreign companies	85	4%	3
Domestic travel agencies	242	4%	9
Foreign travel agencies	71	1%	1
	1.691		**139**

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 COMPANY			
31/12/2021	**Receivables**	**Expected credit loss (%)**	**Expected credit loss**
Safe collectability receivables	630		-
Postdated receivables examined separately for impairment purposes	131	93%	122
Receivables examined on expected credit loss basis			
Domestic companies	234	1%	3
Foreign companies	85	4%	3
Domestic travel agencies	242	4%	9
Foreign travel agencies	71	1%	1
	1.392		**138**

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**

5.9 Cash and cash equivalent

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

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Cash	340	272	323	262
Sight deposits	25.528	23.943	19.863	20.594
Total	**25.868**	**24.215**	**20.186**	**20.856**

Financial income for the Group amounting to € 1 k (2020: Group € 13 k) arose from the above deposits.

Sight deposits per currency are analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Sight deposits in €	25.470	23.904	19.788	20.546
Sight deposits in $	31	29	30	28
Sight deposits in RSD	2.921	2.921	2.921	2.921

5.10. Equity

The Group and the Company Equity is analyzed as follows:

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
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	14.218	12.057	2.246	441
Retained earnings	15.995	16.103	3.770	3.070
Total	**89.151**	**87.098**	**68.585**	**66.080**
Non-controlling interest	-	-	-	-
Total Equity	**89.151**	**87.098**	**68.585**	**66.080**

As at 31 December 2021, 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. Following the change in accounting policy regarding attributing defined benefit to periods of service under IAS 19 "Employee benefits", the actuarial reserves were improved by an amount of € 716 k and the retained earnings - by € 1.121 k. The change is analytically described in Note 2.2.3 to the financial statements.

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 70% 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	Tax exempted reserves under special legal provisions	Actuarial results reserves	Reserves under Law 1892/90	Other reserves	Total
Balance as at 31/12/2019	**1.793**	**404**	**-**	**(703)**	**3.834**	**127**	**5.455**
Adjustment due to change in accounting policy under IAS 19	-	-	-	716	-	-	716
Changes within the FY	202	-	-	(7)	5.691	-	5.886
Balance as at 31/12/2020	**1.994**	**404**	**-**	**6**	**9.525**	**127**	**12.057**
Changes within the FY	-	-	2.120	41	-	-	2.161
Balance as at 31/12/2021	**1.994**	**404**	**2.120**	**48**	**-**	**9.525**	**127**

THE COMPANY

Amounts in thousands €	Statutory reserves	Extraordinary reserves	Tax exempted reserves under special legal provisions	Actuarial results reserves	Reserves from subsidiary absorption	Reserves under Law 1892/90	Other reserves	Total
Balance as at 31/12/2019	**1.793**	**404**	**-**	**(716)**	**(11.603)**	**3.834**	**127**	**(6.161)**
Adjustment due to change in accounting policy under IAS 19				716				716
Changes within the FY	202			(7)		5.691		5.703
Balance as at 31/12/2020	**1.994**	**404**	**-**	**(7)**	**(11.603)**	**9.525**	**127**	**441**
Changes within the FY	-		1.764	41				1.805
Balance as at 31/12/2021	**1.994**	**404**	**1.764**	**35**	**(11.603)**	**9.525**	**127**	**2.246**

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	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
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	1.532	1.434	1.440	1.532
Classified as:				
Long-tern liability	1.532	1.434	1.440	1.532
Short-tern liability	0	0	0	0

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

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	Defined benefit plans (Non-financed)	Defined benefit plans (Non-financed)	Defined benefit plans (Non-financed)	Defined benefit plans (Non-financed)
Defined benefits obligation as at January 1	**1.434**	**1.379**	**1.352**	**1.291**
Current employment cost	150	140	150	140
Interest expenses	1	5	1	5
Revaluation – actuarial loss/(profit) from change in experience	(56)	(30)	(68)	(23)
Revaluation – actuarial loss /(profit) from changes in financial assumptions	14	32	14	32
Benefits payable	(87)	(292)	(86)	(292)
Cost of previous service	40	-	40	-
Settlements/ Curtails	36	199	36	199
Defined benefits obligation as at December 31st	**1.532**	**1.434**	**1.440**	**1.352**

The amounts recognised in the Income Statement are as follows:

	THE GROUP		THE COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
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	150	140	150	140
Cost of previous service	40	-	40	-
Settlements/ Curtails	36	199	36	199
Net interest on benefit obligation	1	5	1	5
Total expenses recognized in the Income Statement	**227**	**344**	**227**	**344**

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

	THE GROUP		THE COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
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	-	-	-	-
Actuarial profit /(loss) from changes in financial assumptions	14	32	14	32
Revaluation – actuarial loss/(profit) from change in experience	(68)	(30)	(68)	(23)

Total profit /(loss) recognized in other comprehensive income	(53)	2	(53)	9

The Company has commissioned independent actuaries to create an estimation of Company obligation to pay retirement indemnities. The key actuarial assumptions on 31 December 2021 are as follows:

	THE GROUP		THE COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Discount rate as at December 31st	0,51%	0,06%	0,51%	0,06%
Future salary increases	2,10%	1,40%	2,10%	1,40%
Inflation	2,10%	1,40%	2,10%	1,40%
Liabilities maturity	5,55	6,06	5,55	6,06

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 2.7%. If a 0.5% higher discount rate had been applied, then the total liability would have been lower by approximately 2%. 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 2%.

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**	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Long-term debt				
Bond Loans	114.479	120.044	108.679	113.044
Long-term bank loans	1.216	1.756	-	-
Total long-term debt	**115.695**	**121.800**	**108.679**	**113.044**
Short-term debt				
Short-term bank loans	6.440	11.440	5.900	10.900
Short-term portion of bond and bank loans	9.800	5.585	8.600	5.585
Total short-term debt	**16.240**	**17.026**	**14.500**	**16.485**
Total	**131.935**	**138.826**	**123.179**	**129.530**

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 30/06/2021 and 31/12/2021.

Amounts in thousand Euro, unless otherwise mentioned

Furthermore,

- Installments of € 1.6 million maturing on 26/03/2021 and € 2.45 million maturing on 26/09/2021 concerning the Common bond loan of 80 million were transferred to the loan maturity date (26/03/2029).

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 1/1/2021	**121.800**	**17.026**	**23.735**	**162.561**
Cash flows:				
Repayments	(540)	(6.535)	(1.025)	(8.101)
Recognition of Lease Liabilities	-	-	63	63
Interest for the period	185	-	834	1.019
Reclassifications	(5.750)	5.750	-	-
Other Changes	-	-	(3)	(3)
Closing balance as at 31/12/2021	**115.695**	**16.240**	**23.605**	**155.540**

	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 paid			(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 amendment to the agreement	(92)	-	-	(92)
Closing balance as at 31/12/2020	**121.800**	**17.026**	**23.735**	**162.561**

	THE COMPANY			
	Long-term loan liabilities	**Short-term loan liabilities**	**Loan lease liabilities**	**Total**
Opening balance as at 1/1/2021:	**113.044**	**16.485**	**42**	**129.572**
Cash flows:				**-**
Repayments		(6.535)	(65)	(6.600)
Withdrawals/Deposits				-
Non-cash changes:				
Recognition of Lease Liabilities			63	63
Change from amendment to lease			-	-
Interest for the period	185		2	187
Additions from acquisition of subsidiary				-
Decreases from disposal of subsidiaries				-
Reclassifications	(4.550)	4.550		-
Revaluation from lease amendment				-
Foreign currency translation differences				-
Other Changes			(3)	(3)
Closing balance as at 31/12/2021	**108.679**	**14.500**	**39**	**123.218**

	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 amendment to the agreement	(92)	-	-	(92)
Closing balance as at 31/12/2020	**113.044**	**16.485**	**42**	**129.572**

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

	31/12/2021	31/12/2020
Bank loans	3,13%	3,05%

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:

31/12/2021	THE GROUP	THE COMPANY
Long-term lease liabilities	23.404	11
Short-term lease liabilities	200	28
Total	**23.605**	**39**

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

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

	THE GROUP	THE COMPANY
Balance as at 1/01/2021	**23.735**	**42**
Recognition of Lease Liabilities	63	63
Interest for the period	834	2
Derecognition of liability due to lease termination	(3)	(3)
Payments	(1.025)	(65)
Balance as at 31/12/2021	**23.605**	**39**

Amounts in thousand Euro, unless otherwise mentioned

	THE GROUP	THE COMPANY
Balance as at 1/01/2020	**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 31/12/2021			
Minimum future payments	**Payments**	**Financial cost**	**Net Present Value as at 31/12/2021**
Within 12 months	1.028	(828)	200
From 1 to 5 years	5.154	(4.032)	1.122
Over 5 years	36.051	(13.769)	22.282
Total	**42.234**	**(18.629)**	**23.604**

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 COMPANY 31/12/2021			
Minimum future payments	**Payments**	**Financial cost**	**Net Present Value as at 31/12/2021**
Within 12 months	29	(1)	28
From 1 to 5 years	12	(1)	11
Over 5 years	- €	- €	-
Total	**41**	**(1)**	**39**

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**

Short-term leases amounting to 70 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 € 514 k, relating to statutory rent reductions based on Business Activity Codes.

Amounts in thousand Euro, unless otherwise mentioned

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, 2021.

According to the change in the tax legislation introduced by Law 4799/2021 as published in Government Gazette A '78 / 18-05-2021, the tax rate applied to the Company on December 31, 2021 and henceforth is 22% (31/12 / 2020: 24%).

Tax rates for 2021 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:

THE GROUP				
Amounts in thousands €	**31/12/2021**		**31/12/2020**	
	Deferred tax asset	**Deferred tax liability**	**Deferred tax asset**	**Deferred tax liability**
Property, plant and equipment	2.109	(2.349)	1.818	(2.459)
Intangible Assets	49	-	64	-
Investments	408	-	- €	- €
Investment property	-	-	-	-
Other non-current assets	-	(13)	-	-
Inventory	-	-	-	-
Reserves	9	-	-	-
Trade receivables	107	-	108	-
Actuarial results reserves	-	-	-	-
Employees termination benefit obligations	317	-	325	-
Bond loans	18	-	-	(25)
Government grants	-	(371)	-	(374)
Tax losses to be offset	-	-	-	-
Provisions – obligations	188	-	186	-
Financial liabilities	(2)	(28)	2	-
Recognition of tax loss	1.590	-	3.307	-
Tax discount under Development Law 1892/90	412	-	449	-
Total	**5.204**	**(2.761)**	**6.259**	**(2.858)**
Offsetting	(589)	589	(575)	575
Net deferred tax asset / (liability)	**4.615**	**(2.172)**	**5.684**	**(2.282)**

Amounts in thousand Euro, unless otherwise mentioned

Changes in deferred tax assets and obligations of the Group for FYs 2021 & 2020 are as follows:

THE GROUP				
Deferred tax assets (liabilities)	**1.1.2021**	**Recognized in Other Comprehensive Income**	**Recognized in Income Statement**	**31/12/2021**
Property, plant and equipment	(641)		401	(240)
Intangible Assets	64		(15)	49
Investments			408	408
Other non-current assets	-		(13)	(13)
Reserves	-	9	-	9
Trade receivables	108		(0)	107
Employees termination benefit obligations	325	(12)	4	317
Bond loans	(25)		43	18
Government grants	(374)		3	(371)
Provisions – obligations	186		2	188
Financial liabilities	2		(33)	(30)
Recognition of tax loss	3.307		(1.717)	1.590
Tax discount under Development Law 1892/90	449		(37)	412
Total	**3.401**	**(3)**	**(955)**	**2.443**
Recognized as:				
Deferred tax asset	5.684			4.615
Deferred tax liability	(2.282)			(2.172)

THE GROUP					
Deferred tax assets (liabilities)	**1.1.2020**	**Deferred tax from absorption of subsidiary**	**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	310		2	13	325
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	**(1.105)**	**-**	**2**	**4.504**	**3.401**
Recognized as:					
Deferred tax asset	1.680				5.684
Deferred tax liability	(2.785)				(2.282)

Analysis of deferred tax assets and obligations of the Company for FYs 2021 & 2020 is as follows:

	THE COMPANY			
Amounts in thousands €	**31/12/2021**		**31/12/2020**	
	Deferred tax asset	**Deferred tax liability**	**Deferred tax asset**	**Deferred tax liability**
Property, plant and equipment	4.260		4.285	
Intangible Assets	46		63	
Investments	449		490	
Trade receivables	107		108	
Employees termination benefit obligations	317		325	
Bond loans	18			(25)
Government grants		(371)		(374)
Provisions - obligations	11		10	
Financial liabilities	(2)		2	
Recognition of tax loss	1.275		2.836	

Amounts in thousand Euro, unless otherwise mentioned

Tax discount under Development Law 1892/90	412		449	
Total	**6.893**	**(371)**	**8.568**	**(399)**
Offsetting	(371)	371	(399)	399
Net deferred tax asset / (liability)	**6.521**	**-**	**8.169**	**-**

Changes in deferred tax assets and obligations of the Company for FYs 2021 & 2020 are as follows:

THE COMPANY					
	1.1.2021	**Deferred tax from absorption of subsidiary**	**Recognized in Other Comprehensive Income**	**Recognized in Income Statement**	**31/12/2021**
Property, plant and equipment	4.285			(24)	4.260
Intangible Assets	63			(18)	46
Investments	490			(41)	449
Trade receivables	108			(0)	107
Employees termination benefit obligations	325		(12)	4	317
Bond loans	(25)			43	18
Government grants	(374)			3	(371)
Provisions - obligations	10			2	11
Financial liabilities	2			(5)	(2)
Recognition of tax loss	2.836			(1.561)	1.275
Tax discount under Development Law 1892/90	449			(37)	412
Total	**8.169**	**-**	**(12)**	**(1.636)**	**6.521**
Recognized as:					
Deferred tax asset	8.169				6.521
Deferred tax liability	-				-

THE COMPANY					
	1.1.2020	**Deferred tax from absorption of subsidiary**	**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	310		2	13	325
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	**5.000**	**-**	**2**	**3.167**	**8.169**
Recognized as:					
Deferred tax asset	5.000				8.169
Deferred tax liability	-				-

5.15. Other long-term liabilities

	THE GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Grants	826	960	826	960
Long-term suppliers liabilities	-	311	-	311
Guarantees	10	21	-	-
Total long-term liabilities	**836**	**1.292**	**826**	**1.272**

5.16. Other provisions

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

	THE GROUP			
	Loss from shares	**Loss from shares**	**Total**	**Customers provisions**
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**
Additional provisions		32	32	18
Unused amounts reversed		-	-	(20)
31/12/2020	**9**	**1.268**	**1.277**	**138**

	THE COMPANY			
	Loss from shares	**Loss from shares**	**Total**	**Customers provisions**
31/12/2019	**9**	**822**	**831**	**156**
Additional provisions				-
Unused amounts reversed		(759)	(759)	(15)
31/12/2020	**9**	**62**	**71**	**140**
Additional provisions				18
Unused amounts reversed		-	-	(20)
31/12/2020	**9**	**62**	**71**	**138**

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 €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Suppliers	3.385	2.928	2.835	2.166
Total Suppliers and Other Liabilities	**3.385**	**2.928**	**2.835**	**2.166**

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

No tax liabilities arose for the Group and the Company during the current year, given the use of transferred tax losses of previous years.

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 €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Social insurance	1.492	754	1.360	702
VAT and other taxes	702	1.835	613	1.702
Accrued expenses for the period	2.826	1.452	2.310	1.278
Short-term portion of grants	134	134	134	134
Other short-term liabilities	2.156	4.985	1.976	4.206
Total	**7.317**	**9.160**	**6.394**	**8.023**

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	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Long-term Contractual Obligations	1.767	519	1.767	519
Short-term Contractual Obligations	3.482	4.194	3.218	4.066
Total Contractual Liabilities	**5.249**	**4.714**	**4.985**	**4.585**

5.20. Analysis of Income Statement

The Group is mainly operating in the hotel segment, affected by the unprecedented crisis of COVID-19 pandemic, which in the first months of the year significantly decreased travel (business and leisure). 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 every 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.

During the summer of the current year, tourism product has partially recovered, resulting in gradual return of part of the lost hotel dynamics in terms of revenue. However, significant players in sales, such as conference tourism, have been hit hard by the ban on large gatherings, business travel has been almost completely replaced by online communications, and the cruises that also made contribution to hotels operations, have been virtually nullified.

Hotel Suspension: King George Hotel has been closed since the beginning of the year and reopened on June 14, 2021. The Athens Capital Hotel has been closed since the beginning of the year and reopened on May 10, 2021. Sheraton Rhodes Hotel (seasonal)) started its operation for the summer season on May 22, 2021 and operated until October 26, 2021.

Partial recovery in the Group's operations is reflected in the financial sizes of the luxury hotel market of Athens and consequently of the Group during 2021. During this period significant increases were recorded compared to the corresponding last year period, when hotels incurred unprecedented losses, as well as several fluctuations in the comparative sizes of hotels between the two years, due to their different number of operating days and the separate effects of the pandemic.

The room occupancy in the market of luxury hotels in Athens increased by 37.3% compared to the corresponding period of 2020, setting the ratio at 38.5% compared to 28.0% in 2020. The average price of a room in hotels increased by 18.2% compared to 2020, reaching € 165.55 versus € 140.08 in 2020. As a result, revenue per available room increased in Athens luxury hotels by 62.3% (€ 63.67 versus € 39.24 in 2020) while total room revenue increased by 135.3%.

The "Great Britain" Hotel recorded an increase in sales of 180.34% compared to the corresponding period of 2020, while the "King George" Hotel recorded an increase in sales of 351.68%. The "Athens Capital" Hotel started its operation in September 2020. The "Sheraton Rhodes" Hotel recorded an increase in sales of 120.45%. Regarding the Group Hotels in Serbia, the "Hyatt Regency Belgrade" recorded an increase of 83.38%, and the "Mercure Excelsior" an increase of 156.83%. Especially for the Group Hotels, the data were as follows:

- The Group's **turnover** amounted to € 50,704 k against € 17,735 k in 2020, recording an increase of 185.90%. In the parent Company respectively ("Great Britain", King George and Sheraton Rhodes Resort Hotels) it amounted to € 36,935 k against € 12,789 k in 2020, ie increased by 188.8% due to the gradual recovery of the economy in general and the segment in particular, from the effects of the Covid-19 pandemic. King George's participation amounted to € 5.4 million, compared to € 1.2 million in 2020.

- In 2021, consolidated **gross profit** amounted to € 13,622 k against loss € 7,766 k in 2020, recording an increase of 275.41%, while in 2021, gross profit margin amounted to 26.87% against loss 43,79% in 2020. The gross profit of the parent company amounted to € 12,371 k against loss € 4,435 k in 2020, recording an increase of 378.97%. The Company's gross profit margin amounted to 33.49% in 2021 compared to loss 34.67% in the previous year. This increase is due to the recovery of the economy in general and the segment in particular from the effects of the Covid-19 pandemic resulting in a positive effect on hotel revenue.

- **Group's operating profit / (loss) (before tax, interest, depreciation and amortization-EBITDA)** amounted to € 19,191 k against (€ 5,178) k in 2020, recording an increase of 470.59%. In the parent company they amounted to € 14,933 k against (€ 3,690) k in 2020, recording an increase of 504.64%, which is mainly due to the recovery of the hotel units operations from the effects of the Covid-19 pandemic as well as extraordinary revenues from state aid & reassessment of management fees of previous years.

- **Impairment (loss) / gains of participations from reversal of impairment of participations** of the Parent Company include in the previous year extraordinary and non-recurring impairment losses on investments in subsidiaries amounting to € 2,040 k as a result of the extraordinary conditions of the Covid-19 pandemic. During the current year, no impairment of participations of the Parent Company applied.

- **Results (Loss) from impairment of fixed assets** of the Group include, for the comparative period, extraordinary and non-recurring impairment losses on property, plant and equipment of private hotels amounting to € 1,877 k as a result of the extraordinary conditions of the Covid-19 pandemic. During the current year, no impairment of property, plant and equipment of both the Group and the Parent Company applied.

- The Group's **Profit or Loss before tax** amounted to profit of € 2,998 k against loss of € 20,947 k in 2020. Respectively, the Company's profit before tax amounted to € 4,100 k against loss of € 15,895 k in 2020.

- As a consequence of the aforementioned, the Group's **net results (after tax and before non-controlling interests)** amounted to profit of € 2,043 k against loss of € 16,459 k in 2020 while the Company's net results amounted to profit of € 2,464 k against loss of € 12,744 k in 2020.

Turnover

The following table presents an analysis of the Group's revenues and the Company per major category:

	THE GROUP		THE COMPANY	
	01/01-31/12/2021	**01/01-31/12/2020**	**01/01-31/12/2021**	**01/01-31/12/2020**
Room Revenues	35.305	10.904	25.984	7.881
Sales of food and beverage	12.814	5.546	9.075	4.136
SPA-Health Club income	747	462	477	194
Other income	1.838	824	1.399	578
TOTAL	**50.704**	**17.735**	**36.935**	**12.789**

The sales of the parent are performed in Greece.

Gross Profit for the Group was as follows:

	CONSOLIDATED		CORPORATE	
Amounts in thousands €	**1/1-31/12/2021**	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Gross profit	13.622	(7.781)	12.371	(4.450)
Gross profit percentage	27%	-44%	33%	-35%

- ***Expenses per category***

The Group and the Company expenses per category are as follows:

	THE GROUP			THE COMPANY		
1.1 - 31/12/2021	**Cost of sales**	**Administ. expenses**	**Distrib. expenses**	**Cost of sales**	**Administ. expenses**	**Distrib. expenses**
Inventory consumption	6.061	23	(15)	3.788	-	-
Employee fees and expenses	12.707	3.484	716	8.292	2.854	599
Third parties fees and expenses	1.685	3.470	1.245	1.206	2.357	888
Utilities	4.359	651	41	3.262	640	41
Taxes-duties	281	653	15	202	646	7
Miscellaneous expenses	2.241	560	606	1.866	464	289
Depreciation	9.745	1.250	72	5.945	790	72
Operating provisions	2	16	0	2	16	0
Total	**37.082**	**10.105**	**2.680**	**24.564**	**7.767**	**1.895**

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 31/12/2021, the Group's and Company's management expenses include statutory auditors' fees of € 45 k relating to services apart from those rendered in connection with the audit of financial statements.

	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	8.641	2.954	637	5.694	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
Miscellaneous expenses	1.388	592	513	1.108	524	319

Amounts in thousand Euro, unless otherwise mentioned

Depreciation	8.598	1.069	159	5.540	1.033	159
Operating provisions	17	23	24	17	23	24
Total	**25.501**	**7.692**	**1.893**	**17.224**	**6.634**	**1.467**

Other income and expenses of the Group and the Company are analyzed as follows:

	THE GROUP		THE COMPANY	
Other income	**1.1 - 31/12/2021**	**1.1 - 31/12/2020**	**1.1 - 31/12/2021**	**1.1 - 31/12/2020**
Income from grants	2.377	367	1.938	352
Other similar activities income	563	555	56	40
Income from rentals	898	561	271	271
Commissions- Brokerage	88	433	88	433
Income from previous years unused provisions	-	767	-	759
Income from previous years used provisions	19	1	19	-
Invoiced expenses	103	115	103	115
Revenue from lump sum tax payment	-	-	-	-
Profit from assets disposal	1	-	1	-
Other income	3.707	190	3.174	432
Total	**7.754**	**2.989**	**5.649**	**2.401**

In year 2021, the Group received an amount of € 258 k from the "Refundable Advance Payment" Plan, of which an amount of € 197 k was recognized as non-refundable in the income statement for the year, an amount of € 66 k from the Real Estate Lease subsidy plan and an amount of € 1,856 k from the Fixed Expenditure Grant Plan.

The change in the Group and the Company other income is due to revaluation of management fees for the previous years amounting to € 3.1 million.

	THE GROUP		THE COMPANY	
	1.1 - 31/12/2021	**1.1 - 31/12/2020**	**1.1 - 31/12/2021**	**1.1 - 31/12/2020**
Other expenses				
Loss from write off of unrecorded receipts	6	16	6	16
Provision for bad receivables and legal case compensations	34	0	-	-
Loss from damaged – disposed assets	5	-	-	-
Loss from inventory theft	-	-	-	-
Compensation from legal cases	-	-	-	-
Fines and surcharges	45	82	22	62
Previous year taxes	37	57	26	44
Insurance indemnity	-	-	-	-
Other compensations	-	-	-	-
Other taxes	-	-	-	-
Managing company's compensation	-	-	-	-
Other previous years expenses	44	21	36	20
Previous years foreign exchange translation differences	-	-	-	-
Large property holding tax	-	-	-	-
Other expenses	164	338	11	12
Total other expenses	**334**	**515**	**101**	**154**

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 - 31/12/2021**	**1/1 - 31/12/2020**	**1/1 - 31/12/2021**	**1/1 - 31/12/2020**
- Bank deposits	1	11	1	2

Amounts in thousand Euro, unless otherwise mentioned

- Intracompany interest	-	-	-	165
- Customers interest	-	2	-	0
Financial Income	**1**	**13**	**1**	**167**

	THE GROUP		THE COMPANY	
. **Interest expenses from:**	**1.1 - 31/12/2021**	**1.1 - 31/12/2020**	**1.1 - 31/12/2021**	**1.1 - 31/12/2020**
Employees compensation obligation	1	5	1	5
-Bank loans	4.232	3.797	4.001	3.834
-Finance lease obligations	834	281	2	2
-Other bank expenses & commissions	76	106	65	95
-Balancefrom participations and securities valuation	-	-	-	-
-Letter of Guarantee commissions	30	9	30	9
-Other financial expenses	22	175	-	-
Financial Cost	**5.194**	**4.373**	**4.098**	**3.945**

	THE GROUP		THE COMPANY	
Other financial results	**1/1 - 31/12/2020**	**1/1 - 31/12/2020**	**1/1 - 31/12/2020**	**1/1 - 31/12/2020**
Profit from foreign currency translation differences	76	253	76	253
Loss from foreign currency translation differences	(137)	(184)	(137)	(132)
Other	(4)	97	-	92
Total	**(65)**	**166**	**(61)**	**212**

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	
	01/01-31/12/2021	**01/01-31/12/2020**	**01/01-31/12/2021**	**01/01-31/12/2020**
Current tax expenses	-	16	-	16
Deferred income tax	955	(4.504)	1.636	(3.167)
Total	**955**	**(4.488)**	**1.636**	**(3.151)**

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	**01/01-31/12/2021**	**01/01-31/12/2020**
Earnings before tax	**2.998**	**(20.947)**
Tax rate	22%	24%
Expected tax expense/income under the statutory tax rate	**660**	**(5.027)**

Effect of change in tax rate	492	-
Effect of different tax rates in other countries	(16)	512
-other tax exempted revenue	(43)	-
-other non-taxed revenue	3	2
Settlement of prior period tax & extraordinary contribution	-	16
Non-exempted expenses	(162)	109
Items for which deferred tax is not recognized	25	(181)
Discount recognition under Development Law 1892/90	-	37
Non-recognizable loss for future offsetting	-	264
Recognized impairment loss for prior periods	-	(213)
Other	(2)	(7)
Realized tax expenses, net	**955**	**(4.488)**
Weighted tax rate	31,86%	21,43%

THE COMPANY	**01/01-31/12/2021**	**01/01-31/12/2020**
Earnings before tax	**4.100**	**(15.895)**
Tax rate	22%	24%
Expected tax expense/income under the statutory tax rate	**902**	**(3.815)**
Effect of change in tax rate	681	-
-other tax exempted revenue	(43)	
Settlement of prior period tax & extraordinary contribution		16
Non-exempted expenses	(78)	85
Items for which deferred tax is not recognized	175	526
Discount recognition under Development Law 1892/90		37
Realized tax expenses, net	**1.636**	**(3.151)**
Weighted tax rate	39,90%	19,82%

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:

	GROUP		**COMPANY**	
Amounts in thousands €	**01/01-31/12/2021**	**01/01-31/12/2020**	**01/01-31/12/2021**	**01/01-31/12/2020**
Profit attributable to the shareholders of the parent	2.043	(16.459)	2.464	(12.744)
Weighted average number of shares	21.364	21.364	21.364	21.364
Basic earnings/loss per share (in €)	**0,0956**	**(0,7704)**	**0,1153**	**(0,5965)**

5.24. Transactions with related parties

None of the transactions incorporate special terms and conditions and no guarantee was given or received.

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 2021, the Group's companies haven'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 € 61 k

Amounts in thousands €	**THE GROUP**		**THE COMPANY**	
Sales of services	**01/01 - 31/12/2021**	**01/01 - 31/12/2020**	**01/01 - 31/12/2021**	**01/01 - 31/12/2020**
Subsidiaries/jointly controlled	0	0	85	605
Other related parties	16	57	16	57
Total	**16**	**57**	**101**	**662**
Purchases of services	**01/01 - 31/12/2021**	**01/01 - 31/12/2020**	**01/01 - 31/12/2021**	**01/01 - 31/12/2020**
Subsidiaries/jointly controlled	0	0	0	0
Other related parties	116	246	116	246
Total	**116**	**246**	**116**	**246**
Balance of receivables	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Subsidiaries/jointly controlled	0	0	13	7.264
Other related parties	0	5	0	5
Total	**0**	**5**	**13**	**7.269**
Balance of liabilities	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Subsidiaries/jointly controlled	0	0	0	0
Other related parties	26	2.509	26	2.509
Total	**26**	**2.509**	**26**	**2.509**

Fees of directors and members of management were as follows:

	THE GROUP		**THE COMPANY**	
Amounts in thousands €	**01/01-31/12/2021**	**01/01-31/12/2020**	**01/01-31/12/2021**	**01/01-31/12/2020**
Key executives and BoD members				
Salaries-Fees	930	1.242	475	853
Social insurance cost	43	88	43	88
Bonus	-	210	-	210
Other	-	-	-	-
Total	**973**	**1.540**	**518**	**1.150**

The provision made for compensation of the Group's and Company's staff includes an amount of € 66 k (2020: 73 k) pertaining to executives and BoD members, while in the income statement the recorded amounts are € 9,7 k (2020: 8,8 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 €	01.01-31/12/2021	01.01-31/12/2020	01.01-31/12/2021	01.01-31/12/2020
Employee salaries-Bonus	13.416	9.642	9.247	6.940
Social insurance cost	2.105	1.488	1.429	1.050
Other employee benefits	1.140	763	842	554
Provision for employee compensation	247	339	226	339
Total	**16.907**	**12.232**	**11.744**	**8.883**

The number of employees occupied on daily wages basis and salaried employees is as follows:

	THE GROUP		THE COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Salary employees	631	600	303	292
Daily wages employees	267	268	258	252
Total	**898**	**868**	**561**	**544**

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 2021, this branch employed 161 persons. However, on 31 December 2021, the number of its employees stands at 15 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:

	GROUP		THE COMPANY	
Amounts in thousands €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Operating leases collectable in 1 year	714	617	384	397
Subtotal 1: Short-term operating leases	**714**	**617**	**384**	**397**
Operating leases collectable in 2 to 5 years	2.618	2.841	1.298	1.521
Subtotal 2	**2.618**	**2.841**	**1.298**	**1.521**
Operating leases collectable after 5 years	2.060	1.934	80	229
Subtotal 3	**2.060**	**1.934**	**80**	**229**
Subtotal 4 (=2+3): Long-term operating leases	4.678	4.775	1.378	1.750
TOTAL (=1+4)	**5.392**	**5.392**	**1.762**	**2.147**

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.

Amounts in thousand Euro, unless otherwise mentioned

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 (§ 5.16).

Unaudited tax years

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

Company	Unaudited years
LAMPSA HELLENIC HOTELS S.A.	2018-2021
LUELLA ENTERPRISES LTD	2011 - 2021
TOURISTIKA THERETRA S.A. (BEFORE ABSORPTION)	2014-2018 (10 m)
EKSCELSIOR BELGRADE SOCIALLY OWNED HOTEL & CATERING TOURIST ENTERPRISES	2007 - 2021
BEOGRADSKO MESOVITO PREDUZECE	2011 - 2021
MARKELIA LTD	2011 - 2021
KRIEZOYOU S.A.	2019 (from 5/6/2019) - 2021

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- 2020, 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 2021, 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.

On 31/12/2021 the fiscal years until 31/12/2015 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.

In addition, the audit order on 14/03/2022 was disclosed regarding the former company TOURISTIKA THERETRA SA, which was absorbed by the parent company in 2019, for the fiscal years 2016-2017 for Income Taxes and VAT issues. The above audit is in progress and it is estimated that no substantial additional tax liabilities will arise and no relevant provision has been made.

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

he 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		COMPANY	
Amounts in thousands €	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Liens on land plots and building for provision of loans	125.300	125.300	125.300	125.300
Liens on land plots and building for provision of loan in $	4.500	4.500	4.500	4.500
Guarantees to ensure liabilities and Letters of Credit	1.187	1.187	1.187	1.187
Guarantees to ensure liabilities of the absorbed subsidiary	4.230	4.230	4.230	4.230

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

	2021	2020
Amounts in thousands €		
Nominal amounts	**US$**	**US$**
Financial assets	30	28
Financial liabilities	1.709	1.658
Short-term exposure	**1.679**	**1.630**
Financial assets		
Financial liabilities	-	-
Long-term exposure	**-**	**-**
Total	**1.679**	**1.630**

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 1.99% as at 31 December 2021 in the exchange rate of EUR / USD (2020: 4.88%). 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 €	2021	2020
	US$	US$
Earnings before tax	31	71
Equity	24	54

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 €	2021	2020
	US$	US$
Earnings before tax	(30)	(64)
Equity	(23)	(49)

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 2021, 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% (2020: + / -1%). The changes in interest rates are estimated to be reasonable compared to market conditions.

	31/12/2021		31/12/2020	
Amounts in thousands €	**1,0%**	**-1,0%**	**1,0%**	**-1,0%**
Earnings before tax	(1.354)	1.354	(1.243)	1.243
Equity	(1.056)	1.056	(945)	945
Tax rate	**22%**		**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	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Cash and cash equivalents	25.868	24.215	20.186	20.856
Trade receivables	4.333	5.972	3.045	1.325
Total	**30.202**	**30.187**	**23.231**	**22.181**

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:

GROUP	**31/12/2021**			
Amounts in thousands €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**Over 5 years**
Bank debt	540	5.900	1.216	-
Bond loan	4.400	5.400	45.901	68.579
Finance lease liabilities	100	100	1.122	22.282
Other long-term liabilities	-	-	548	287
Trade liabilities	3.385	-	-	-
Other short-term liabilities	7.317	-	-	-
Total	**15.742**	**11.400**	**48.787**	**91.149**

GROUP	**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	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**

THE COMPANY	**31/12/2021**			
Amounts in thousands €	**Short-term**		**Long-term**	
	within 6 months	**6 to 12 months**	**1 to 5 years**	**Over 5 years**
Bank debt		5.900		
Bond loan	3.800	4.800	40.100	68.579
Finance lease liabilities	14	14	11	
Other long-term liabilities			538	288
Trade liabilities	2.835			
Other short-term liabilities	6.394			
Total	**13.043**	**10.713**	**40.649**	**68.868**

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		

Amounts in thousand Euro, unless otherwise mentioned

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 above contractual maturities reflect the gross cash flows, which may differ from the carrying amounts of liabilities at the balance sheet date.

As at 31/12/2021, the Group had positive working capita of € 1,252, while the Company had negative working capital, as current liabilities exceed current assets by € 2,517 k. It is to be noted that the Company's current liabilities include short-term contractual obligations amounting to € 3,218 k (the Group: €3,482), which relate to prepayments for 2022 bookings and are mainly expected to be settled through rendering services or carried forward. Taking into account the above, the Company's working capital becomes positive by € 701 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 various exogenous factors impact on the financial sizes of the Group for in the next 12 months, there will be sufficient liquidity in order to ensure the Group's ability to continue as a going concern.

6.5. Risks & effects of Covid 19 pandemic - taking measures to address them

The Group may continue to be adversely affected by outbreaks of COVID-19 cases, mutations, inability to cope with the crisis or continued imposition of restrictive measures on travel. The pandemic is expected to change the habits of both corporate and private clients and a decrease in event revenue and food segment is expected.

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

• The Management estimates that the current year, the Group lost revenue of € 33 million and the Company of € 28 million. For 2022, an increase in sizes is expected, but it is estimated to be decreased by approximately 15% 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 25 million through borrowing with the guarantee of the European Development Bank.

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 Group Management, from the beginning of 2020 and throughout 2021 acted immediately to mitigate the effects of the pandemic and took the following actions:

• Expenditure of approximately € 700 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 30/06/2021 and 31.12.2021 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.

• In 2021, the Group received from the "Refundable Advance Payment" Programs an amount of € 258 k, from the Real Estate Leasing subsidy program an amount of € 182 k and from the Fixed Expenditure Grant Program an amount of € 1,856 k.

• 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. The Company has paid for the year 2021, reduced insurance contributions amounting to € 565 k using the State program "Insurance Contribution Subsidy". 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 2021 managed to reduce its payroll costs by approximately € 8.9 m or 45.5% 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. It is estimated that an amount of approximately € 250 k from the above vouchers remain pending on 31.12.2021, with the reservations related to them being postponed for 2022 and subsequent years.

The financial statements of the Parent Company and the subsidiaries have been prepared based on the going concern principle as the Group Management evaluates that with the data so far and its estimates for the effect of various external factors on the financial sizes of the Group for the next 12 months, there will be sufficient liquidity to ensure the Group's smooth operation.

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 2021 and 2020 is analyzed as follows:

	THE GROUP		**THE COMPANY**	
Amounts in thousands €	**2021**	**2020**	**2021**	**2020**
Total equity	89.151	85.044	68.585	64.026
Plus: Subordinated loans				
Less: Cash and cash equivalents	(25.868)	(24.215)	(20.186)	(20.856)
Capital	**63.283**	**60.830**	**48.399**	**43.170**
Total equity	89.151	85.044	68.585	64.026
Plus: Loans	155.540	162.561	123.218	129.572
Total capital	**244.691**	**247.606**	**191.803**	**193.597**
Capital to Total capital	**3/10**	**2/10**	**3/10**	**2/10**

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.

Amounts in thousand Euro, unless otherwise mentioned

8. Post Balance Sheet Date events

On 31/01/2022 the societe anonyme under the title "ZALOKOSTA TOURISTIKI SINGLE MEMBER SPECIAL PURPOSE SOCIETE ANONYME" and distinctive title "SUITES APARTMENTS ZALOKOSTA" was established. The company is a 100% subsidiary of the Lampsa Hellenic Hotels SA. On April 1, 2022, both companies jointly signed a Building Lease Agreement, of total area of 1,854 sq.m. located in Athens, at 7-9 Zalokosta Street, owned by the Electronic National Social Security Agency (e-EFKA) in the context of the application of the award No. 258667 / 08.07.2021 of the Tender Announcement conducted by EFKA for lease of the above property. The contract was signed between e-EFKA on the one hand as a Lessor, on the other hand of the Company ZALOKOSTA SA as a Lessee, and on the other hand of LAMPSA SA as a Guarantor. The lease term is set at thirty (30) consecutive full years, with the right of extension by ten (10) years. The Basic Monthly Rental is set at € 34,500 and the Independent Percent Rental is set at 1.2% of the total annual turnover plus any kind of operating income, provided that the turnover plus any kind of operating income equals or exceeds € 600,000.

Following two years of uncertainty caused by the coronavirus pandemic, the war in Ukraine poses further challenges for the global economy.

In addition to the humanitarian issue which is the most significant in any case, the disruption prevailed internationally since the beginning of 2022 due to the war between Russia and Ukraine, has caused a number of effects on the international economy, mainly at the level of raw material and energy prices.

The Group and the Company do not have significant exposure in the markets of Ukraine and Russia. Moreover, our contacts with the main booking networks (North America and Western Europe), ie travel agencies, local offices of the management company and conference organizers - groups, confirm that there are no reasons for cancellations or restrictions on travel due to war in Ukraine. Therefore, no direct or indirect adverse effects are expected on the projected revenue for the year 2022 for this reason.

In addition to the aforementioned, no other events subsequent to the Financial Statements occurred, which concern either the Group or the Company, to which reference is required by the International Financial Reporting Standards.

Athens, 29 April, 2022

President of the BoD	Chief Executive Officer	Financial Director
CHLOE MARIA LASKARIDI	ANASTASIOS HOMENIDIS	KOSTAS KYRIAKOS
ID No. AM 632086	ID No. AI 506406	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, 2021, 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.

The financial statements of the consolidated unlisted subsidiaries of Lampsa Group are posted on the internet, on www.lampsa.gr.