REDS Real Estate Development & Services Societe Anonyme

ANNUAL FINANCIAL REPORT

for the fiscal year from 1 January to 31 December 2019

in accordance with Article 4 of Law 3556/2007

REDS REAL ESTATE DEVELOPMENT & SERVICES SOCIETE ANONYME
25 ERMOU ST, NEA KIFISSIA - ATHENS 145 64 T.I.N.: 094007180 TAX OFFICE: ATHENS TAX OFFICE FOR COMMERCIAL COMPANIES
SA Reg. No 13564/06/B/86/123 – DOSSIER NO 340340
General Commercial Registry No.: 224701000

Contents of Annual Financial Report

The annual financial statements of the Group and the Company from page 53 up to and including page 106 were approved during the Board of Directors meeting on 7 May 2020.

THE CHAIRMAN OF THE BOARD OF DIRECTORS & CEO	THE MEMBER OF THE BOARD OF DIRECTORS	THE CFO
IOANNIS MORAITIS	THEODOROS XENIDIS	GERASIMOS GEORGOULIS

A. Statements of Members of the Board of Directors

(pursuant to Article 4 par. 2 of Law 3556/2007)

We the members of the Board of Directors of the Company REDS REAL ESTATE DEVELOPMENT & SERVICES SOCIETE ANONYME, trading as REDS SA (hereinafter the Company), with registered offices in Kifissia, Attica, at 25 Ermou St:

1. Ioannis Moraitis, son of Michael, resident of Kifissia, at 25 Ermou St. CEO & member of the Board of Directors,

2. Theodoros Xenidis, son of Konstantinos, resident of Kifissia, Attica, at 25 Ermou St, Member of the Board of Directors;

3. Gerasimos Georgoulis, son of Ioannis, resident of Petroupoli, at 108 Bouboulinas St, Financial Services Manager

acting in our capacities as above, hereby declare that, to the best of our knowledge:

(a) the annual financial statements of the Company and the Group for fiscal year 01.01-31.12.2019, which have been prepared in accordance with the applicable international accounting standards, fairly represent the assets and liabilities, the equity and the income statement of the Company, as well as of the companies included in the consolidation taken as a whole, pursuant to the provisions of Article 4 of Law 3556/2007, and

(b) the annual report of the Company's Board of Directors accurately reflects the information required under paragraph 2 of Article 4 of Law 3556/2007.

Kifissia, 7 May 2020

THE CHAIRMAN OF THE BoD & CEO	THE MEMBER OF THE BOARD OF DIRECTORS	THE CFO
IOANNIS MORAITIS	THEODOROS XENIDIS	GERASIMOS GEORGOULIS
ID Card No AE574340	ID Card No AZ 047731	OEE OEE licence No 1981

B1. Annual Report of the Board of Directors

On the consolidated and separate financial statements for the fiscal year from 1 January to 31 December 2019

Dear Shareholders,

In accordance with the provisions of Law 3556/2007, Codified Law 2190/1920, Law 4548/2018 and the relevant decisions of the Capital Market Commission, we present the Annual Report of the Board of Directors of the company “REDS SA”, which accompanies the corporate and consolidated financial statements for fiscal year 2019

This annual Report provides summary financial information about the financial standing and operations of the Company REDS SA and the REDS Group of Companies, a description of significant events which took place during this financial year, and the effect that such events had on the annual financial statements, a description of the most important risks and uncertainties for 2019, a presentation of major transactions effected between the Company and Group and related persons, as well as a presentation of qualitative information and estimates with regard to the overview of Company and Group operations during 2019.

The companies included in the consolidation, except for parent company REDS SA, are those mentioned in note 10 of the attached financial statements.

1. Development of activities and significant events

In 2019 the outlook for the Greek economy and real estate market was evaluated as the best over the past few years, recording a steady improvement since 2017. Positive reinforcement measures were taken for the real estate market, with tax incentives, such as decrease of the Single Property Tax (ENFIA) on average by 22%, with a view to a further decrease, and suspension of VAT for real estate. However, the development of the real estate market calls for a substantial improvement of the economic climate, with a view to the fulfillment and activation of the investment interest, which is still below expectations.

The most significant events and developments for the Group and the Company this past year were:

The segment's main activity for the closing fiscal year too was the operation of the Commercial Park “Smart Park”, in Yialou, Spata, Attica. The construction of the 2nd Phase of the Commercial Park, with an area of approximately 15,200 sq.m., was completed on schedule. The commercial operation of the new development started in November 2019, having achieved a lease of a total area of approximately 11,000 sq.m., i.e. 80% of its total leased area.

The Company continues its contacts with potential lessees to lease the remaining 20% of the new buildings. For the financing needs of the new expansion, the subsidiary company and owner of "Smart Park" YIALOU COMMERCIAL & TOURIST SA has agreed on the basic terms of issue of a new common bond loan with bondholders being the National Bank of Greece and Piraeus Bank by an amount of up to € 41.5 million (€ 36.5 million + € 5 million VAT loan), which includes the refinancing of the existing loan amounting to € 15.3 million. It is estimated that the new common bond loan will be signed soon.

The yield of the shopping mall is closely monitored by the Management by use of indicators, the most important of them being the visit and shop sales statistics. In the fiscal year 2019, visits to the shopping mall were increased by approximately 9% compared to 2018. The shop sales indicator was also improved, recording an increase by approximately 13%; this indicator also includes the shops of the new development.

As regards the “Cambas Park” property in Kantza, Pallini, Attica, on 15 October 2019, the Ministry of the Environment and Energy issued an announcement on the adoption of a decision by the Central Council for Urban Planning Matters and Disputes regarding the Approval of an Urban Planning Design on the Area for Integrated Deployment of Production Activities in the tertiary sector in Kantza, Pallini, by validating the designation of stream limits. The decision establishes the framework of urban planning development in the area and marks the end of the urban planning study approval procedures. The draft Presidential Decree is expected to be sent to the Council of State for review, approval and publication in the Government Gazette, which will pave the way for issuing building permits and proceeding with the implementation of the “Cambas Park”.

Potential impact of Covid-19

Revenues from the exploitation of the Commercial Park “Smart Park” constitute the main income of the Group. The loss of income from suspension of operation of the Shopping Centres until 27/04/2020, and the full impact on the financial results cannot be accurately assessed at the moment, since the crisis is in full swing. By way of indication, it should be noted that the income decrease due to the decrease of the minimum guaranteed professional lease rents by 60% (Act of Legislative Content dated 20.03.2020-Government Gazette, Series I, No 68) on a monthly basis amounts to about € 0.2 million, with a relevant impact on profit before taxes and depreciation (EBITDA). The cash and cash equivalents are sufficient to cover the current liabilities.

The Group reviews the resulting figures, considering that reliable assessments and results will be presented in the Interim Financial Statements for the year.

In the context of proper operation of the Group, precautionary measures have been taken and continue to apply for the safety of employees, which at this stage is a top priority, with implementation of systems for remote working (teleworking) as well as additional plans for personnel performing operations critical to business continuity, in order to ensure the continued smooth operation of the Group.

2. Overview of Financial Results for 2019

As presented in accordance with the International Financial Reporting Standards, the basic financial figures for the Group and the Company during the period from 01/01/2019 to 31/12/2019 are as follows:

The Group showed revenues of € 6.9 million in 2019, compared to revenues of € 6.6 million for the fiscal year 2018. Earnings before interest, depreciation and taxes (EBITDA) amounted to € 3.0 million, compared to € 5.6 million in 2018. Earnings before interest and taxes (EBIT) dropped to € 1.6 million, compared to € 4.2 million in 2018, and pre-tax profits were € 0.4 million versus profit of € 2.7 million for fiscal year 2018. However, it should be noted that the results of the previous fiscal year included the amount of € 2.8 million due to the reversal of impairment of the value of the property of its subsidiary YIALOU COMMERCIAL & TOURIST SA ("Smart Park").

Group revenues correspond to its operations in Greece, and particularly the lease of property owned by the supply YIALOU COMMERCIAL & TOURIST SA for € 6.8 million and for € 0.05 million by the parent company REDS SA from provision of services.

The key financial figures for 2019 for the Company and its subsidiaries, as well as changes compared to the previous year are presented below:

- The turnover for the parent company REDS SA stood at €0.05 million for the year 2019, compared to €0.9 million for the year 2018. The Company showed losses after taxes of € 1.6 million, compared to losses after taxes of € 1.9 million in 2018. In the closed year the company made an impairment of € 0.5 million on its holdings in the two companies seated in Romania, an amount similar to the impairment amount for fiscal year 2018.

- In 2019 the company YIALOU COMMERCIAL AND TOURIST SA proceeded to the construction of Phase B of the Commercial Park, with the expansion thereof by approximately 15,200 m^2, the commercial operation of which began in November 2019, having achieved the lease of 80% of the lease surface in the new building. Revenues from the leases for the closed year stood at € 6.8 million, compared to € 6.3 for fiscal year 2018. EBITDA amounted to € 4.2 million compared to € 7.0 million in the year 2018, earnings before interest and taxes (EBIT) for the year increased to € 2.8 million, compared to € 5.8 million in the year 2018, while the profits after taxes stood at € 1.4 million, compared to € 3.5 million in 2018. It should be taken into account that the results of the previous fiscal year were improved by € 2.8 million due to the reversal of impairment of the value of its property at the "Smart Park".

- For the year ended, KANTZA COMMERCIAL SA showed losses after taxes of approximately € 0.4 million, compared to losses of € 0.2 million in 2018.

- The subsidiaries CLH ESTATE SRL and PROFIT CONSTRUCT SRL, based in Romania, showed total losses after taxes of approximately € 0.1 million for the year ended, compared to € 0.4 million for 2018. In the previous year, the companies had written off a VAT receivable in the total amount of € 0.3 million.

The following tables summarise changes in the key figures of the separate and consolidated financial statements of the Company.

amounts in €	GROUP		
	1/1-31/12/2019	1/1-31/12/2018	Change
Turnover	6,872,493	6,551,760	4.9%
EBITDA (*)	3,039,333	5,580,625	(45.5%)
EBITDA before impairments	3,039,333	2,773,625	9.6%
Operating results (EBIT)	1,566,302	4,249,579	(63.1%)
Profits /(losses) before taxes	360,599	2,721,551	(86.8%)
Profit /(losses) after taxes	(59,949)	1,544,328	(103.9%)

amounts in €	COMPANY		
	1/1-31/12/2019	1/1-31/12/2018	Change
Turnover	50,000	945,000	(94.7%)
EBITDA (*)	(1,307,982)	(1,448,373)	-9.7%
EBITDA before impairments	(747,982)	(948,373)	(21.1%)
Operating results (EBIT) (*)	(1,347,223)	(1,463,949)	(8%)
Profits /(losses) before taxes (*)	(1,575,438)	(1,928,178)	(18.3%)
Profit /(loss) after taxes (*)	(1,575,328)	(1,923,461)	(18.1%)

(*) 2019 includes total impairment of approximately € 0.5 million in holdings, for Romanian subsidiaries.

Alternative Performance Measures (APMs)

The Group uses Alternative Performance Measures in its decision-making processes relating to the assessment of its performance; such APMs are widely used in the segments in which it operates. The main financial structure indicators for the Group, as well as the calculation thereof are detailed follows:

Efficiency ratios

Total consolidated operating results (EBITDA) before impairments: Consolidated operating results (EBITDA) of the Group arising from the proportional consolidation method without inclusion of gains or losses arising from the revaluation of real estate and losses from impairment of other asset items.

	31-Dec-19	31-Dec-18	Explanation
Group EBITDA ratio	44.22%	42.33%	EBITDA before impairments /Turnover

Net Asset Value: The Group's equity is adjusted for against deferred tax liabilities and receivables.

	31-Dec-19	31-Dec-18
Net asset value of the Group	95,058,373	95,041,040
Change	0.02%	

Return on Assets (ROA) ratio: Profit after taxes against the Group's total assets.

	31-Dec-19	31-Dec-18	Explanation
Return on Assets for the Group	(0.04%)	1.24%	Earnings after taxes /Total Assets

Return on Equity (ROE) ratio: Earnings before taxes to equity of the Group.

	31-Dec-19	31-Dec-18	Explanation
Return on Equity of the Group	(0.06%)	1.64%	Earnings after taxes /Equity

Liquidity Indicators

Gearing Ratio: The quotient of net debt (i.e. long and short-term bank borrowings less cash and cash equivalents and restricted cash) to total capital (i.e. total equity plus net debt).

The Group's net borrowings as of 31.12.2019 are detailed in the following table:

	GROUP	
	31-Dec-19	**31-Dec-18**
Short-term bank borrowings	18,777,344	3,163,176
Long-term bank borrowings	16,807,777	20,395,934
Total borrowings	35,585,121	23,559,111
Less: Cash and cash equivalents /Committed deposits	8,519,121	6,402,845
Net Borrowing	**27,066,000**	**17,156,266**
Total Equity	**93,836,873**	**93,960,501**
Total Capital	**120,902,873**	**111,116,767**
Gearing Ratio	**22.4%**	**15.4%**

The bank borrowing of the Group in the current year increased by approximately € 12 million, and mainly pertains to the financing needs for the expansion of the Commercial Park "Smart Park". The financial ratio of capital gearing (net debt/total capital) amounted to 22.4% in 2019 and to 15.4% in 2018.

Net borrowing/investment portfolio value (NET LTV): (Borrowings less cash and cash equivalents) against (Investments in real estate and tangible assets, investments in consortiums and related company investments and inventories).

	CONSOLIDATED DATA	
	31-Dec-19	**31-Dec-18**
Total borrowings	35,585,121	23,559,111
Less: Financial instruments at fair value	1,166,612	807,012
Less: Cash and cash equivalents /Committed deposits	8,519,121	6,402,844
Net Borrowing	**25,899,388**	**16,349,254**
Investments in real estate/ property, plant and equipment/ investments in joint ventures plus inventories	**126,078,973**	**115,646,211**
Total Capital	**151,978,360**	**131,995,465**
Gearing Ratio	**17.0%**	**12.4%**

The financial ratio net debt/investment portfolio value amounted to 17.0% for 2019 and to 12.4% for the fiscal year 2018.

3. Risks and uncertainties

The Group is exposed to various risks, such as market risk, liquidity risk, while its exposure to currency risk and interest rate risk is much lower. The following is a summary of the risks associated with receivables, cash and cash equivalents and liabilities of the Group, as well as those related to current financial circumstances and the Company's activities in Greece and Romania.

Special reference to the impact of Covid-19

The outbreak of the Covid-19 and the threat it poses to public health, has affected and continues to affect the conditions and status quo prevailing in the real estate market. The government-imposed suspension of operations for shopping malls and centres, as well as other government budgetary decisions to mitigate the effects of the economic activity restriction measures and the measures adopted to mitigate the consequences and to ensure the functioning of the economy, such as the reduction of commercial lease rents (Act of Legislative Content 20.03.2020, Government Gazette, Series I, No 68), affect planning, increasing liquidity risk. Given that the crisis is in full swing, the exact effects on the Group's operation cannot be estimated in quantitative terms at present. However, if the crisis persists, the Management will need to reconsider its cashflow approach in order to minimise negative consequences.

Market Risk

The Group is exposed to the risk of changes in real estate prices and for this reason it moves according to strict evaluation criteria, focusing its activity on prime commercial areas or low risk areas, always in relation to the conditions prevailing in the real estate market, and considers that values can reasonably be expected to gradually improve. The Group's policy with regard to real estate investments is to value them at historical cost rather than at fair value. However, given prevailing conditions and in light of the impact of the economic situation due to the spread of the coronavirus, these are likely to have an impact on the commercial values of real estate in the near future.

Credit risk

The Group is exposed to risk in relation to its receivables from rents under operating lease agreements. The Group ensures that this risk is minimised by making agreements which protect (for so long as the conditions allow it) the owner and by selecting customers with satisfactory credit ratings. Results will be substantially affected if clients are unable to meet their obligations because of restrictions on their economic activity due to the current situation.

Liquidity risk

Liquidity risk relates to the Company's and the Group's potential inability to perform their financial obligations when due. The Management ensures the Group's smooth operation by prudently managing cash, carefully selecting investments and continuously monitoring liquidity.

Foreign exchange risk

The Group, having acquired property in Romania via its subsidiaries, is exposed to foreign exchange risk under its investments abroad, since prices are denominated in local currencies. The Group's exposure to such risk remains low, given that these investments represent approximately 8.3% of total investments and its activities here do not involve substantial commercial transactions.

Interest rate risk

The Group has entered into an interest-rate hedging agreement with regard to the long-term loan taken out by its subsidiary YIALOU COMMERCIAL & TOURIST SA, and is proceeding as far as possible with a review of the loan terms for the medium and long term in order to ensure achievement of satisfactory spreads.

4. Outlook

The following activities form part of the business plan:

- **The Smart Park Shopping Centre on the property at Gialos, in Spata Attica**. The Company will continue its efforts to lease out the full floor area available for exploitation in the shopping centre, which amounts to a total of approximately 53,000 m^2.

- **Commercial, Business & Cultural Park on the property at Kantza, in Pallini Attica.** Following the approval of the Urban Planning Study on the Area for Integrated Deployment of Production Activities by the Ministry of the Environment and Energy, it is expected that the relevant presidential decree to begin the development of
"Cambas Park" will be issued in 2020.

- **Villa Cambas & residential complex containing 17 residential properties at Kantza, in Pallini Attica.** The Company has obtained issue of permits for the renovation of the listed building and construction of the residential complex, with 17 houses, and is looking for a prospective investor when the houses are put on the market in the next phase. Villa Cambas, based the memorandum signed with the Municipality of Pallini, is to be renovated and given back to it 25 years after the opening of the Cambas Park.

- **Plot - Building of offices in Akadimia Platonos, Athens.** Due to the long-term attachment lien on this property, the Company has filed lawsuits against the Greek State in the civil courts for financial compensation and appealed to the Council of State against the competent authorities with regard to completion of the compulsory expropriation procedure. The process is ongoing.

- **Plot of land - Mixed-use building complex in the Splaiul Unirii area of Bucharest.** After issuance of the street plan for the mixed-use building complex, with improved construction terms, the Company is in search for a co-investor or buyer. The legal claim for compensation due to unjustified urban planning delays by the Municipality of Bucharest was rejected by the court.

- **Plot of land - Mixed-use building complex in the Straoulesti-Baneasa area, Bucharest.** The Company is in search for a co-investor or buyer for the property it owns in a residential complex of 72 flats in the lakeside district of the Baneasa Lake.

5. Significant transactions between related parties

The most significant transactions of the Company with related parties in terms of IAS 24 concern the Company's transactions with the following subsidiaries (affiliates within the meaning of Law 4308/2014), as shown in the following table, and transactions with Company and Group executives:

Amounts for year ended 2019

Intercompany transactions – amounts in €					
Company	Sales of goods & services	Income from participating interests	Purchases of goods and services	Receivables	Liabilities
Parent					
ELLAKTOR SA	100,000	-	32,634	-	82,424
Subsidiaries					
YIALOU COMMERCIAL & TOURIST SA	198,668	-	88,954	15,740	2,237,215
KANTZA COMMERCIAL SA	-	-	-	627,813	
P.M.S PARKING SYSTEMS SA	-	-	-	13,973	
Other related parties					
AKTOR SA	26,800	-	1,410	-	310,463
DIETHNIS ALKI SA	50,000	-		-	-
OTHER RELATED PARTIES	58,700	-	11,302	141,199	16,253
TOTAL SUBSIDIARIES	198,668	-	88,954	657,526	2,237,215
TOTAL RELATED PARTIES	135,500	-	12,712	141,199	326,716

Amounts for year ended 2018

Intercompany transactions – amounts in €					
Company	Sales of goods & services	Income from participating interests	Purchases of goods & services	Receivables	Liabilities
Parent					
ELLAKTOR SA	49,920	-	20,397	-	49,057
Subsidiaries					
YIALOU COMMERCIAL & TOURIST SA	891,255	-	48,667	264,963	958,262
KANTZA COMMERCIAL SA	-	-	-	627,813	
P.M.S PARKING SYSTEMS SA	-	-	-	13,973	
Other related parties					
AKTOR SA	8,400	-	15	-	341,946
DIETHNIS ALKI SA	35,000	-		25,405	-
OTHER RELATED PARTIES	-	-	34,866	68,411	134,323
TOTAL SUBSIDIARIES	891,255	-	48,667	906,749	958,262
TOTAL RELATED PARTIES	43,400	-	34,881	93,816	476,270

With regard to the above transactions, the following points are clarified:

The purchases of goods and services mainly concern leasing of real estate and invoicing of expenses of the Parent Company ELLAKTOR SA to REDS SA. The sales of REDS SA to the subsidiary YIALOU COMMERCIAL & TOURIST SA concern the invoicing of expenses and personnel wages and salaries arising from their involvement with leases in the “Smart Park” Shopping Centre.

The Company's liabilities relate to the lease agreement with the parent company ELLAKTOR SA, a contract with AKTOR SA, and primarily to an intercompany loan of € 1.9 million plus accrued interest with the subsidiary YIALOU COMMERCIAL & TOURIST SA, while receivables mostly concern outstanding balances arising from the provision of services of the parent company to other subsidiaries and related companies.

In addition:

- Group directors' and managers' fees during the period 01.01.-31.12.2019 stood at € 320 thousand.
- No loans have been granted to members of the Board of Directors or other executives of the Group (or to their families).
- Modifications in the transactions between the Company and its related parties, which could have an essential impact on the financial position and the performance of the Company, did not take place during the fiscal period of 01.01-31.12.2019.
- All transactions mentioned are arms' length transactions.

6. Environmental matters

- The highest environmental standards are applied in our activities and projects with regard to the conservation and protection of natural resources and biodiversity, energy consumption, waste management, etc.
- Our aim is to minimise any negative impact arising from our activities on the environment. In this context, we follow the principles of prevention in environmental challenges and give priority to the development of Environmental Management Systems, applying internationally-recognised environmental standards.
- We are committed to full compliance with all environmental legislation, including obtaining and maintaining all permits and approvals required in the course of our business activity.
- Targeted improvement of environmental indicators and the targeted reduction of carbon dioxide (CO_2) emissions from activities and projects underline our long-term commitment to combatting climate change, sustainable development, and corporate responsibility in the broadest sense.
- We are committed to operating responsibly and with absolute respect for the environment and the community. Proper environmental management of our projects is one of the most important goals and it is deemed absolutely essential to the sustainability of our Group's activities.

7. Labour matters

i. Equal opportunities policy

We cultivate a corporate environment characterised by principles of equality and respect for individual rights as well as respect for diversity, visible or otherwise, on the basis of age, gender orientation, nationality and physical abilities, or on culture, religion, marital status, personal experience and views, indicatively but not limited to the abovementioned.

ii. Evaluation

We provide career development opportunities according to the performance, capabilities and skills of each employee. We evaluate the performance of our employees in order to provide them with appropriate guidance and to help them cultivate their professional skills.

iii. Health and Safety

Health and safety rules in the workplace are essential to the protection of human life. Due care and attention to health and safety matters for all our personnel is a key part of our broader business policy and philosophy. We monitor and review respective risks and take all necessary preventive measures against accidents and occupational diseases in the workplace and on construction sites. Certified health and safety management systems apply for all Group companies, with a view to making sure that all occupational health and safety issues are dealt with in a comprehensive manner. We have safety technicians and work physicians at all workplaces, first-aid vehicles for transportation of patients or injured persons, and collaborate with hospitals at the regions where there are activities and, primarily, work sites.

8. Significant events after 31.12.2019

The first half of 2020 is affected by the spread of the pandemic Covid-19 and the restrictive measures (lock-down) imposed by individual governments. The Group's primary concern is to protect the health of workers, to limit the spread of the virus and minimise the inevitable impact on the financial performance of the Group. Given the great uncertainty concerning the development of the crisis, and following the decision on a 40% discount off the rents for March and April for the shops that closed down pursuant to a government decision, the full extent of the financial cost will be uncertain for some period of time. The fear of contamination will reduce consumer and business activity, having a negative impact on economy. The longer it takes for households and businesses to get back to normal, the greater the financial impact. The Company and the Group have adjusted their manner of operation in order to normally continue their activities, in order to ensure an immediate and smooth restart, following withdrawal of the measures imposed.

This Annual Report of the Board of Directors for the fiscal year 01.01-31.12.2019 has been posted on the Internet, at https://www.reds.gr.

B2. Explanatory report of the Board of Directors of REDS SA for fiscal year 2019, in accordance with Article 4 par. 7 of Law 3556/2007, as in force.

1 [a]. Share capital structure.

The Company's share capital amounts to EUR 75,239,698.04, divided into 57,434,884 shares at a nominal value of EUR 1.31 each. All shares are ordinary, registered, voting shares, listed for trading on the Athens Exchange, and specifically in the Small-Mid Cap class.

1 [b]. There are no limitations in the Articles of Association regarding transferring company shares, except those provided by Law.

1 [c]. Significant direct or indirect holdings as of 31.12.2019 within the meaning of Law 3556/2007, as in force on **31.12.2019**, based on a shareholder notification:

s/n	SHAREHOLDER	PERCENTAGE HOLDING
1.	ELLAKTOR SA	55.40%
2.	CHRISTOS P. PANAGIOTOPOULOS	10.21%
3.	DIAMANTIS DIAMANTIDIS [1]	7.14%

(1) Indirect participation (via the company DIAMANCO HOLDINGS Ltd, which is controlled by Mr. Diamantis Diamantidis).

1 [d]. There are no holders of shares, pursuant to provisions in the Articles of Association, granting special control rights.

1 [e]. There are no limitations in the Articles of Association regarding voting rights and the deadlines to exercise the right to vote, except those provided by Law.

1 [f]. There are no agreements between shareholders, with associated limitations in the transfer of shares or limitations in exercising voting rights that the Company is aware of.

1 [g]. There are no regulations on the appointment and replacement of the members of the Board of Directors and on the amendment of the Articles of Association, which are differentiated from the ones stipulated in Law 4548/2018.

1 [h]. The Board of Directors or certain members of the Board of Directors are not authorised to issue new shares or purchase treasury shares, save for what is provided for by Law.

1 [i]. There are no significant agreements that have been signed by the Company, which come into force or are amended or are terminated as a result of the change in the Company's control, following a takeover bid.

1 [j]. There are no agreements between the Company and members of its Board of Directors or its personnel, which provide for the payment of compensation in the event of resignation or termination of employment without reasonable grounds, or termination of term of office, or employment due to a takeover bid, except as provided by Law.

B3. Corporate Governance Statement

(Codified Law 2190/1920, Article 43bb & Law 4548/2018, Article 152)

General

This Corporate Governance Statement refers to a set of principles and practices that the Company adopts in order to secure its organisation and control such that its performance and the interests of its shareholders are ensured, and the legitimate interests of all stakeholders are safeguarded.

This Corporate Governance Statement constitutes a special section of the Annual Report of the Board of Directors, in accordance with the provisions of Article 152 of the applicable law 4548/2018.

In Greece, Codified Law 2190/1920 pertaining to societe anonyme companies and providing the basic rules of their governance, was duly replaced by Law 4548/2018, and the Company has amended its Articles of Association in compliance therewith by virtue of the decision of the General Meeting of its Shareholders dated 11/07/2019.

a) Corporate Governance Code

The Company applies corporate governance principles, as these are set out in the respective legislative framework (Law 3016/2002 on corporate governance, Law 4449/2017, Article 44, and Law 4548/2018, Article 152, as currently in force). These principles of corporate governance have been incorporated into the Company's Corporate Governance Code (which is based on the Hellenic Federation of Enterprises (SEV) Corporate Governance Code, January 2011), which is posted on the Company's website https://www.reds.gr/

b) Corporate governance practices implemented by the company in addition to the provisions of Law.

The Company REDS SA has not adopted any corporate governance practices in addition to the provisions of the relevant legislation during fiscal year 2019.

It should be noted that the Ellaktor Group, apart from its Regulatory Compliance & Sustainable Development Committee, in addition to the implementation of the Code of Conduct and the Ethics and Regulatory Compliance Programme, has also adopted new Policies, namely the Anticorruption Policy, which was approved by ELLAKTOR SA in the meeting of 28.01.2020 of its Board of Directors, which aims at strengthening the commitment of the Management of the Group to zero tolerance for bribery and corruption, creating a framework of obligations and guidelines for use as a tool for the prevention, deterrence and combatting of corruption. It has also introduced the Management of Reports and Complaints Policy, which was approved at the Board of Directors' meeting of ELLAKTOR SA of 18.11.2019 and revised at the respective Board meeting of 28.01.2020, the purpose of which is to define the principles and operating framework by the Group receives, processes and investigates reports and complaints, anonymous or otherwise, of irregularities, omissions or other criminal acts that have come to the attention of staff, customers or suppliers, or other third parties. Both of the above policies were approved by the Boards of Directors of REDS SA and its subsidiaries, at their respective Board of Directors' meetings held on 10.03.2020.

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It should also be noted that the Coordinating Committee of the Company REDS, which was established by virtue of decision of the Company's Board of Directors dated 30 November 2018, is still operating. Its basic responsibilities include informing about the progress of implementation of the decisions of the Company's Board of Directors, coordinating issues pertaining to needs and procurement of corporate funding, issues of cooperation between the individual departments of the Company, examining proposals, and delivering opinions on issues of strategic development, risk assessment and management, organisational structure, operation optimisation, performance measurement, policies and procedures of the Company, and proposing the items to be entered in the agenda of the Coordinating Committee of the ELLAKTOR Group.

c) Description of the main features of the Company's Internal Audit and Risk Management Systems in relation to the financial statement preparation process.

The Company's Board of Directors places particular emphasis on internal control and risk management systems for which it is responsible, aiming at establishing and managing systems which optimise risk management efficiency. The Board of Directors is also responsible for identifying, assessing, measuring and generally managing risks, including those related to the reliability of financial statements.

The adequacy of Internal Audit systems is monitored by the Audit Committee, which keeps the Board of Directors up-to-date through quarterly reports on the current internal audit framework and through reports from the internal audit department relating to serious audit issues or incidents which might have significant financial and business implications.

The Internal Auditor of the Company, supported by the Group's Internal Audit Department, monitors and controls the proper implementation of every internal audit procedure and system, whether accounting in nature or otherwise, and evaluates Company performance by overseeing its activities, thus providing an important service to Management.

Internal Control Systems (detailed reference is made in the Audit Committee section) are intended to ensure the completeness and reliability of the data and information required to determine the Company's financial position and the production of reliable financial statements accurately and in a timely manner.

This procedure covers control of the Company's operations, its compliance with the requirements of the supervisory authorities, risk management and the preparation of financial reports.

The main features of the risk management system applied by the Company in relation to the process of preparing the financial statements and the Financial Report are:

- adequate knowledge, qualifications and availability of executive staff involved, with clearly separated roles and areas of responsibility;
- regular review of accounting principles and policies;
- existence of safeguards related to the security of the information systems used;
- regular communication between independent statutory auditors, the management and the Audit Committee;
- regular meetings to validate and record significant estimates affecting the financial statements;
- annual evaluation of the internal audit and risk management system, carried out for the issuance of the financial statements by the Board of Directors upon recommendation of the Audit Committee.

These risk management systems cover all the undertakings included in the consolidation.

The security, integrity and accuracy of the financial data is ensured with the assistance of IT systems, managed by a specially-trained IT Management Team of the Group (IT General Controls).

In addition, appropriate policies and procedures related to IT system security and protection are applied throughout the Company, including, among others, the following:

- Backup (daily-weekly-monthly-yearly)
- Restoration procedure
- Server room security
- Event log
- Frequent and mandatory change of password
- Antivirus Security
- E-mail Security
- Firewall
- Intrusion Prevention System (IPS)
- Wired-wifi access control system (Identity Services Engine)
- Annual Penetration – Vulnerabilities Tests policy
- Cyber security

(d) The information required under Article 10(1) items (c), (d), (f), (h), and (i) of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004, is stated in the **Explanatory Report** included in the Annual Report of the Board of Directors for the fiscal year from 01.01.2019 to 31.12.2019.

e) Composition and functioning of the administrative, management and supervisory bodies and their committees

i. Proceedings of the General Meeting of Shareholders and powers – Shareholder rights

The General Meeting of Shareholders is the Company's supreme decision-making body and may decide on all significant corporate affairs, in accordance with Law and the Company's Articles of Association. The Annual Ordinary General Meeting of Shareholders is held once a year, within the deadline determined by law in order, inter alia, to approve the annual financial statements of the Company, decide on the possible distribution of profits, to approve the overall management of the Company by the members of the Board of Directors, and to discharge the Company's auditors from any liability.

Decision-making takes place by voting, in order to ensure the free expression of all shareholders' views, whether they are present at the meeting in person or voting via proxy. The Company uses effective and cost-efficient voting methods for shareholders or their representatives.

A summary of the General Meeting minutes, including voting results on each decision of the General Meeting, must be available on the Company's website within five (5) days from the date of the General Meeting of shareholders.

At least the Chairman of the Company's BoD, the CEO or the General Manager, as the case may be, and the Chairmen of the BoD committees, as well as the Internal and Ordinary Auditors, must be present at the General Meeting of shareholders in order to provide information on issues of their responsibility for discussion, and on questions or clarifications requested by shareholders. The Chairman of the General Meeting must allow sufficient time for shareholders to ask questions.

The rights of shareholders are set out in the Company's Articles of Association and in Law 4548/2018, as currently in force.

As its shares are listed on the Athens Stock Exchange Market, the Company is required to publish notices in compliance with Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse, Greek Laws 4443/2016 and 3556/2007 concerning related matters, the decisions of the Capital Market Committee and the Athens Stock Exchange Regulation. The publication of this information is carried out in a way that ensures the rapid and equitable access to it by the investing public.

All relevant publications / communications are available on the Athens Stock Exchange website and the Company's website.

The Shareholders, Investor Relations and Corporate Announcements Division is responsible for the monitoring and management of the Company's relations with its shareholders and the investing public and ensures, among other things, the valid and equitable provision of information to investors and financial analysts in Greece and abroad.

ii. Composition and functioning of the Board of Directors of the Company

The Company's Board of Directors, whose members are elected by the General Meeting, will exercise the general administration and management of corporate affairs, to the best interests of the Company and its shareholders. Being the Company's supreme administrative body, it lays down its strategy and supervises and controls the management of its assets.

The Board of Directors will determine which of its members will be executive and non-executive. The number of non-executive members may not be less than 1/3 of all directors. Some (at least two) of the Non-Executive Directors must be independent. The Independent Non-Executive Directors are designated by the General Meeting and meet the independence requirements laid down by Law 3016/2002 and the Corporate Governance Code of the Company.

The roles of the Directors are set out and clearly documented in the Company's Articles of Association, the Corporate Governance Code, and other official documents. Executive members will see to daily management issues, while non-executive members will undertake to put forward all corporate affairs.

Independent non-executive members will provide the Board of Directors with impartial opinions and advice on decision-making, to the Company's interests and the protection of its shareholders.

The separate powers of the Chairman of the Board and of the Company's CEO are expressly determined by the Board of Directors and laid down in writing in the Company's Corporate Governance Code.

The Board of Directors will meet whenever needed or so imposed by the provisions governing the Company's operations, as set out in its Articles of Association and the applicable legislation. The Chairman of the Board determines the items on the agenda and invites the Directors to a meeting.

In case of absence or impediment, the Chairman will be replaced, in the following order, by the Vice-Chairman or, in case of absence of impediment of the latter, by the Managing Director; in case of absence or impediment of the Managing Director, the Board of Directors will designate a member to act as his replacement. Replacement as per the above relates solely to exercising the powers of the Chairman of the Board in that capacity.

The present Board of Directors was elected by the General Meeting of Shareholders of the Company on 11 July 2019, was constituted as a body at its meeting held on the same date to serve a five-year term of office from the date of election thereof to the date on which a new Board of Directors is elected by the Annual General Meeting to be held in the year of expiry of its term, which may not be prolonged for more than six (6) years. The Board consists of the following members:

s/n	Name	Title
1.	Ioannis Moraitis	Chairman & CEO Executive Member
2	Gerasimos Georgoulis	Vice-Chairman, Non-Executive Member
3.	Christos Panagiotopoulos	Director, Non-Executive Member
4.	Theodoros Xenidis	Director, Non-Executive Member
5.	Antonios Chatziioannou	Director, Non-Executive Member
6.	Panagiotis Sofiadis	Independent Non-Executive Member
7.	Theodoros Pantalakis	Independent Non-Executive Member

All members of the Board of Directors hold degrees from Greek and/or foreign universities and some of them also hold postgraduate and/or doctoral degrees in various disciplines.

The CVs of the members of the Board of Directors are available on the Company's website https://www.reds.gr

The Board of Directors, in order to expedite the handling of corporate affairs and in accordance with the Company's Articles of Association, reserves the right to designate, by virtue of a special decision which specifies the extent of the relevant authorisation, members of the Board of Directors or company employees or third parties to act as special representatives of the Company to carry out specific actions at any given time.

The Company evaluates the way the Board of Directors exercises its responsibilities and functions, in line with the Corporate Governance Code. The evaluation process, mainly based on a general principle of regular self-evaluation, includes identifying strengths and weaknesses in order to improve the efficiency of the Board.

Apart from the above, the Board of Directors of the Company, through its Management Report, which is approved by the Ordinary General Meeting of Shareholders, monitors and reviews the implementation of its decisions annually.

The Board of Directors of the Company usually meets about twice a month.

The current Board of Directors has met five (5) times between 11.07.2019 when it was constituted and 31.12.2019.

A respective list of meetings of the current Board of Directors indicating the respective attendance of its Members is shown below:

Period 11.07.2019 - 31.12.2019	**Meetings (5), Attendance (100%)**
Ioannis Moraitis	100%
Gerasimos Georgoulis	100%
Christos Panagiotopoulos	100%
Theodoros Xenidis	100%
Antonios Chatziioannou	100%
Panagiotis Sofiadis	100%
Theodoros Pantalakis	100%

iii. Composition and functioning of the Audit Committee

By the decision of the Company's Board of Directors of 15.11.2018 and until 11.07.2019, in view of the resignation of Ms. Despina-Magdalene Markaki from the position of independent non-executive member of the Board of Director and Member of the Audit Committee, the Board of Directors elected a new independent non-executive member, Mr. Alexios Komninos, who was appointed new member of the Audit Committee. Mr. Alexios Komninos meets the required conditions provided for in Article 4 of Law 3016/2002 in combination with Article 44 of Law 4449/2017. Thus, by 11/07/2019, the composition of the Audit Committee was formed as follows: 1. Chariton Kyriazis (Chairman of the Committee); 2. Alexios Komninos (Member); and 3. Theodoros Pantalakis, (Member).

The General Meeting of the shareholders of the Company REDS SA, held on 11.07.2019, designated the members of the Audit Committee in accordance with Article 44 of Law 4449/2017. The composition of the Audit Committee, as determined by the abovementioned General Meeting was as follows: 1. Chariton Kyriazis (Chairman of the Audit Committee); 2. Panagiotis Sofiadis (Member); and 3. Theodoros Pantalakis, (Member).

s/n	Name	Title
1.	Chariton Kyriazis	Chairman of the Audit Committee - he is not a member of the Board of Directors and fulfils the criteria for independence in accordance with Law 3016/2002
2.	Panagiotis Sofiadis	Independent - Non-Executive Member of the Board of Directors
3.	Theodoros Pantalakis	Independent Non-Executive Member of the Board of Directors

It should be noted that the above officials have proven to have an adequate knowledge in the field in which the company operates, while the Chairman of the Audit Committee, Mr. Kyriazis, as well as its members, Mr. Sofiadis and Mr. Pantalakis (Independent Non-Executive Members of the Board of Directors of the Company) meet the independence conditions laid down by the provisions of Law 3016/2002. Furthermore, Mr. Kyriazis also has provenly sufficient knowledge of accounting and auditing. In particular, in addition to the fact that he is a member of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB), he was also the Head of the tax department of Arthur Andersen and the PwC department of consultation on financial issues. The Curriculum Vitae of Mr. Kyriazis is available on the website of the Company (www. reds.gr).

The Audit Committee is responsible for monitoring financial reporting and the effectiveness of the internal control and risk management system, as well as supervising and monitoring statutory audits and matters concerning the objectivity and independence of legal auditors.

The term of office of **the current Audit Committee** members ends at the same time as the term of office of the Company's current Board of Directors.

The purpose of the Audit Committee is to assist in the effective governance of the Company and the subsidiaries under its control pursuant to the provisions of the law, and in particular Article 44 of Law 4449/2017 regarding the process of financial reporting on individual and consolidated level, the effectiveness of internal audit systems and the supervision of regular audits. The purpose, establishment, constitution and operation of the Audit Committee as well as its competences and internal operation are governed by the Audit Committee Operating Regulation of 12/09/2017, which was duly approved by the Board of Directors of the Company on the same date, together with the relevant legislative provisions.

Establishment, formation and operation of the Audit Committee

1. The Audit Committee consists of at least three members, most of whom should be independent in the meaning of the provisions of Law 3016/2002, as applicable, and is either an independent committee or a committee attached to the Board of Directors. More specifically, the Audit Committee consists of Non-Executive Directors and of members elected by the General Meeting of Company Shareholders. The members elected by the General Meeting of Shareholders may be the independent members of the Board of Directors or persons who are not members thereof but fulfill the independence conditions set out in Law 3016/2002, a fact which is recorded with justification upon their election.

2. The term of office of the Audit Committee members lasts until the term of office of the Board of Directors expires, unless otherwise decided by the General Meeting.

3. All Audit Committee members have sufficient knowledge in the Company's fields of operation, and at least one of its members is a certified public accountant-auditor, either on secondment from service or retired, or has provenly sufficient knowledge of auditing and accounting. The candidates for the Audit Committee are evaluated by the Board of Directors upon submission of a proposal by the nomination committee, if any.

4. The Chairman of the Audit Committee is appointed by the members of the Committee or elected by the General Meeting of the Company's shareholders and must be independent from the Company within the meaning of the provisions of Law 3016/2002, as applicable.

5. The Audit Committee meets at regular intervals (at least four (4) times a year and on extraordinary occasions, whenever required), to implement its work. The Chairman of the Audit Committee sends a written invitation to the members (possibly by email), at least two (2) business days before the meeting, indicating therein the items on the agenda, as well as the date, time and place of the meeting. The Audit Committee may convene without prior invitation by the Chairman, provided that all its members are present. The Audit Committee may also convene validly by teleconference. The preparation and signing of minutes by all members of the Audit Committee is equivalent to a meeting and a decision, even if no prior meeting has been held.

Functions of the Audit Committee

Without prejudice to the responsibility of the members of the Company's Board of Directors, the Audit Committee, in accordance with paragraph 3 of Article 44 of Law 4449/2017, as applicable, has the following responsibilities:

1. The Audit Committee monitors the process and the performance of the statutory audit of the Company's and the Group's individual and consolidated financial statements. Within this framework, it notifies the Board of Directors with a report on matters arising from the statutory audit, explaining in detail:

(a) the contribution of the statutory audit to the quality and integrity of financial reporting, i.e. the accuracy, completeness and correctness of the financial information, including related notifications, as approved by the Board of Directors and disclosed; and

(b) the role of the Audit Committee in the procedure described in point (a), namely in recording the actions of the Audit Committee during the statutory audit.

In the context of the above-mentioned provision of information to the Board of Directors, the Audit Committee takes into account the content of the supplementary report submitted by the public accountant-auditor, which includes the outcome of the statutory audit carried out and at least complies with the specific requirements of Article 11 of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014.

2. The Audit Committee is responsible for monitoring, evaluating and reviewing the process of preparing financial reports, namely the mechanisms and systems used to generate, and the flow and dissemination of, the financial information provided by the Company and Group's organisational units involved. The above Committee actions include the rest of the information made public in any way (e.g. stock exchange communications, press releases) in relation to financial information. The Audit Committee notifies the Board of Directors of its findings and submits proposals for improving the procedure, if it deems necessary.

3. The Audit Committee monitors and assesses the effectiveness of all Company and Group policies, procedures and safeguards with respect to the internal audit system, as well as the assessment and management of risks associated with financial reporting.

The Audit Committee also monitors and supervises the proper functioning of the Company's Internal Audit Division and of its obliged subsidiaries, in accordance with the professional standards and the applicable legal and regulatory framework, and evaluates its work, competence and efficiency, without, however, affecting its independence. Furthermore, the Audit Committee reviews the publicly available information as to the internal audit and the main risks and uncertainties of the Company and the Group, in relation to financial reporting.

In any event, the Committee submits its findings to the Board of Directors and suggestions for improvement, if any.

4. It monitors the statutory audit of the Company and Group's annual financial statements, its performance in particular, taking into account any findings and conclusions of the competent authority in accordance with Article 26(6) of Regulation (EU) No 537/2014.

Specifically:

- The Audit Committee is notified by the Management about the procedure and the time frame for the preparation of the financial information.

- The Audit Committee receives notification from the Certified Public Accountant-Auditor regarding the annual plan for the statutory audit prior to its implementation, proceeds with its evaluation and ensures that the annual statutory audit plan will cover the most important audit areas, taking into account the main business and financial risk areas of the Company and its subsidiaries. Furthermore, the Audit Committee submits proposals on other significant matters, when it deems it appropriate.

- To implement the above, the Audit Committee is expected to meet with the management / competent Directors during the preparation of the financial reports, and with the Certified Public Accountant-Auditor of the Company and its subsidiaries during the scheduling of the audit, during the implementation of the audit and during the preparation of the audit reports.

- In the context of its responsibilities, the Audit Committee must take into account and review the most significant issues and risks which may affect the financial statements of the Company and its subsidiaries, as well as the significant opinions and estimates of the management during preparation thereof.

Please find below indicative topics which are expected to have been reviewed and evaluated in detail by the Audit Committee, to the extent that those are significant for the Company and its subsidiaries, including specific related actions, by the time when the Audit Committee updates the Board of Directors:

- assessment of using the assumption of continuing activity;
- significant judgments, assumptions and estimates when preparing financial statements;

- valuation of assets at fair value;
- assessment of the recoverability of assets;
- accounting treatment of acquisitions;
- adequacy of disclosures on the major risks faced by the company;
- significant transactions with related parties;
- significant unusual transactions.

In this regard, attention is drawn to the timely and effective communication between the Audit Committee and the Certified Public Accountant-Auditor with a view to preparing the audit report and the supplementary report of the latter to the Audit Committee.

In addition, the Audit Committee reviews the financial reports of the Company and the Group prior to approval thereof by the respective Board of Directors, to assess their completeness and consistency with the information brought to the attention of the Committee and with the accounting principles applied by the Company, and informs the Board of Directors accordingly.

5. The Audit Committee review and monitors the independence of certified public accountants-auditors or audit companies, as per Articles 21, 22, 23, 26 and 27, and in accordance with Article 6 of Regulation (EU) No 537/2014, and, in particular, the suitability of the provision of non-audit services to the Company and its subsidiaries, as per Article 5 of Regulation (EU) No 537/2014.

6. The Audit Committee is responsible for the process of selecting certified auditors and accountants or audit firms for the Company, and makes recommendations for the appointment thereof in accordance with Article 16 of Regulation (EU) No 537/2014, unless Article 16(8) of Regulation (EU) No 537/2014.

7. The Audit Committee evaluates the adequacy of the Internal Audit Division of the Company and its liable subsidiaries and identifies any weaknesses. If deemed appropriate, the Audit Committee submits proposals to the Board of Directors so that there is assurance that the Internal Audit Division has the necessary resources, being adequately equipped with sufficiently qualified, experienced and trained personnel, such that there are no limitations placed on its work and it can operate with the requisite independence.

In addition, the Audit Committee is notified of the annual audit schedule of the Internal Audit Division of the Company and its obliged subsidiaries prior to the implementation of said schedule, and evaluates it taking into account the main areas of business and financial risk, as well as the results of previous audits. In the context of the provision of this information, the Audit Committee assesses whether the annual audit schedule (in combination with any related medium-term plans) covers the most significant audit areas and systems related to financial reporting.

The Audit Committee holds regular meetings with the Head of the Internal Audit Division of the Company and its liable subsidiaries to discuss matters falling under its remit and any problems arising from internal audits.

In addition, the Audit Committee is kept up-to-date with the work of the Internal Audit Division of the Company and its obliged subsidiaries, including its reports (regular and extraordinary), and monitors the provision of information to the Board of Directors as regards the content of said reports and the communication of financial information within the Company in general.

8. The Audit Committee oversees the management of the main risks and uncertainties facing the Company and its subsidiaries, as well as their periodic review. In this context, the Audit Committee evaluates the methods used by the Company and its subsidiaries to identify and monitor risks, addresses the major ones through the internal control system and the Internal Audit Division and discloses them along with published financial information, as appropriate.

9. The Audit Committee informs the Board of Directors about the outcome of all the above-mentioned actions by communicating its findings and submitting proposals for the implementation of corrective actions, where appropriate.

Compliance with the Code of Conduct

1. The Audit Committee must comply with the provisions of Law, the Company's Articles of Association, the Company's Internal Rules of Procedure, and the decisions of its bodies.

2. The Audit Committee is bound by the Code of Conduct, the Ethics and Regulatory Compliance Programme as well as the Group's Anti-Corruption Policy, as approved by the Company's Board of Directors and currently in force.

Evaluation

The Audit Committee evaluates its performance and the adequacy of its current Rules of Procedure every two (2) years, or more frequently as appropriate, and submits relevant proposals for improvement to the Board of Directors.

iv. Regulatory compliance

The Code of Conduct of the parent Company ELLAKTOR SA was approved by the Company at the Board of Directors meeting of 29 July 2016. It incorporates all of the principles and values that should govern the behaviour of employees of the Group of companies to which the Company belongs, in all their activities regardless of their occupation or hierarchical position. The Code of Conduct was approved by the Board of Directors of ELLAKTOR SA at its meeting of 29 July 2016, and it has also been approved by all of the companies in the Group to which the Company belongs.

The Group's Ethics and Regulatory Compliance Programme was also prepared, laying down the procedure for implementing and supporting the application of the Code of Conduct and aiming ultimately to protect ELLAKTOR SA and its Group against ethics and compliance risks. The abovementioned programme was approved by the Company's Board of Directors at its meeting of 20.12.2016 and had also already been approved by all subsidiaries of the Company.

Moreover, the Group, in addition to the implementation of the above Code of Conduct and the Ethics and Regulatory Compliance Programme, has also adopted new Policies, namely the Anticorruption Policy, which was approved by ELLAKTOR SA in the meeting of 28.01.2020 of its Board of Directors, which aims at strengthening the commitment of the Management of the Group to zero tolerance for bribery and corruption, creating a framework of obligations and guidelines for use as a tool for the prevention, deterrence and combatting of corruption. It has also introduced the Management of Reports and Complaints Policy (approved at the Board of Directors' meeting of ELLAKTOR SA of 18.11.2019 and revised at the respective Board meeting of 28.01.2020), the purpose of which is to define the principles and operating framework by the Group receives, processes and investigates reports and complaints, anonymous or otherwise, of irregularities, omissions or other criminal acts that have come to the attention of staff, customers or suppliers, or other third parties. Both of the above policies were approved by the Boards of Directors of the Company and its subsidiaries, at their respective Board of Directors' meetings held on 10.03.2020.

A three-member committee has been appointed to supervise Regulatory Compliance matters for ELLAKTOR SA and its Group, which is also responsible for the implementation of the Code and the Plan, which, upon being established, consisted of the following persons: 1. Chariton Kyriazis (Chairman of the Committee); 2. Ioannis Tzivelis (Member); and 3. Vasiliki Niatsou (Member).

As mentioned above, by virtue of the decision of the Board of Directors of ELLAKTOR SA of 25.07.2018, the responsibilities of the Regulatory Compliance Committee were incorporated in the Audit Committee, which was renamed into Audit and Regulatory Compliance Committee.

It should be noted that by virtue of the decision dated 22.02.2019 of the BoD of ELLAKTOR SA, the Audit and Regulatory Compliance Committee is divided to two committees: a. **Audit Committee** (as presented in detail, and with the composition described above in the relevant section); and b. **Regulatory Compliance & Sustainable Development Committee**, with the composition described below:

s/n	Name	Title
1.	Georgios Provopoulos	President of the Committee, Non-Executive Member of the BoD of ELLAKTOR SA
2.	Alexios Komninos	Member of the Remuneration Committee, and Independent - Non-Executive Member of the Board of Directors of ELLAKTOR SA
3	Eleni Papakonstantinou	Member of the Nomination Committee and Independent - Non-Executive Member of the BoD of ELLAKTOR SA

f) Description of the policy on diversity that applies to the Company's administrative, management and supervising bodies.

The Company complies with the institutional framework in force at all levels in terms of equal treatment and provides equal opportunities to all employees and avoids all kinds of discrimination. The same diversity and equality policy applies to its administrative, management and supervising bodies. The Company cultivates a climate of equality, non-discrimination and respect to diversity.

The procedures and structures in place have shaped a working environment in which both the Management and employees are assessed and evaluated in terms of education, professional background, knowledge of corporate objectives, leadership skills, experience, performance and creativity.

The Company pursues the highest possible level of diversity in its Board of Directors and supervisory bodies, including gender balance, diversity of skills, opinions, abilities, knowledge, qualifications and experience, so as to attain the corporate objectives.

The scope of the Group's activities requires that the abilities, skills, professional experience, knowledge and personalities of several individuals with different characteristics should be put into use and combined. Therefore, the principle of diversity is applied in practice by the Group.

With a view to achieving sustainable and balanced development and in line the basic principle that the fundamental criteria for filling administrative, management and supervisory posts and positions of responsibility are the candidates' objective qualifications and abilities, the Company takes the view that the principle of diversity is already applied in practice is a key element in the pursuit of corporate goals and sustained development, adds value and increases the pool of available skills, experience and vision from which the Group can draw in order to fill its top-ranking posts, as well as its competitiveness, productivity and innovation, in order to keep improving effectively and reliably the provision of its core services amidst a structurally changing environment and thus ensure its seamless and trouble-free operation.

As a result, the working environment favors the adoption of international practices in relation to respect for human personality, non-discrimination and the absence of prejudice.

Kifissia, 7 May 2020

FOR THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS &

CEO OF THE COMPANY

IOANNIS MORAITIS

C. Independent Certified Auditor & Accountant's Report

INDEPENDENT CERTIFIED AUDITOR & ACCOUNTANT'S REPORT

To the shareholders of REDS SA Real Estate Development and Services

Audit Report on the Corporate and Consolidated Financial Statements Opinion

We have audited the corporate and consolidated financial statements of "REDS SA Real Estate Development and Services Société Anonyme" (Company and/or Group), which are comprised of the company and consolidated statement of financial position as of 31 December 2019, the company and consolidated income and comprehensive income statements, the statement of changes in equity and cash flow statement for the fiscal year ended on that date, as well as the notes to the corporate and consolidated financial statements which also include a summary of significant accounting policies.

In our opinion, the attached corporate and consolidated financial statements fairly present, in all material respects, the financial position of the Company and of the Group as at 31 December 2019, as well as its corporate and group financial performance and its corporate and consolidated cash flows for the year ended, in accordance with the International Financial Reporting Standards (IFRS), as these have been adopted by the European Union and in compliance with the regulatory requirements of Law 4548/2018.

Basis of opinion

We have conducted our audit in accordance with the International Auditing Standards, as transposed into the Greek legislation. Our responsibilities, according to these standards, are further described in the section of our report "Auditor's responsibilities in auditing the corporate and consolidated financial statements". We believe that the audit evidence we have obtained is sufficient and adequate as a basis for our audit opinion.

Auditor's independence

Throughout our appointment we remain independent of the Company and the Group in accordance with the Code of Conduct for Professional Auditors of the Board of International Standards of Auditors' Ethics incorporated into Greek law, and ethics requirements of Law 4449/2017 and Regulation (EU) No 537/2014 relating to the audit of corporate and consolidated financial statements in Greece. We have fulfilled our ethical obligations according to Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that our non-audit services to the Company and its subsidiaries were provided in accordance with the aforementioned conditions laid down by the applicable legislation, and we have not provided any non-audit services of the type prohibited by Article 5(1) of Regulation (EU) No 537/2014.
The non-audit services that we have provided to the Company and its subsidiaries during the year ended 31 December 2019 are disclosed in Note 35 of the attached corporate and consolidated financial statements.

Key audit issues

The main audit matters are those matters that, in our professional judgment, were of most significance in our audit of the company and its consolidated financial statements for the current fiscal year. These matters were addressed in the context of our audit of the company and of 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 issues	The procedures that we have followed to address the key audit issues
Impairment assessment of real estate investments *(Notes 2.8, 2.12, 4.1 and 6 to the Corporate and Consolidated Financial Statements)* Investments in real estate property mainly includes privately-owned plots of land and buildings, which are held for long-term leases or for future development. The Company and the Group measure investments in real estate property at acquisition cost, less accumulated depreciation and any accumulated impairment losses. The management assigns the valuation of real estate investments at fair value to certified external appraisers, in order to identify possible impairment of their value, as well as for the purposes of preparing financial statement declarations regarding fair value, in accordance with International Accounting Standard (IAS) 40, IAS 16, as well as International Financial Reporting Standard (IFRS) 13. As mentioned in Note 6 to the corporate and consolidated financial statements, as of 31 December 2019, the book value of Company and Group investments in property amounted to € 9 million and € 126 million respectively, corresponding to 18% and 90% of the respective total value of their assets. The Company and the Group have reviewed the possibility, as of 31 December 2019, that there are reasonable and objective indications that real estate investments have been impaired.	We have carried out the following audit procedures with regard to the real estate investments of the Company and the Group for the year ended 31 December 2019: • We have evaluated the procedures of the Company and the Group for assessing the recoverable value of real estate investments and for reviewing potential impairment, in order to determine whether they were carried out in accordance with International Financial Reporting Standards. • We have received the valuations of investments in real estate of the Company and the Group with reference date 31 December 2019, carried out by certified external appraisers on behalf of the management, and have confirmed that the valuation methods used to determine fair values are acceptable under International Valuation Standards and International Financial Reporting Standards, and are appropriate for determining the fair value of real estate investments as at 31 December 2019. • We have compared the fair value of real estate investments as presented in the above valuations against the values shown in the accounting books of the Company and the Group.

The fair values of real estate investments were determined by management's certified external appraisers in accordance with international valuation standards, with application of the discounted cash flow method in combination with the real estate market method, as well as the residual value method. The main assumptions underlying management's estimates of fair value are those relating to the collection of contractual rents, expected future market rent levels, vacancy periods, maintenance obligations, the appropriate discount rates, as well as returns on capital invested. With regard to the real estate market and residual value methods, the determination of the fair value of land is based on findings arising from research and collection of comparative data such as price per m^2. As at 31.12.2019, the management of the Company and the Group, having taken into account the valuations, as well as the conditions in the real estate market, concluded that there was no evidence of impairment of real estate property values. We have focused our attention on this issue because of: - The significant proportion of real estate investments in the total assets of the Group, and - The importance of the assumptions and estimates used by management to determine fair value.	• We have evaluated and verified the capabilities, independence and objectivity of the certified external appraisers of the Company and the Group. • Given the subjectivity involved in determining the fair value of real estate investments, the full extent of the market knowledge required to determine appropriate assumptions, and the technical difficulties involved in applying valuation methods, we worked with a specialist external expert in real estate appraisal. In collaboration with the expert, we have evaluated the appropriateness and relevance of the methodologies used, and the reasonableness of the key assumptions adopted in the evaluations carried out by the management's certified external appraisers, and we have examined the consistency of the data. Our audit procedures revealed that the estimation of the recoverable amounts of real estate investments was based on reasonable assumptions. In addition, the valuations performed and the assumptions used were within the expected limits and in accordance with the current market conditions. Finally, we have verified that the real estate investments of the Company and the Group are appropriately disclosed in Note 6 to the corporate and consolidated financial statements, in accordance with the requirements of International Accounting Standard (IAS) 40, IAS 16, as well as International Financial Reporting Standard (IFRS) 13.

Key audit issues	The procedures that we have followed to address the key audit issues
Basis for the preparation of the financial statements *(Notes 2.1, 3.1, 19 and 36 to the Corporate and Consolidated Financial Statements)* The Company and the Group prepare their financial statements on the basis of the going concern principle. As at 31 December 2019, the Company and the Group held short-term loans of about € 4 million and € 18.8 million respectively, and, thus, the short-term liabilities presented in the statement of financial position were significantly higher than the current assets figures by €3 million for the Company and €13 million for the Group. The short-term borrowing of the Company and the Group mainly concerns scheduled installments of bond loans, payable in 2019 and 2020, as well as the bridge loan of the subsidiary company Yialou Commercial & Tourist SA (of €12 million), which was entirely used for the works of expansion of the Smart Park, and concerns a bridge finance until the new bond loan is signed. The Management, having obtained the approval of the financial bodies for the suspension of the scheduled installments for 2019, is currently at a stage of advanced negotiations for the refinancing of the above short-term loans, and expects that the relevant agreements will be signed in the near future. By the date publication hereof, the refinancing process has not been concluded, but the basic terms for the issue of the new common bond loan, which includes the refinancing of the existing loan, have been agreed. Moreover, the Greek government has recently adopted certain restrictions in order to mitigate the spread of the coronavirus (COVID-19), including but not limited to the suspension of operation of most of the commercial shops within commercial parks as of 14 March 2020.	We have implemented the following procedures with regard to evaluation of the suitability of the going concern principle for the preparation of the financial statements: • We have assessed the impact of COVID-19 on future cash flows, including the analysis thereof for future liquidity requirements. We have discussed the key assumptions adopted with the Management, and evaluated its plans to mitigate the potential liquidity shortfalls. • We have tested the mathematical accuracy of management's cash flow forecasts. • We have received data concerning the underlying cash flow provisions of the Management, evaluating them in relation to relevant internal sources, as deemed necessary. We have compared the estimated revenues and costs based on the assumptions in relation to the historical information, including the assessment on the likelihood of achieving the pursued reduction of cost. • We have reviewed the available documents and the communication with the financial bodies in relation to the development of the negotiations for the refinancing of the short-term loans of the Company and the Group. • We have evaluated the financial situation of the Company and the Group, taking into account, inter alia, continued conformity with the requisite financial ratios, as foreseen by the loan agreements.

The suspension of operation of the majority of commercial shops is still valid on the date of publication of the financial statements, and its gradual withdrawal has started as of 4 May 2020, according to the announcements of the Greek government. We have focused on reviewing whether it would be appropriate to use the ongoing concern principle, in view of the impact that the outbreak of the coronavirus (COVID-19) pandemic may have on the operation and financial standing of the Company and the Group. Also, a significant judgment is required by the Management as to the time of conclusion of its negotiations with the financial bodies about the refinancing of the existing short-term debt, and the impact that the outcome thereof will have on future liquidity. The ability of the Company and the Group to operate smoothly as a going concern depends on the ability of Management to maintain liquidity at levels able to meet current financial and operating liabilities. The Management has assessed the impact of the COVID-19 health crisis on future operating results and, consequently, on the future cash flows of the Company and the Group, having regard to the extensive suspension of retail activities by the Greek government due to COVID-19, and has taken into account the increased likelihood of successful conclusion of the negotiations about the refinancing of the short-term borrowing. The Management's assessment on the application of the accounting principle of ongoing concern relies on cash flow provisions, which depend on significant judgements of the management and may be affected by the management's bias.	• We have evaluated the conclusion of the Management that there is no substantial uncertainty with regard to the going concern principle. • We have examined the adequacy and appropriateness of the respective disclosures of the Management in the financial statements. Following the execution of the above procedures, including the assessment of the Management estimates used, we are in a position to determine that, although the COVID-19 pandemic is expected to adversely affect the operating results and cash flows of the Company and the Group, the use of the going concern principle by the Management is appropriate.

Other information

The members of the Board of Directors are responsible for Other information. Other Information contained in the Annual Economic Report provided for in Law 3556/2007 means the Statements by the Members of the Board of Directors, the Management Report of the Board of Directors, the Management Board Explanatory Report, and the Corporate Governance Statement (but do not include the financial statements and the audit report thereon), which we received before the date of this auditor's report.

Our opinion on the corporate and consolidated financial statements does not cover the “Other Information” and, other than what is expressly stated in this section of our Report, we do not express an audit opinion or other assurance regarding it.

With regard to our audit of the corporate and consolidated financial statements, it is our responsibility to read the “Other Information” and thus consider whether it is materially inconsistent with the corporate and consolidated financial statements, or any knowledge we may have acquired in the course of our audit, or if it otherwise appears to be materially incorrect.

We have examined whether the Management Report of the Board of Directors includes the disclosures required by Codified Law 4548/2018, and that the Corporate Governance Statement provided for in Article 152 of Law 4548/2018 has been drafted.

Based on the work carried out in the course of our audit, it is our opinion that:

- The information included in the Management Report of the Board of Directors for the year ended 31/12/2019 corresponds to the attached corporate and consolidated financial statements;

- The Board of Directors' Management Report has been drawn up in accordance with the current legal requirements of Articles 150, 151, 153 and 154 of Law 4548/2018;

- The Corporate Governance Statement provides the information referred to in Article 152(1)(c) & (d) of Law 4548/2018.

Moreover, on the basis of the knowledge and understanding we have gained during our audit in relation to the Company and the Group “REDS Real Estate and Services Development Societe Anonyme” and their operating environment, we are obliged to report whether we have identified material misstatements in the Management Report of its Board of Directors or the Other Information received prior to the date of this auditor's report. We have nothing to report on this matter.

Responsibilities of the Board of Directors and persons responsible for governance with regard to corporate and consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the corporate and consolidated financial statements, in accordance with the International Financial Reporting Standards, as these have been adopted by the European Union, the requirements of Law 4548/2018, and for such audit safeguards that the Board of Directors finds necessary in order to ensure the preparation of the corporate and consolidated financial statements that are free of any material misstatements, due either to fraud or error.

In preparing the corporate and consolidated financial statements, the Board of Directors is responsible for assessing the Company and the Group's capacity to continue their activities, disclosing if applicable any issues related to continued activity and use of the going concern accounting principle, unless the Board of Directors either intends to liquidate the Company and the Group or to discontinue its activities or has no other realistic option than to take such actions.

Persons responsible for corporate governance have the responsibility for oversight of the financial reporting process of the Company and the Group.

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

Our objectives are to obtain reasonable assurance as to whether the corporate and consolidated financial statements as a whole are free from material misstatement due to fraud or error and to issue an auditor's report containing our opinion. The reasonable assurance is a high level of assurance, but it is not a guarantee that the audit carried out in accordance with the IAS, incorporated into the Greek Legislation, will always identify a material misstatement, when such a misstatement exists. Errors may arise from fraud or error and are considered material when, individually or in aggregate, they could reasonably be expected to influence the financial decisions of users made on the basis of these corporate and consolidated financial statements.

As an auditing duty, according to the IAS incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatements in the corporate and consolidated financial statements, whether due to fraud or error, by designing and performing audit procedures that respond to those risks and we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of failing to identify a material misstatement due to fraud is higher than that due to error, since fraud may involve collusion, forgery, deliberate omissions, false assertions or the bypassing of internal audit safeguards.

- We aim to understand internal audit-related safeguards for the purpose of designing audit procedures appropriate to the circumstances, but not with a view to expressing an opinion on the effectiveness of the Company's and the Group's internal control safeguards.

- We assess the appropriateness of the accounting policies and methods used and the reasonableness of accounting estimates and disclosures made by the Board of Directors.

- We decide on the appropriateness of the Board of Directors' use of the going concern accounting principle based on the audit evidence that has been obtained with regard to whether there is material uncertainty about events or circumstances that may indicate material uncertainty as to the ability of the Company and the Group to continue their activities. If we conclude that there is material uncertainty, we are required to focus attention in the auditor's report on such disclosures in the company and consolidated financial statements, or indicate whether these disclosures are insufficient to differentiate our opinion. Our findings are based on audit evidence obtained until the date of the auditor's report. However, future events or conditions may result in the Company and the Group ceasing to operate as a going concern.

- We evaluate the overall presentation, structure and content of the corporate and consolidated financial statements, including disclosures, as well as whether the corporate and consolidated financial statements reflect the underlying transactions and events in a manner that ensures their reasonable presentation.

- We gather sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group in order to express an opinion on the corporate and consolidated financial statements. We are responsible for guiding, supervising and executing the audit of the Company and the Group. We remain exclusively responsible for our audit opinion.

Among other issues, we report to those responsible for governance, the scope and timing of the audit, as well as important audit findings, including any significant deficiencies in the internal audit that we identify during our audit.

In addition, we make declarations to those in charge of governance that we have complied with the relevant ethical requirements for independence, and we inform them of all relationships and other matters that may reasonably be considered to affect our independence and the related safeguards, wherever appropriate.

Among the matters communicated to those in charge of governance, we determine those issues that were of paramount importance for the audit of the corporate and consolidated financial statements for the current period, which therefore constitute key audit issues.
We describe these issues in the auditor's report.

Report on other legal and regulatory requirements

1. Supplementary Report to the Audit Committee

Our opinion on the attached corporate and consolidated financial statements is consistent with the Supplementary Report submitted to the Company's Audit Committee as per Article 11 of Regulation (EU) No 537/2014.

2. Appointment of Auditor

We were initially appointed Certified Auditors & Accountants of the Company by virtue of a decision taken at the Annual Ordinary General Meeting of Shareholders on 21/6/2006. Our appointment has been successively renewed without interruption, for a total period of 14 years, by decisions of the Annual Ordinary General Meeting of Shareholders.

Athens, 8 May 2020
The Certified Auditor & Accountant

Pricewater Pricewaterh
ouseCoopers Audit SA, 268
Kifissias Ave
152 32 Halandri
SOEL Reg. No. 113

Fotis Smyrnis
SOEL Reg. No. 52861

D. Annual Financial Statements (Consolidated & Corporate)

in accordance with the International Financial Reporting Standards (IFRS) for the fiscal year ended on 31 December 2019

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Statement of Financial Position (Consolidated & Corporate)

	Note	CONSOLIDATED DATA 31-Dec-19	CONSOLIDATED DATA 31-Dec-18	COMPANY FIGURES 31-Dec-19	COMPANY FIGURES 31-Dec-18
ASSETS					
Non-current assets					
Property, Plant and Equipment	7	225,775	32,439	-	-
Intangible assets	8	32,992	2,388	-	-
Investments in property	6	125,853,197	115,613,772	8,755,613	8,771,113
Investments in subsidiaries	10	-	-	37,726,280	37,901,170
Deferred tax receivables	22	-	-	41,833	40,771
Financial assets measured at fair value through other comprehensive income	11	1,166,612	807,012	1,166,612	807,012
Rights of use of assets	9	169,596		73,125	
Restricted cash deposits	14	1,187,014	2,992,170	-	-
Other long-term receivables	12	6,700	6,700	3,100	3,100
		128,641,887	**119,454,481**	**47,766,563**	**47,523,167**
Current assets					
Trade and other receivables	12	3,254,226	1,668,487	1,390,702	1,610,342
Restricted cash deposits	14	5,548,389	3,046,005	-	-
Cash and cash equivalents	13	1,783,718	364,669	311,396	203,498
		10,586,333	**5,079,161**	**1,702,098**	**1,813,840**
Total assets		**139,228,221**	**124,533,642**	**49,468,662**	**49,337,007**
EQUITY					
Equity attributable to shareholders					
Share capital	15	75,239,698	75,239,698	75,239,698	75,239,698
Premium reserve	15	1,434,519	1,434,519	1,434,519	1,434,519
Other reserves	16	2,376,119	2,367,760	5,403,515	5,048,713
Retained earnings		14,786,537	14,918,524	(41,854,110)	(40,278,782)
Total equity		**93,836,873**	**93,960,501**	**40,223,622**	**41,444,149**
LIABILITIES					
Long-term liabilities					
Long-term borrowings	19	16,807,777	20,395,934	3,137,500	4,947,500
Lease liabilities		143,028	-	67,595	-
Employee benefit liabilities	22	236,175	219,241	174,303	163,084
Deferred tax liabilities	21	1,221,500	1,080,539	-	-
Other long-term liabilities	18	1,189,885	922,441	-	160,508
Provisions for other liabilities & expenses	17	750,000	750,000	750,000	750,000
Financial derivatives	20	1,039,313	1,171,809	-	-
		21,387,678	**24,539,964**	**4,129,398**	**6,021,093**
Short-term liabilities					
Trade and other payables	18	5,119,269	2,800,000	1,106,790	871,766
Short-term borrowings	19	18,777,344	3,163,176	4,000,000	1,000,000
Lease liabilities		37,056	-	8,853	-
Other provisions		70,000	70,000	-	-
		24,003,669	**6,033,177**	**5,115,642**	**1,871,766**
Total liabilities		**45,391,348**	**30,573,141**	**9,245,040**	**7,892,859**
Total equity and liabilities		**139,228,221**	**124,533,642**	**49,468,662**	**49,337,007**

The notes on pages 53 to 106 form an integral part of these financial statements.

Income Statement (Consolidated & Corporate)

		CONSOLIDATED DATA		COMPANY FIGURES	
		01/01-31/12/2019	01/01-31/12/2018	01/01-31/12/2019	01/01-31/12/2018
	Note				
Income from the lease of investment property	23	6,822,493	6,306,760	-	-
Revenue from the sale of real estate property		-	210,000	-	210,000
Income from provision of services	24	50,000	35,000	50,000	735,000
Less: Exploitation expenses	26	(2,643,276)	(2,216,597)	(44,705)	(900,446)
Gross results from investments		**4,229,217**	**4,335,163**	**5,295**	**44,554**
Operating expenses	26	(2,812,020)	(2,552,459)	(1,174,213)	(1,312,087)
Impairment of participations	29	-	-	(560,000)	(500,000)
Impairment of investment properties	29	-	2,807,000	-	-
Impairment of receivables	29	-	(284,906)	-	-
Other operating income/(expenses) (net)	30	149,106	(55,219)	381,695	303,585
Operating profit/(loss)		**1,566,302**	**4,249,579**	**(1,347,223)**	**(1,463,949)**
Income from participating interests		135,326	**-**	135,326	**-**
Financial income	25	14,385	39,275	57	1,202
Financial expenses	25	(1,355,414)	(1,567,303)	(363,598)	(465,431)
Profits /(losses) before taxes		**360,599**	**2,721,551**	**(1,575,438)**	**(1,928,178)**
Income tax	28	(420,548)	(1,177,223)	110	4,817
Profits/ losses for the fiscal year		**(59,949)**	**1,544,328**	**(1,575,328)**	**(1,923,361)**
Attributable to:					
- Shareholders of the parent company		(59,949)	1,544,328	(1,575,328)	(1,923,361)
- Non controlling interests		-	-	-	-
		(59,949)	**1,544,328**	**(1,575,328)**	**(1,923,361)**
Gains / (losses) per share attributable to shareholders (in €)					
Basic & adjusted	31	(0.0010)	0.0269	(0.0274)	(0.0335)

The notes on pages 53 to 106 form an integral part of these financial statements.

Statement of Comprehensive Income (Consolidated & Corporate)

	Note	CONSOLIDATED DATA 01/01-31/12/2019	CONSOLIDATED DATA 01/01-31/12/2018	COMPANY FIGURES 01/01-31/12/2019	COMPANY FIGURES 01/01-31/12/2018
Net profit/ (loss) for the fiscal period		**(59,949)**	**1,544,328**	**(1,575,328)**	**(1,923,361)**
Other Comprehensive Income					
Items that can be reclassified later in results					
Foreign exchange differences	16	(477,193)	(20,475)	-	-
Cash flow hedge	16	52,055	98,285	-	-
Other		-	(1,321)	-	-
Items that will not be reclassified to results					
Reserves of financial assets at fair value through other comprehensive income		359,600	-	359,600	-
Actuarial profit/(loss)	16	1,859	(5,791)	(4,798)	(6,011)
Other comprehensive income/(Expenses) for the year (net, after taxes)		**(63,679)**	**70,698**	**354,802**	**(6,011)**
Total comprehensive income/ (Expenses) after taxes		**(123,628)**	**1,615,027**	**(1,220,526)**	**(1,929,371)**
Attributable to:					
- Shareholders of the parent company		(123,628)	1,615,027	(1,220,526)	(1,929,371)
- Non controlling interests		-	-	-	-

The notes on pages 53 to 106 form an integral part of these financial statements.

Statement of Changes in Equity (Consolidated & Corporate)

CONSOLIDATED DATA

	Note	Share capital	Premium reserve	Other reserves	Results carried forward	Total
1 January 2018		**75,239,698**	**1,434,519**	**2,118,198**	**13,553,059**	**92,345,475**
Net profit/(loss) for the period		-	-	-	1,544,328	1,544,328
Other comprehensive income for the period						
Foreign exchange differences	16	-	-	(20,475)	-	(20,475)
Changes in value of cash flow hedging	16	-	-	98,285	-	98,285
Other	16	-		-	(1,321)	(1,321)
Actuarial profit/(loss)	16	-	-	(5,791)	-	(5,791)
Other comprehensive income/ (expenses) for the period (net after taxes)		-	-	72,019	(1,321)	70,698
Total Comprehensive income/ (expenses) for the period		**-**	**-**	**72,019**	**1,543,007**	**1,615,027**
Transfer to reserves		-	-	177,543	(177,543)	-
31 December 2018		**75,239,698**	**1,434,519**	**2,367,760**	**14,918,524**	**93,960,501**
1 January 2019		**75,239,698**	**1,434,519**	**2,367,760**	**14,918,524**	**93,960,501**
Net profit/(loss) for the period		-	-	-	(59,949)	(59,949)
Other comprehensive income for the period						
Foreign exchange differences	16	-	-	(477,193)	-	(477,193)
Changes in value of cash flow hedging	16	-	-	52,055	-	52,055
Reserves of financial assets at fair value through other comprehensive income	16	-		359,600	-	359,600
Actuarial profit/(loss)	16	-	-	1,859	-	1,859
Other comprehensive income/ (expenses) for the period (net after taxes)		-	-	(63,679)	-	(63,679)
Total Comprehensive income/ (expenses) for the period		**-**	**-**	**(63,679)**	**(59,949)**	**(123,628)**
Transfer to reserves		-	-	72,038	(72,038)	-
31 December 2019		**75,239,698**	**1,434,519**	**2,376,119**	**14,786,537**	**93,836,873**

The notes on pages 53 to 106 form an integral part of these financial statements.

	Note	Share capital	Reserves reserve	Other reserves	Results carried forward	Total
				COMPANY FIGURES		
1 January 2018		**75,239,698**	**1,434,519**	**5,054,724**	**(38,355,421)**	**43,373,520**
Net profit/(loss) for the period		-	-	-	(1,923,361)	(1,923,361)
Other comprehensive income for the period						
Actuarial profit/(loss)	16	-	-	(6,011)	-	(6,011)
Adjustment of reclassification to results	16	-	-	-	-	-
Other comprehensive income/ (expenses) for the period (net after taxes)		-	-	(6,011)	-	(6,011)
Total Comprehensive income/ (expenses) for the period		-	-	**(6,011)**	**(1,923,361)**	**(1,929,371)**
31 December 2018		**75,239,698**	**1,434,519**	**5,048,713**	**(40,278,782)**	**41,444,149**
1 January 2019		**75,239,698**	**1,434,519**	**5,048,713**	**(40,278,782)**	**41,444,149**
Net profit/(loss) for the period		-	-	-	(1,575,328)	(1,575,328)
Other comprehensive income for the period						
Reserves of financial assets at fair value through other comprehensive income	16	-	-	359,600	-	359,600
Actuarial profit/(loss)	16	-	-	(4,798)	-	(4,798)
Other comprehensive income/ (expenses) for the period (net after taxes)		-	-	354,802	-	354,802
Total Comprehensive income/ (expenses) for the period		-	-	**354,802**	**(1,575,328)**	**(1,220,526)**
31 December 2019		**75,239,698**	**1,434,519**	**5,403,515**	**(41,854,110)**	**40,223,622**

The notes on pages 53 to 106 form an integral part of these financial statements.

Cash Flow Statement (Consolidated & Corporate)

	Note	CONSOLIDATED DATA		COMPANY FIGURES	
		31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Operating activities					
Profits /(losses) before taxes		360,599	2,721,551	(1,575,438)	(1,928,178)
Plus/less adjustments for:					
Depreciation and amortisation	6, 7, 8, 9	1,473,031	1,331,047	39,241	15,576
Impairment	6,29	-	(2,807,000)	560,000	500,000
Provisions	22	20,157	19,175	5,468	13,089
Foreign exchange differences		(4,264)	(138)	-	-
Results (income, expenses, profit & losses) from investments		(149,711)	(39,274)	(135,383)	(1,202)
Debit interest and related expenses		1,359,125	1,567,349	363,598	465,431
Plus/ less adjustments for changes in working capital accounts or related to operating activities:					
Reduction/(increase) in inventories		-	207,643	-	207,643
Decrease/(increase) in receivables		(1,994,041)	973,411	219,640	1,116,719
(Decrease)/ increase of liabilities (except banks)		3,078,390	(153,118)	(60,810)	(23,498)
Less:					
Debit interest and related expenses paid		(1,433,757)	(1,590,072)	(361,485)	(436,316)
Taxes paid		(352,111)	(381,998)	-	-
Total inflows/(outflows) from operating activities (a)		**2,357,418**	**1,848,576**	**(945,169)**	**(70,736)**
Investment activities					
Increase in share capital in subsidiaries, associates, & other joint ventures	10	-	-	(385,110)	(72,670)
Dividends received	10	270,651		270,651	-
Purchase of tangible and intangible assets and investment properties	6, 7, 8	(12,351,443)	(1,168,657)	-	(76)
Interest received		103,338	39,275	57	1,202
Return on capital of financial assets	11	-	391,988	-	391,988
Total inflows/(outflows) from investing activities (b)		**(11,977,454)**	**(737,394)**	**(114,401)**	**320,443**
Financing activities					
Loans taken out		12,000,000	-	1,190,000	-
Repayment of borrowings		(211,818)	(3,968,692)	-	(2,000,000)
Restricted cash deposits	14	(697,227)	778,846	-	-
Lease liability capital payments		(51,870)	-	(22,532)	-
Total inflows/(outflows) from financing activities (c)		**11,039,085**	**(3,189,846)**	**1,167,469**	**(2,000,000)**
Net increase/(decrease) in cash and cash equivalents for the period (a) + (b) + (c)		1,419,050	(2,078,664)	107,898	(1,750,293)
Cash and cash equivalents at fiscal year start	13	364,669	2,443,335	203,498	1,953,791
Cash and cash equivalents at fiscal year end	13	**1,783,718**	**364,669**	**311,396**	**203,498**

The notes on pages 53 to 106 form an integral part of these financial statements.

Notes to the financial statements (Consolidated & Corporate)

1 General information

The Company and the Group operate in the real estate property management industry. Its main activity is the development, sale and exploitation of privately owned or operationally-leased real estate properties. The Group is active in Greece and Romania.

The Company is incorporated and established in Greece, and its registered offices are located at 25 Ermou Street, Nea Kifissia, Attica.

The Company is a subsidiary of ELLAKTOR SA (with holdings of 55.46%), which is listed on the Athens Stock Exchange. These financial statements are included in the consolidated financial statements prepared by the company ELLAKTOR SA established in Greece.

The Company's shares are traded on the Athens Stock Exchange and are classified in the ATHEX Select index.

These annual consolidated and company financial statements (hereinafter referred to as 'the financial statements') of 31.12.2019 were approved by the Board of Directors on 7 May 2020 and are subject to approval by the General Meeting. They are available from the Company's website https://www.reds.gr under the heading "Investor Information", in the subsection "Financial Data"/
"Balance Sheets - Certified Auditors' Certificates".

2 Summary of significant accounting policies

2.1 Basis for the preparation of the financial statements

The basic accounting principles applied in the preparation of these financial statements are set out below. These principles have been consistently applied to all fiscal years that are presented unless otherwise stated.

The financial statements include the corporate financial statements of REDS SA (the Company) and the consolidated financial statements of the Company and its subsidiaries (collectively referred to as the Group), for the year ended 31 December 2019.

These corporate and consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as these have been adopted by the European Union. The financial statements have been prepared in accordance with the historical cost rule, apart from financial assets (including derivatives) that have been categorised at fair value through the income statement or through other income.

The preparation of the financial statements under IFRS requires the use of accounting estimates and assumptions by the Management in implementing the accounting policies adopted. Areas that involve a significant degree of judgment or complexity, or where assumptions and estimates significantly affect the financial statements, are listed in Note 4.

2.1.1. Going concern

The financial statements of 31 December 2019 have been prepared in accordance with the International Financial Reporting Standards (IFRS) and provide a reasonable presentation of the Group's financial position, profit and loss, and cash flows in accordance with the going concern principle.

The Group 's activities in Greece are substantial and current macroeconomic conditions may affect the Group in the following areas:

- Falling consumption, which may negatively affect the sales volume of the stores and the performance of the shopping centre in general;

- Potential inability of customers to meet their obligations, either due to the limitation of their economic activity or due to the weakness of the domestic banking system;

- Impairment of assets, as a result of the fall in the fair value of real estate investments;

It is noted that the Management is currently at the final stage of negotiations for the signing of a common bond loan for a total amount of EUR 41.5 million, which also includes a short-term borrowing for a total amount of EUR 12 million, as laid down in note 19.

Despite the existence of the aforementioned risks, the Group's activities continue normally. The Management continually assesses the situation and its possible consequences for the Group, in order to ensure that all necessary and possible measures and actions are promptly taken to minimise any negative impact, as well as to capitalise on positive developments. After careful examination, the Group considers that: (a) use of the going concern principle for preparation of the financial statements is not affected; (b) the assets and liabilities of the Group are accurately represented in relation to the accounting principles applied by the Group; and c) operating programmes and initiatives are in place to address any problems that may arise in relation to the Group's activities.

2.1.2. Macroeconomic conditions in Greece

In 2019, the Greek economy continued to recover with economic sentiment indicators and expectations appearing to improve, suggesting a continuing growth dynamic. There were positive developments in the financial sector, marked by an increase in deposits and an improvement in the banks' financing conditions. Confidence in the banking sector strengthened significantly and restrictions on capital movements were lifted completely as of 1 September 2019. The improved liquidity of the banking system contributed to the increase in the bank financing for non-financial enterprises, while the single-party government elected in July 2019 further strengthened expectations as to the prospects of the Greek economy in the next period.

According to the latest available ELSTAT data, real GDP growth remained at 1.9%, i.e. at the same level as in 2018, slightly lower than the competent bodies projected, while the yield of 10-year bond was even lower than 1%, suggesting an increase in the investors' sentiment to take on Greek risk.

However, the growth dynamic of this year (2020), and especially after February 2020, has been interrupted by the appearance and spread of the Covid-19 virus. In the light of the latest developments, the Covid-19 epidemic is expected to have a negative impact on both the global economy and national economies in 2020, leading to a slow-down in world growth (according to indicative OECD estimates world growth may decrease up to 1.5%).

The magnitude of the disturbance in the Greek economy will, among other things, depend to a significant extent on the duration and intensity of the Covid-19 pandemic and the measures taken by the Greek government and governments elsewhere to limit its spread, as well as other geopolitical factors such as the refugee and migrant crisis affecting Greece. As such, it is estimated that 2020 will also be a challenging year for the Greek economy and, consequently, for the Group's activities.

In addition to the above, note 36 "Post balance sheet events" makes reference to the uncertainty that exists after the spread of the Covid-19 pandemic, regarding the Group's revenues following the decision on a 40% discount off the rents for March and April for the shops that closed down pursuant to a government decision, if the adoption of measures continues. In view of the uncertainty about the continuation of the crisis, the Management has made a preliminary assessment of the impact of the Covid-19 health crisis on future operating results and future cash flows of the Company and the Group, assessing the first consequences of the suspension of retail activities, in order to ensure that all necessary and possible measures and actions are promptly taken to minimise any negative impact, as well as to capitalise on positive developments.

2.2 New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2019. The Group's evaluation of the effects of these new standards, amendments to standards and interpretations is presented below.

Standards and interpretations effective for the current financial year

IFRS 16 "Leases"

IFRS 16 was issued in January 2016 and replaces IAS 17. The objective of the standard is to ensure that lessees and lessors provide useful information that fairly presents the essence of the lease-related transactions. IFRS 16 introduces a single model for the accounting treatment by the lessee, which requires that the lessee recognises assets and liabilities for all lease contracts with a term of over 12 months, except if the underlying asset has non-significant value. With regard to the accounting treatment by the lessor, IFRS 16 essentially incorporates the requirements of IAS 17. Therefore, the lessor continues to classify lease contracts into operating and finance leases and to apply different accounting treatment for each type of contract. The effect of the adoption of IFRS 16 on the leases of the Group as a lessee, and the accounting policies in force as of 1.1.2019 are presented in note 9. The application of the standard has not affected the leases in which the Group is a lessor.

IFRIC 23 "Uncertainty over income tax treatments"

The Interpretation explains how to recognise and measure current and deferred tax assets and liabilities if there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The application of the interpretation had no impact on the Group's financial statements.

IAS 19 (Amendments) "Plan amendment, curtailment or settlement"

The amendments specify how companies determine pension expenses when changes to a defined benefit pension scheme occur. The amendment to the standard had no impact on the Group's financial statements.

Annual Improvements to IFRSs (2015 – 2017 Cycle)

The amendments set out below include changes to four IFRSs.

IFRS 3 "Business combinations"

The amendments clarify that an entity should remeasure the interest previously held in a jointly controlled operation when it acquires control of that operation.

IAS 12 "Income Taxes"

The amendments clarify that an entity should equally account for all income tax consequences of dividends.

IAS 23 "Borrowing costs"

The amendments clarify that an entity should account for any borrowing costs incurred to produce an asset when such asset is ready for its intended use or sale.

Standards and interpretations effective for subsequent periods

IFRS 3 (Amendments) "Definition of a business" (effective for annual periods beginning on or after 1 January 2020)

The new definition focuses on the concept of business outputs in the form of goods and services provided to customers, contrary to the previous definition that focused on outputs in the form of dividends, reduced cost or other financial benefits to investors and third parties.

IAS 1 and IAS 8 (Amendments) "Definition of material" (effective for annual accounting periods beginning on or after 1 January 2020)

The amendments clarify the definition of 'material' and how it should be used, supplementing the definition with instructions that have to date been provided in other parts of the IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRSs.

IFRS 9, IAS 39 and IFRS 7 (Amendments) "Interest rate benchmark reform" (effective for annual accounting periods beginning on or after 1 January 2020)

The amendments modify certain specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by interest rate benchmark reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

IAS 1 (Amendment) "Classification of liabilities as current or non-current" (effective for annual periods beginning on or after 1 January 2022)

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

There are no other standards or interpretations which are mandatory for subsequent periods, and which are expected to have a significant impact on the financial statements of the Group.

2.3 Comparative information

Comparative amounts have been adjusted as necessary for the sake of consistency with changes in the presentation for the current year.

2.4 Rounding

The amounts contained in the financial statements have been rounded in euros, and any differences that may exist are due to such rounding.

2.5 Consolidation

All the companies of the Group are fully controlled by the parent company.

Subsidiaries are companies over which the parent company exercises control. The Group controls an entity when the Group is exposed or entitled to variable income from its participation in the entity and has the ability to influence that income through its ability to influence the activities of the entity. Subsidiaries are considered to be fully consolidated from the date on which control over them is acquired, and cease to be consolidated from the date on which such control ceases.

The Group uses the acquisition method to account for all business combinations, regardless of whether equity shares or other assets are acquired. The acquisition price of a subsidiary consists of:

- the fair value of the assets and liabilities;
- the obligations assumed by the acquirer in relation to the previous owners;
- the participatory rights issued by the Group;
- the acquisition cost includes the fair value of assets or liabilities arising from contingent consideration arrangements;
- the fair value of any pre-existing shares in the subsidiary;

Recognised acquired assets and liabilities and contingent liabilities entered into in a business combination are initially measured, with few exceptions, at their fair value on their acquisition date. In each case of an acquisition, the Group recognises any non-controlling interest in the subsidiary either at fair value or at the value of the share of the non-controlling interest in the equity of the acquired subsidiary.

The costs associated with the acquisition are entered in the income statement.

The excess amount between the sum

- of the acquisition price
- the amount recognised as non-controlling interests and
- the fair value of any Group share held in the subsidiary prior to acquisition, and the fair value of the net position of the amount recognised as goodwill in the acquired subsidiary. If the acquisition cost is less than the fair value of the acquired company's equity, the difference is recognised as revenue directly in the income statement.

That part of the acquisition cost that exceeds the fair value of the acquired company's equity is recognised as goodwill. If these amounts are less than the fair value of the net worth of the subsidiary acquired, the difference is recognised directly in the income statement as profit from a market opportunity.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated from profit. Unrecognised losses are also eliminated unless the transaction indicates evidence of impairment of the transferred asset. The accounting principles used by subsidiary companies are the same as those adopted by the Group. In the parent company's Statement of Financial Position, subsidiaries are valued at cost less any impairment.

In the event of transactions involving increases in the Group's interests in subsidiaries that are outside the scope of IFRS 3, the Group recognises any outcome arising from the difference between the fair value of the consideration paid and the book value of third party interests that were purchased directly in equity.

2.6 Segment information

Reports by segment are prepared in line with the internal financial reports provided to the Chairperson, the CEO and other executives of the Board of Directors, who are the persons primarily responsible for business decisions. The key persons responsible for decision-making undertake to establish strategy, allocate resources, and evaluate the performance of each business segment.

2.7 Foreign exchange conversions

(a) Functional and presentation currency

The items in the financial statements of the Group's companies are measured in the currency of the primary economic environment in which the Group operates ("functional currency"). The consolidated financial statements are reported in euros, which is the functional currency and the reporting currency of the parent Company.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transaction. Profits and losses from foreign exchange differences that result from the settlement of such transactions during the year and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date are recorded in the results. Foreign exchange differences from non-monetary items that are valued at their fair value are considered as part of their fair value and are thus treated similarly to fair value differences.

(c) Group Companies

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

i) The assets and liabilities are converted using the rates in effect at the balance sheet date;

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

iii) The resulting exchange rate differences are recorded in the statement of other income and are transferred to the results on sale of these companies.

2.8 Investments in real estate property

Properties that are held for long-term leasing purposes or for capital gains or both, and are not used by Group companies, are categorised as investments in property. Properties that are constructed or developed for future use as investments are categorised at the start as investments in property. Investments in property include privately-owned plots of land and buildings.

Investments in property are initially recognised at cost, including related direct acquisition costs and, if applicable, the costs of borrowing (note 2.27). After initial recognition, investments in property are valued at cost, less depreciation and any impairment. Impairment of real estate investments is recognised in the income statement. Depreciation of investments in property is calculated using the straight-line method, based on their useful life estimated at 40 years, with the exception of non-renovated listed buildings the depreciation of which is calculated over 20 years. Properties constructed or developed for future use as investments in property are shown at cost and are not depreciated until construction or development is completed.

Subsequent expenditure is added to the book value of the property only if it is probable that future financial benefits related to the property in question will flow to the Group, and their cost can be reliably measured. All other costs of repairs and maintenance burden the results of the year to which they relate.

If an investment in property is converted to an asset for own use, then it is classified in tangible assets.

2.9 Leases

The accounting policies that were in force until 31.12.2018 are presented below:

(a) Group company as lessee

Leases under which the risks and rewards incident to ownership remain with the lessor are classified as operating leases. Operating lease expenses are proportionally recognised in the income statement during the lease period and include any restoration cost of the property if such clause is included in the leasing contract.

(b) Group company as lessor

The Group leases assets only through operating leases. Operating lease income is recognised in the income statement of each period proportionally during the period of the lease.

2.10 Property, plant and equipment

Fixed assets are reported in the financial statements at acquisition cost less accumulated depreciation and any impairment. Acquisition costs include all costs directly attributable to the acquisition of the items.

Subsequent expenses are recorded as an increase in the book value of the property, plant and equipment or as a separate asset only if it is probable that future financial benefits will flow to the Group and their cost can be measured reliably. The costs of repairs and maintenance are recorded in the income statement as they arise.

Land is not subject to depreciation. Depreciation of other tangible assets (PPE) is calculated using the straight-line method over their useful life as follows:

- Vehicles	6 - 9	years
- Other equipment	5 - 10	years

The residual values and useful economic life of PPE are subject to reassessment at least at each balance sheet date.

When the book values of tangible assets exceed their recoverable values, the difference (impairment) is entered in the income statement as an expense.

When tangible assets are sold, any difference between the proceeds and their undepreciated book value is recorded as profit or loss in the income statement.

Financial expenses related to the construction of assets are capitalised for the period required for the completion of construction (note 2.27).

2.11 Intangible Assets

Intangible assets mainly include software licences, which are valued at acquisition cost less depreciation and any impairment. Impairment loss is recognised in the income statement. Depreciation is accounted for using the straight line method over the useful life of the assets in question, which ranges from 1 to 10 years.

2.12 Impairment of non-financial assets

Assets that are depreciated are subject to impairment assessment when indications exist that their book value is not recoverable. Impairment loss is recognised for the amount by which the fixed asset's carrying value exceeds its recoverable value. The recoverable value is the higher of fair value, reduced by the cost required for the disposal, and value in use (current value of anticipated cash flows to be generated, based on the management's estimates of future financial and operating conditions). To estimate the impairment losses, the assets are included in the smallest possible cash-generating units. Any non-financial assets that have been impaired, apart from goodwill, are reassessed for potential reversal of impairment on each balance sheet date.

2.13 Financial assets

During the current and comparative periods, the Group holds the following financial assets:

- Trade receivables (note 2.15)
- Cash and cash equivalents and committed deposits (notes 2.16 and 2.17)
- Investments in equity

(a) Classification

The Group classifies financial assets in the following categories for measurement purposes:

- Financial assets at fair value (either through other comprehensive income or through the income statement);
- Financial assets at amortised cost

The classification depends on the business model of the Company as far as management of financial assets is concerned, and the characteristics of the contractual cash flows of the financial asset.

(b) Recognition and derecognition

Typical purchases and sales of investments are recognised as of the date on which the transaction takes place, i.e. the date on which the Group commits to purchase or sell the asset. Investments cease to be recognised when the cash flow rights from the financial assets expire or are transferred and the Group has materially transferred all the risks and rewards associated with ownership thereof.

(c) Measurement

At initial recognition, the Group measures a financial asset at fair value plus, in the case of financial assets that are not measured at fair value through profit and loss, the cost of transactions that is directly attributable to the acquisition of the financial asset. The transaction costs of financial assets not measured at fair value through profit or loss are entered directly in the income statement.

Investments in debt securities

The Group has not held any debt securities during the current or comparative periods.

Investments in equity

The Group measures all equity instruments at fair value. When the Group chooses to recognise any gains or losses from the measurement of equity instruments at fair value in other comprehensive income, any gains or losses are not reclassified in the income statement after the investment is derecognised. Dividends are recognised in the income statement under the item “income from shares” when the Group's right to receive payment is established.

Changes in the fair value of financial assets measured at fair value through profit or loss are recognised in the income statement as they arise. Impairment losses (and any reversal of impairment losses) deriving from equity shares valued at fair value through other comprehensive income are not presented separately from other changes in fair value.

Note 3.2 provides information regarding determination of the fair value of financial assets.

(d) Impairment

The Group determines the impairment loss against the expected credit losses for financial assets that are measured at amortised cost. The relevant methodology depends on whether there is a significantly increased credit risk.

The Group holds the following financial assets that fall under the expected credit losses model:

- Cash and cash equivalents
- Restricted cash deposits
- Trade receivables

For trade receivables, the company applies the simplified approach indicated under the provisions of by IFRS 9. Based on this approach, the Group recognises the expected credit losses from initial recognition and over the life of the trade receivables (expected lifetime losses). To determine expected credit losses, the customer base is grouped according to the credit profile of customers using historical data, taking into account future factors in relation to debtors and the financial environment.

2.14 Inventory

Investments in property for which construction begins with the purpose of future sale are reclassified as inventories at book value on the balance sheet date. They are subsequently measured at the lower of cost and net realisable value. Net realisable value is calculated on the basis of current selling prices for inventories in the ordinary course of business, less any costs of sale.

2.15 Trade and other receivables

Trade receivables are the amounts owed by customers for provision of services during the normal operation of the business. Trade receivables are initially recognised at the amount of the price not subject to conditions, unless they contain an important source of funding, in which case they are recognised at fair value. The Group retains its trade receivables for the purpose of collecting contractual cash flows, and as such it subsequently measures them at amortised cost using the effective interest method, less any impairment losses. See note 2.13 for a description of the impairment policies applied by the Group.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash, sight deposits and short-term, highly liquid investments of up to 3 months that are readily convertible to specific cash sums and present minimal risk of changes in value. Cash and cash equivalents are subsequently measured at amortised cost using the effective interest method.

2.17 Committed deposits

Committed deposits are cash equivalents not readily available for use. Such cash equivalents cannot be used by the Group until a specific point in time or until a specific future event occurs. In cases where committed deposits are expected to be used within one year of the date of the statement of financial position, they are classified as a short-term asset. However, if they are not expected to be used within one year from the date of the statement of financial position, they are classified as a long-term asset. Committed deposits are disclosed in a separate line in the statement of financial position, but are taken into consideration together with cash and cash equivalents and time deposits of more than 3 months when calculating the gearing ratio. Cash and cash equivalents are subsequently measured at amortised cost using the effective interest method.

2.18 Share capital

Share capital includes the common shares of the Company. Direct expenses for the issue of shares are shown after subtraction of the respective income tax, as a reduction in the proceeds derived from the issue.

2.19 Borrowings

Borrowings are initially recorded at fair value, net of direct transaction costs incurred. Borrowings are subsequently calculated at amortised cost using the effective interest rate method. Any difference between the proceeds collected (net of respective costs) and the repayment value is recognised in the income statement over the period of the loan using the effective interest rate method.

Loans are derecognised from the statement of financial position when, and only when, they are repaid i.e. when the obligation specified in the contract is fulfilled, cancelled or expires. The difference between the book value of a financial liability that is settled or transferred to another party and the consideration paid, including any transferred non-cash assets or any liabilities, is recognised in the income statement, in other income, or in financial expenses.

When the contractual cash flows of a loan are renegotiated or otherwise modified, and the renegotiation or modification does not result in the termination of the loan in question, the Company recalculates its book values and recognises gains or losses from the modification in the income statement. The book value of the loan is recalculated as the present value of contractual cash flows, following renegotiation or modification, which have been discounted at the original effective interest rate. Any costs or fees incurred constitute an adjustment to the book value of the modified loan agreement and are amortised over its remaining life.

Borrowings are classified as current liabilities unless the Group possesses the unconditional right to defer settlement of the liability for a minimum of 12 months from the balance sheet date.

2.20 Financial derivatives

Group companies evaluate, on a case by case basis, the making of financial derivative contracts to hedge the exposure to rate fluctuations connected to long-term loan agreements.

At the start of any such transaction, the Group reviews the relationship between the hedging instruments and the hedged items, as well as the risk management strategy for undertaking various hedging actions. This process involves linking all derivatives that are defined as hedging instruments against specific assets and liabilities, or specific commitments, or prospective future transactions. In addition, the likely effectiveness of derivatives used in the hedging transactions in neutralising fluctuations in current values or cash flows of hedged items is assessed at the onset of hedging and on an ongoing basis.

The total fair value of hedging derivatives is classified under non-current assets or long-term liabilities when the remaining hedged asset has a maturity over 12 months, or under current assets or short-term liabilities when the residual maturity of the hedged asset is less than 12 months.

Cash flow hedging

IFRS 9 includes the continued application of IAS 39
requirements with regard to hedge accounting as an accounting policy option, which the Group has chosen to take advantage of.

Derivative assets are initially recognised at fair value as of the date of the respective agreement.

The portion of the change in the derivative’s fair value considered effective and meeting the cash flow hedging criteria is recognised in Statement of Comprehensive Income. Profit or loss associated with the non-effective portion of the change is recognised directly in the income statement under ‘Financial expenses (income) - net’.

The cumulative amount recorded in equity is transferred to the Income Statement in the periods during which the hedged item affects the profit or loss of the respective period. The gain or loss associated with the effective part of the hedge of floating rate swaps is recognised in the Income Statement at the same time as the interest on the hedged loan is recognised under the heading ‘Financial expenses (income) - net’.

When a financial product matures or is sold, or when a hedging relationship no longer meets the criteria for hedge accounting, the cumulative profit or loss which is shown up to that point in time under equity will remain in equity, and will be recognised when the expected transaction is ultimately transferred to the Income Statement. When a prospective transaction is no longer expected to occur, the cumulative gains or losses recorded in equity are transferred directly to the Income Statement, under ‘Other operating income /(expenses) (net)’.

2.21 Current and deferred taxation

Income tax for the period is the tax calculated on the taxable income of the current period based on the tax rate applicable in each country, adjusted for any changes in deferred tax receivables and liabilities due to temporary differences and unused tax losses.

The liability arising from current income tax is calculated on the basis of legislation currently in force or which was in force at the end of the fiscal year in the countries where the Company and the Group’s subsidiary companies and related entities generate taxable income. Management periodically reviews positions in tax declarations with regard to circumstances where tax legislation is open to interpretation. It also makes provisions, where necessary, in relation to the amounts that are expected to be payable to the tax authorities.

Deferred income tax is calculated using the liability method which arises from temporary differences between the book value and the tax base of assets and liabilities. Deferred income tax is not taken into account if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, which at the time of the transaction did not affect accounting or taxable profit or loss. Deferred tax is determined by the tax rates that have entered into force or will actually apply at the balance sheet date.

Deferred tax receivables are recognised to the extent that there are going to be future taxable gains so that the temporary difference that gives rise to the deferred tax assets can be utilised.

Deferred income tax is recognised for temporary differences arising from investments in subsidiaries and associates, unless the reversal of temporary differences is controlled by the Group and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax receivables and liabilities are offset when there is a legally enforceable right to offset current tax receivables against liabilities and when deferred income taxes relate to the same tax authority. Current tax receivables and liabilities may be offset when there is a legally enforceable right to offset and there is intent to make a settlement on a net basis or to acquire the asset and settle the liability at the same time.

Current and deferred tax are recognised in the income statement unless they relate to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity, respectively.

2.22 Employee benefits

(a) Short-term liabilities

Liabilities for wages and salaries that are expected to be fully settled within 12 months of the end of the period in which the employees provide the relevant service are recognised as employee services provided until the end of the reporting period, and are calculated among the amounts expected to be paid in settlement of liabilities. The liabilities are presented in the statement of financial position under other liabilities.

(b) Post-employment benefits

Post-employment benefits include defined contribution programmes and defined benefit schemes. The Group participates in various pension plans. Payments are determined by respective local legislation and the regulations of the social insurance funds.

A defined benefit scheme is a pension plan that defines a specific amount to a pension to be received by an employee when he retires, which usually depends on one or more factors such as age, years of service and level of salary.

A defined contribution scheme is a pension plan under which the Group makes fixed payments to a separate legal entity. The Group has no legal obligation to pay additional contributions, if the fund does not have sufficient assets to pay all employees the benefits related to their service in the present and previous periods.

For defined contribution schemes, the Group pays contributions to public social security funds on a mandatory basis. The Group has no obligation other than paying its contributions. The contributions are recognised as staff costs when the debt arises. Prepaid contributions are recognised as an asset if there is a cash refund possibility or offsetting against future debts.

The liability recorded in the balance sheet for defined benefit plans is the present value of the defined benefit obligation at the balance sheet date. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting future cash flows at the same rate as long-term high-quality (investment-grade) corporate bonds with a maturity date approximately equal to that of the pension scheme.

The financial cost is calculated by applying the discount rate to the balance of the defined benefit obligation. These costs are included in the income statement under employee benefits.

Actuarial gains or losses arising from empirical adjustments and changes in actuarial assumptions are charged or credited to the statement of comprehensive income for the period in which they arise.

Changes in the present value of the defined benefit obligations resulting from modifications or reductions in the plan are recognised directly in the income statement.

(c) Employment termination benefits

Termination benefits become payable when the Group terminates employment before the normal retirement date or when the employee accepts voluntary retirement in exchange for these benefits. The Group recognises these benefits at the earliest of the following dates: (a) when the Group can no longer withdraw the offer of such benefits, and b) when the Company recognises restructuring costs falling within the scope of IAS 37, and duly includes the payment of termination benefits. In the event of an offer made to encourage voluntary redundancy, retirement benefits are calculated based on the number of employees expected to accept the offer. Termination benefits due 12 months after the balance sheet date are discounted at their present value.

2.23 Provisions

Provisions are recognised when an actual legal or assumed commitment exists as a result of past events, when settlement of such commitment will likely require an outflow of resources, and when the required amount can be reliably estimated.

2.24 Recognition of revenues

Revenues mainly derive from the sale of property, operating leases for property, the provision of services, and construction projects.

Revenues from operating leases are recognised in the income statement using the straight line method over the duration of the lease period. When the Group provides incentives to its customers, the cost of these incentives is recognised over the lease term using the straight-line method, less income from the lease.

Variable leases, such as rents based on lessees' sales turnover, are recorded in revenue in the periods as notified to the Company and the Group.

Income from the provision of services and real estate management is recorded in the period during which the services are rendered, based on the stage of completion of the service in relation to the total services to be provided.

In cases where the Group acts as representative, it is commission, and not gross revenue, that is accounted for as revenue.

Dividends are accounted for as income when the right to receive payment is established.

2.25 Distribution of dividends

The distribution of dividends to shareholders of the parent company is recognised as an liability when the distribution is approved by the General Meeting of Shareholders.

2.26 Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Accounts payable are classified as short-term if payment is due within one year or less. Otherwise they are shown as long-term liabilities.

2.27 Costs of borrowing

General costs of borrowing as well as borrowing costs incurred specifically for the acquisition, construction or production of an eligible asset are capitalised, as part of the cost of that asset, for the necessary period until the asset is ready for use or sale. An eligible asset is an asset that requires an extended period of time until it is ready for use as intended or for sale.

Interest income from the provisional placement of borrowing that has been specifically committed to the acquisition, construction or production of an asset is deducted from borrowing costs that can be capitalised.

All other borrowing costs are recognised in the income statement.

2.28 Interest income and expenses

Interest income is recognised on an accrual basis using the effective rate method. Where a financial asset or group of similar financial assets is impaired, interest income is recognised using the interest rate that discounts future cash flows for the purpose of calculating the impairment loss.

Interest on loans is recognised under ‘Financial expenses’ in the income statement using the effective interest method. Exempted are costs of borrowing that are directly attributable to the acquisition, construction or production of fixed assets that require a significant period of construction time, which serve to increase the cost of the fixed assets until they are effectively ready for use or sale.

The effective rate method is a method for calculating the amortised cost of a financial asset or liability and for allocating the interest income or expenses over the term of the respective reporting period. The effective interest rate is the rate at which future cash payments or receipts are accurately discounted over the life of the financial instrument, or a shorter period if required, at the net book value of the financial asset or liability. When calculating the effective interest rate, the Group calculates cash flows taking into account all contractual terms governing the financial instrument (for example advance payment rights) but does not take into account future credit losses. The calculation includes all fees and percentage points paid or received between the parties that form an integral part of the effective interest rate, transaction costs, and any increases or decreases.

3 Financial management risk

3.1 Financial risk factors

The Group is exposed to various financial risks such as market risk, which includes foreign exchange risk and interest rate risk, credit risk and liquidity risk. Financial risks are associated with the following financial instruments: accounts receivable, cash and cash equivalents, trade and other payables and debt liabilities. The accounting principles relating to the above financial instruments are described in Note 2.

Risk management is monitored by the Finance Division and is determined under the rules approved by the Board of Directors. The Financial Management Division identifies and assesses the financial risks in cooperation with the departments facing the risks in question. The Board of Directors provides directions and guidelines for general risk management, as well as specific instructions for the management of specific risks such as interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and short-term investment of cash and cash equivalents.

(a) Market Risk

i) Foreign exchange risk

Given that the Group actively operating in a foreign country (Romania), it is exposed to foreign exchange risk arising from the exchange rate of local currency against the Euro.

Transactions are made mainly in local currency. If as of 31/12/2019 and 31/12/2018, the New Romanian Lev (RON) had risen or fallen by five percent (5%) in relation to the euro, all other variables being equal, earnings before taxes for the Group for 2019 would be increased or decreased by EUR 1,805 and EUR 1,635 respectively. For 2018, the pre-tax losses would have risen or fallen by EUR 514 and EUR 467 respectively, due to foreign exchange losses or gains during conversion of receivables, liabilities and cash and cash equivalents in companies established in Romania, from RON to euros.

	31-Dec-19						
Financial assets	Amounts in RON	Exchange rate 31/12/2019	Amounts in €	-5%	+5%	Difference in EUR -5%	Difference in EUR +5%
Receivables	271,806	4,7830	56,827	59,818	54,121	2,991	(2,706)
Cash and cash equivalents	40,969	4,7830	8,565	9,016	8,158	451	(408)
Total	**312,774**		**65,393**	**68,835**	**62,279**	**3,442**	**(3,114)**
Financial liabilities							
Borrowings	-	4,7830	-	-	-	-	-
Trade / Other liabilities	148,653	4,7830	31,078	32,715	29,599	1,637	(1,479)
Total	**148,653**		**31,078**	**32,715**	**29,599**	**1,637**	**(1,479)**

	31-Dec-18						
Financial assets	Amounts in RON	Exchange rate 31/12/2018	Amounts in €	-5%	+5%	Difference in EUR -5%	Difference in EUR +5%
Receivables	161,114	4.6635	34,548	36,366	32,903	1,818	(1,645)
Cash and cash equivalents	43,071	4.6635	9,236	9,722	8,796	486	(440)
Total	**204,185**		**43,784**	**46,088**	**41,699**	**2,304**	**(2,085)**
Financial liabilities							
Borrowings	-	4.6635	-	-	-	-	-
Trade / Other liabilities	158,577	4.6635	34,003	35,793	32,385	1,791	(1,618)
Total	**158,577**		**34,003**	**35,793**	**32,385**	**1,791**	**(1,618)**

ii) Cash flow risk and risk from changes in fair value due to changes in interest rates

The interest rate risk to which the Group is exposed arises primarily from long-term loans with floating interest rates, which expose the Group to cash flow risk due to changes in interest rates.

The Group's policy is to maintain the majority of loans at a fixed interest rate by concluding interest rate swaps for this purpose, wherever deemed necessary.

All Group loans have been taken out at floating interest rates, and all borrowings are in euros. Interest rate risk is therefore linked to fluctuations in euro interest rates.

Analysis of the company's loan sensitivity to interest rate fluctuations

A reasonable potential change in interest rates by twenty five base points (increase/decrease 0.25%) would lead to an increase/decrease in losses before taxes for fiscal year 2019, all other variables being equal, of EUR 43 thousand. (2018: increase/decrease in losses by EUR 13 thousand). The calculation does not include the loan of YIALOU SA, for which the risk is hedged through an interest rate swap contract. It is noted that the aforementioned change in losses before taxes is calculated on the loan balances at the end of the year, and does not include the positive effect of interest income from cash deposits and cash equivalents.

(b) Credit risk

The Group has concentrations of credit risk with regard to income from rents arising from operating property lease contracts. The Group has developed policies to ensure that transactions are undertaken with customers that have adequate creditworthiness.

Potential credit risk exists in both cash and cash equivalents, committed deposits and investments. In these cases, the risk may arise from the inability of counterparties to meet their obligations to the Group. In order to minimise this credit risk, the Group sets limits on the degree of exposure to each individual financial institution within the framework of policies approved by the Board of Directors.

The Group's exposure to credit risk by category of financial assets is as follows:

	31-Dec-19	31-Dec-18
Receivables from rents	654,414	652,738
Other receivables	2,606,513	1,022,450
Cash and cash equivalents/Committed deposits	8,519,121	6,402,845

(d) Liquidity risk

To manage liquidity risk, the Group budgets and monitors its cash flows and acts as appropriate in order to secure adequate cash liquidity and lines of credit with banks. The group has sufficient credit lines to cover any cash needs that may arise. The liquidity of the Group is monitored by the Management at regular intervals.

It is noted that the Management is currently at the final stage of negotiations for the signing of a common bond loan for a total amount of EUR 41.5 million, which also includes a short-term borrowing for a total amount of EUR 12 million, as laid down in note 19.

The following table presents an analysis of the Group's maturing financial liabilities as of 31 December 2019 and 2018 respectively:

	31-Dec-19				
		MATURITY OF	FINANCIAL	LIABILITIES	
	Within 1 year	Between 1 and 2 Years	Between 2 and 5 Years	More than 5 Years	Total
Trade and other payables	4,946,414	42,044	391,554	683,251	**6,063,263**
Borrowings (capital)	18,788,840	5,789,360	9,551,336	1,566,355	**35,695,891**
Borrowings (interest)	826,346	739,516	822,153	29,469	**2,417,484**
Financial derivatives	-	-	-	1,039,313	**1,039,313**
Lease liabilities	-	37,056	143,028	-	**180,084**

	MATURITY OF FINANCIAL LIABILITIES				
	Within 1 year	Between 1 and 2 Years	Between 2 and 5 Years	More than 5 Years	Total
Trade and other payables	2,637,721	80,270	209,971	443,136	**3,371,098**
Borrowings (capital)	3,163,176	3,376,338	11,849,749	5,169,847	**23,559,110**
Borrowings (interest)	923,376	782,084	1,415,581	194,476	**3,315,517**
Financial derivatives		-	-	1,171,809	**1,171,809**

The above amounts are presented in the contractual, non-discounted cash flows and therefore are not equivalent to the respective amounts shown in the financial statements, with respect to the items Trade and other payables and borrowings.

3.2 Determination of fair values

Financial assets and liabilities are classified under the following levels, depending on the method by which their fair value is determined:

- Level 1: for assets traded in an active market and whose fair value is determined by the (unadjusted) market prices of similar assets.

- Level 2: for assets and liabilities whose fair value is determined by factors related to market data, either directly (that is, as prices) or indirectly (that is, derived from prices).

- Level 3: for assets and liabilities whose fair value is not based on observable market data, but is mainly based on internal estimates.

The financial asset figures of the Company and the Group are as follows:

- Financial assets measured at fair value through other comprehensive income (note 11) and
- the derivative financial product.

	Level 1	**Level 2**	**Level 3**	**Total**
Financial derivatives	-	1,039,313	-	1,039,313
Financial assets measured at fair value through other comprehensive income	-	-	1,166,612	1,166,612
Total	**-**	**1,039,313**	**1,166,612**	**2,205,925**

The financial data measured at fair value through other total income pertains to our holdings of 11.66% in the Company ATHENS METROPOLITAN EXPO SA.

During the fiscal year there were no transfers between levels 1 and 2, nor any transfers in or out of level 3 for measurement of fair value.

3.3 Capital management

The Group's goals in relation to capital management are to ensure smooth operation of the Group in the future, with the aim of providing satisfactory returns to shareholders and other stakeholders, as well as maintaining optimum capital allocation, thus reducing the cost of capital.

Net borrowing for the Group as of 31/12/2019 compared to 31/12/2018, is positive and the details are presented in the table below:

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Short-term bank borrowings	18,777,344	3,163,176	4,000,000	1,000,000
Long-term bank borrowings	16,807,777	20,395,934	3,137,500	4,947,500
Total borrowings	35,585,121	23,559,111	7,137,500	5,947,500
Less: Restricted cash deposits	6,735,403	6,038,175	-	-
Less: Cash and cash equivalents	1,783,718	364,669	311,369	203,498
Net Borrowing	**27,066,000**	**17,156,266**	**6,826,131**	**5,744,002**
Total Equity	**93,836,873**	**93,960,501**	**40,223,622**	**41,444,149**
Total Capital	**120,902,873**	**111,116,767**	**47,049,753**	**47,188,151**
Gearing Ratio	**0.224**	**0.154**	**0.145**	**0.122**

The gearing ratio as at 31.12.2019 for the Group was calculated at 22.4% (31.12.2018: 15.4%), respectively, the gearing ratio as of 31.12.2019 for the company is calculated at 14.5% (31.12.2018: : 12.2%). This ratio is defined as the quotient of net corporate debt (i.e. total long and short-term bank borrowings) less cash and cash equivalents to total capital (i.e. total equity plus net debt).

Compliance with financial covenants of loan agreements

The Group is obliged to meet the financial compliance conditions of the loan agreement of 29.04.2014 with EUROBANK ERGASIAS SA (as Paying Agent and Bondholders' Representative) and the Bond Lenders, which concerns a joint bond loan of € 10,400,000 million.

4 Critical accounting estimates and judgmentsby management

Management's estimates and judgments are continually evaluated and are based on historical data and expectations of future events that are considered reasonable under the circumstances.

(α) Estimates of potential impairments to investment properties belonging to the Group

The Group measures investments in real estate property at acquisition cost, less accumulated depreciation and any accumulated impairment losses. The management assigns the valuation of investments in property at fair value to certified external appraisers, in order to determine whether there is possible impairment of their value, as well as for the purposes of disclosing fair values in financial statements. The fair values of real estate investment properties are determined by applying cash flow, real estate market and residual value valuation methods. The Group uses assumptions which are primarily based on prevailing market conditions at the balance sheet preparation date.

The main assumptions underlying management's estimates of fair value are those relating to the collection of contractual rents, expected future market rent levels, vacancy periods, maintenance obligations, the appropriate discount rates, as well as returns on capital invested. These estimates are systematically compared against actual facts from the market, transactions already carried out by the Group and market transactions.

Expected future rents are determined on the basis of current market rents for similar properties, in the same location and condition.

In certain cases, mainly for the purpose of calculating values for plots of land, the valuation is based on the real estate market method. In accordance with this method, the determination of the value of a property is made on the basis of comparative data regarding properties that show the greatest similarity of characteristics with the property in question, as well as opinions formed regarding prevailing property values and the general market situation (level of supply and demand, trends, etc.).

In order to better determine the value of plots of land, the residual value method is used in addition to the real estate market method. Valuation based on residual value is applied primarily to calculate the value of land suitable for development, or properties that need renovation, in order to proceed with their further exploitation. This method is based on the concept of determining the maximum price that an investor would be willing to pay for a property in its current condition in order to make full use of it and then to exploit its use. Application of the optimal scenario for development of the property is used to determine its expected current value. Further disclosures regarding assumptions for determining fair values of investment property are included in Note 6.

(b) Income tax

Judgment is required in order to determine provisions for income tax. There are many transactions and calculations for which determination of taxes ultimately remains uncertain. If the final outcome of the tax audit is different from that initially recognised, the difference will affect income tax and the provision for deferred taxes for the fiscal year. Further disclosures are included in Notes 28 and 33.

(c) Estimation of the book value of holdings in subsidiaries

Management examines whether there is evidence of impairment of investments in subsidiaries on an annual basis. Where there are indications, Management estimates the recoverable amount of the investment, which it compares against the recorded book value in order to decide whether any provision for impairment is required. Further disclosures are included in note 10.

(d) Provisions for legal disputes and other litigation

The companies of the Group are involved in various legal disputes and other litigation and the status of each important case is periodically reviewed by the Management in order to assess any probable outflow of funds, based in part on the opinion of legal advisors. If the outflow of funds due to legal disputes and other litigation is considered likely, and the amount can be estimated reliably, the companies of the Group will make provisions in the financial statements. The judgment of Management is substantially required in order to determine both the likelihood and whether the amount can be estimated reliably. When additional information becomes available, Management will review such contingent liabilities, and may revise its estimates with regard to the likelihood of an adverse outcome and the related estimate of the amount of any potential outflow of funds. Such revisions to estimates may have a material effect on the financial position and results of the Group and the Company. Further disclosures are included in Notes 12 and 17.

5 Segment reporting

The internal financial reports are reviewed by the Group's management by geographical area of activity.

The results by geographical sector for the year 2019 were as follows:

Consolidated information by segment for the fiscal year 01/01-31/12/2019	**Greece**	**Romania**	**Total**
Total gross sales	6,872,493	-	6,872,493
Intra-group sales	-	-	-
Net sales	**6,872,493**	**-**	**6,872,493**
Gross profit/ (losses) per segment	4,229,217	-	4,229,217
Administrative expenses	(2,729,672)	(82,348)	(2,812,020)
Other operating income/ (expenses) - net	149,106	-	149,106
Operating profits	1,648,651	(82,348)	1,566,302
Income from participating interests	135,326	-	135,326
Financial income	8,799	5,587	14,385
Financing (expenses)	(1,353,538)	(1,876)	(1,355,414)
Profits /(losses) before taxes	439,237	(78,638)	360,599
Income tax	(420,544)	(4)	(420,548)
Net earnings/ (losses)	**18,692**	**(78,641)**	**(59,949)**

Total assets and liabilities geographically allocated for the year to 31 December 2019 are as follows:

	Greece	Romania	Total
Total assets	128,876,527	10,351,693	**139,228,221**
Total liabilities	45,344,268	47,079	**45,391,348**

The results by geographical sector for the year 2018 were as follows:

Consolidated information by segment for the fiscal year 01/01-31/12/2018	**Greece**	**Romania**	**Total**
Sales (gross & net)	7,251,760	-	7,251,760
Intra-group sales	(700,000)	-	(700,000)
Net sales	**6,551,760**	**-**	**6,551,760**
Gross profit/ (losses) per segment	4,335,163	-	4,335,163
Administrative expenses	(2,472,176)	(80,283)	(2,552,459)
Impairment	2,807,000	-	2,807,000
Other operating income/ (expenses) - net	(55,219)	(284,906)	(340,125)
Operating profits	4,614,768	(365,189)	4,249,579
Financial income	38,957	318	39,275
Financing (expenses)	(1,567,031)	(272)	(1,567,303)
Profits /(losses) before taxes	3,086,694	(365,143)	2,721,551
Income tax	(1,177,223)	-	(1,177,223)
Net earnings/ (losses)	**1,909,471**	**(365,143)**	**1,544,328**

Total assets and liabilities geographically allocated for the year to 31 December 2018 are as follows:

	Greece	Romania	Total
Total assets	113,372,453	11,161,190	**124,533,642**
Total liabilities	30,538,908	34,233	**30,573,141**

6 Investments in real estate property

The main investments in real estate owned by the Group in the current and comparative period are the following:

- Shopping centre "Smart Park" on the property of the subsidiary company “YIALOU COMMERCIAL & TOURIST SA” in Spata, Attica
- Villa Cambas & residential complex with 17 residential properties in Kantza
- Plot of land - Office building in Akadimia Platonos, Athens.
- Plot of land - Mixed-use building complex in the Splaiul Unirii area of Bucharest.
- Plot of land - Mixed-use building complex in the Straoulesti-Baneasa area, Bucharest.

	CONSOLIDATED FIGURES	FIGURES FIGURES
Cost		
1 January 2018	**122,333,081**	**9,007,982**
Foreign exchange differences	(20,357)	-
Additions	1,160,750	-
Reversal of impairment	2,807,000	-
31 December 2018	**126,280,475**	**9,007,982**
1 January 2019	**126,280,475**	**9,007,982**
Foreign exchange differences	(472,915)	-
Additions	12,114,682	-
Reversal of impairment	-	-
31 December 2019	**137,922,242**	**9,007,982**
Accumulated depreciation		
1 January 2018	**(9,347,333)**	**(221,369)**
Amortisation for the period	(1,319,366)	(15,500)
31 December 2018	**(10,666,700)**	**(236,869)**
1 January 2019	**(10,666,700)**	**(236,869)**
Amortisation for the period	(1,402,342)	(15,500)
31 December 2019	**(12,069,042)**	**(252,369)**
Net book value as at 31 December 2018	**115,613,772**	**8,771,113**
Net book value as at 31 December 2019	**125,853,197**	**8,755,613**

- During 2019, the company YIALOU COMMERCIAL & TOURIST SA proceeded to the construction of the second phase of the Commercial Park with an expansion thereof by 15,200 thousand m^2, with a cost of 12.1 million euro, including capitalised interest for special borrowing (note 25). The operation of the new expansion started in November 2019, having achieved a lease of 80% of the leased area of the new building.

- The properties of the Group REDS SA are not burdened by liens, with the exception of real estate property of the subsidiary company "YIALOU COMMERCIAL & TOURIST SA", namely on the blocks and OTE71 and OTE72 located at Yialou in Spata, Attica, where mortgage No 29547/01.04.2011 was registered in the amount of EUR 42 million, as collateral for the Bond Loan Agreement of 28/2/2011 and of subsidiary "KANTZA COMMERCIAL SA", and, in particular, on the company's properties on the "Camba" Estate, amounting to a total of approximately EUR 14.6 million, to secure the Bond Loan Agreement of 29/4/2014, amounting to EUR 10.4 million.

Information regarding valuation methods for investments in property of the Group by operating sector category and geographical area.

The following table analyses the Group's investment in property by operating sector, and by geographical area for the Company and the Group:

Country	Sector	Property category	Fair value categorisation	Fair value 31/12/2019	Valuation method	Value determination data	Range of values (in euros)
Greece	Land and real estate development	Land parcels	3	9,600,000	Real estate market method, Residual value method	Price per m^2	10-2,000
Greece	Land and real estate development	Building	3	2,200,000	Residual value method	Price per m^2	10-840
Greece	Land and real estate development	Land parcels	3	37,000,000	Real estate market method	Price per m^2	80-156
Greece	Land and real estate development	Commercial retail park	3	120,000,000	Discounted cash flow method/Residual value method	Discount rate/ Exit yield at end of period/ Market rent	7.75% / 7.25% / 7,219,500
Romania	Land and real estate development	Land parcels	3	11,250,000	Real estate market method	Price per m^2	300-800
			Total	**180,050,000**			

CONSOLIDATED DATA						
COUNTRY	**GREECE**			**ROMANIA**	**31-Dec-19**	**31-Dec-18**
Fiscal Year	**Commercial retail park**	**Land parcels**	**Building**	**Land parcels**	**Total**	**Total**
Fair value categorisation	3	3	3	3		
Fair value 31/12/2019	120,000,000	46,600,000	2,200,000	11,250,000	**180,050,000**	**126,050,000**
Profit / (loss) from valuation	-	-	-	-	-	**2,807,000**

COMPANY FIGURES				
COUNTRY	**GREECE**		**31-Dec-19**	**31-Dec-18**
Fiscal Year	**Building**	**Land parcels**	**Total**	**Total**
Fair value categorisation	3	3		
Fair value 31/12/2019	1,200,000	9,600,000	**10,800,000**	**9,700,000**
Profit/(loss) from valuations	-	-	-	-

Sensitivity analysis on the rental income of the Group's investments in property

A reasonably possible change of 250 basis points (+/-0.25%) in the discount rate for the 1st year on the comprehensive income of the existing development of the Smart Park Commercial Park would result in an increase/decrease in its fair value for 2019 of approximately € 5 million.

7 Tangible Assets

	CONSOLIDATED DATA			
	Transportation means	**Mechanical Equipment**	**Furniture and Fixtures**	**Total**
Cost				
1 January 2018	**22,336**	**70,303**	**547,803**	**640,443**
Additions/ purchases	-	-	5,437	5,437
Foreign exchange differences	-	-	(53)	(53)
31 December 2018	**22,336**	**70,303**	**553,187**	**645,827**
1 January 2019	**22,336**	**70,303**	**553,187**	**645,827**
Additions/ purchases	-	-	205,320	205,320
Foreign exchange differences	-	-	(1,224)	(1,224)
31 December 2019	**22,336**	**70,303**	**757,283**	**849,923**
Accumulated depreciation				
1 January 2018	**(13,221)**	**(42,388)**	**(546,425)**	**(602,034)**
Fiscal year depreciation	(1,571)	(6,562)	(3,274)	(11,407)
Foreign exchange differences	-	-	53	53
31 December 2018	**(14,791)**	**(48,950)**	**(549,647)**	**(613,388)**
1 January 2019	**(14,791)**	**(48,950)**	**(549,647)**	**(613,388)**
Fiscal year depreciation	(1,571)	(6,562)	(3,837)	(11,970)
Foreign exchange differences	-	-	1,211	1,211
31 December 2019	**(16,362)**	**(55,512)**	**(552,273)**	**(624,147)**
Net book value as at 31 December 2018	**7,545**	**21,353**	**3,541**	**32,439**
Net book value as at 31 December 2019	**5,974**	**14,791**	**205,010**	**225,775**

COMPANY FIGURES

	Vehicles	Mechanical equipment	Furniture & fittings	Total
Cost				
1 January 2018	**11,465**	**103**	**456,748**	**468,315**
Disposals/ write-offs	-	-	76	**76**
31 December 2018	**11,465**	**103**	**456,824**	**468,392**
1 January 2019	**11,465**	**103**	**456,824**	**468,392**
Additions/ purchases	-	-	-	-
31 December 2019	**11,465**	**103**	**456,824**	**468,392**
Accumulated depreciation				
1 January 2018	**(11,464)**	**(103)**	**(456,748)**	**(468,315)**
Fiscal year depreciation	-	-	(76)	(76)
Disposals/ write-offs	-	-	-	-
31 December 2018	**(11,464)**	**(103)**	**(456,824)**	**(468,391)**
1 January 2019	**(11,464)**	**(103)**	**(456,824)**	**(468,391)**
Fiscal year depreciation	-	-	-	-
31 December 2019	**(11,464)**	**(103)**	**(456,824)**	**(468,391)**
Net book value as at 31 December 2018	**0**	**0**	**0**	**0**
Net book value as at 31 December 2019	**0**	**0**	**0**	**0**

There are no encumbrances or liens on the Group's property, plant and equipment.

8 Intangible Assets

	CONSOLIDATED FIGURES	FIGURES FIGURES
	Software	Software
Cost		
1 January 2018	**107,840**	**90,504**
Additions	2,469	-
Foreign exchange differences	(38)	-
31 December 2018	**110,271**	**90,504**
1 January 2019	**110,271**	**90,504**
Additions	31,441	-
Foreign exchange differences	(309)	-
31 December 2019	**141,403**	**90,504**
Accumulated depreciation		
1 January 2018	**(107,647)**	**(90,504)**
Fiscal year depreciation	(274)	-
Foreign exchange differences	38	-
31 December 2018	**(107,882)**	**(90,504)**
1 January 2019	**(107,882)**	**(90,504)**
Fiscal year depreciation	(836)	-
Foreign exchange differences	309	-
31 December 2019	**(108,409)**	**(90,504)**
Net book value as at 31 December 2018	**2,388**	**-**
Net book value as at 31 December 2019	**32,992**	**-**

9 Right of use assets – IFRS 16 Leases

The Group applies IFRS 16 for the first time on 1 January 2019, using the modified retrospective approach. Based on that approach, the Group a) acknowledges a liability measured in the present value, as arising from the prepayment of rents whose payment is pending, using the borrowing rate applicable on the date of the first application; and b) acknowledges a right of use asset, measuring that right in an amount equal to the relevant liability to be acknowledged. Following initial acknowledgement, the Group will a) measure the rights of use assets and depreciate them at a steady rhythm throughout the term of the lease; and b) will measure the relevant liability, increasing and decreasing the open balance in a manner that reflects the interest and rent payments respectively.

- **Accounting**

In adopting IFRS 16, the Company applied a unified accounting framework for all leases.

The Company acknowledged rights to use assets and liabilities for leases that had been previously classified as operating leases, except for leases of low value.

The lease liability was recognised as the present value of remaining payments, discounted at the additional borrowing cost on the initial application date. The Company has applied the facility practices as follows:

- It used a uniform discount interest rate of 5% to leases;
- It evaluated, based on prior experience, the term of the leases whose contract includes a condition of extension or termination.
- It did not evaluate leases whose value is lower than €5,000.

The new accounting policies of the Company, upon adoption of the IFRS 16, in force as of the initial application date, are presented below.

- **Right of use assets**

The Company recognises a right of use assets at the start of the lease (the date on which the asset is available for use). The rights of use assets are measured at the cost thereof, decreased by the accumulated depreciation and impairment of their value, adjusted to the measurement of the relevant lease liabilities.

The rights of use assets are subject to impairment control.

- **Lease liabilities**

Upon commencement of the lease, the Company recognises lease liabilities equal to the present value of rents throughout the term of the lease agreement.

To calculate the present value of payments, the Company uses the additional borrowing cost on the lease start date, if the actual interest rate is not directly specified in the lease agreement. The interest rate was set at 5%. Following commencement of the lease, the amount of lease liabilities is increased by the amount of interest costs, and is decreased by the amount of the rent payments made. Moreover, the carrying value of lease liabilities is measured if there is an amending agreement, or any change in the term of the agreement, in the fixed rents, or in the market valuation of the asset.

For the Group in 2019, the amount of € 4.5 thousand was recorded in financial lease expenses and the amount of € 57.9 thousand in depreciation of right to use assets, while the Company recorded an amount of € 2.1 thousand in financial lease expenses, and the amount of € 23.7 thousand in depreciation of right to use assets. The lease liabilities of the Company and the Group exclusively concern cars.

Rights of use of assets	CONSOLIDATED FIGURES	FIGURES FIGURES
Cost		
1 January 2019	**112,093**	**69,618**
Additions for the period	115,386	27,248
31 December 2019	**227,479**	**96,866**
Accumulated depreciation		
1 January 2019	**-**	**-**
Amortisation for the period	(57,882)	(23,741)
31 December 2019	**(57,882)**	**(23,741)**
Net book value as at 31 December 2018	**112,093**	**69,618**
Net book value as at 31 December 2019	**169,596**	**73,125**

	CONSOLIDATED FIGURES	COMPANY FIGURES
Long-Term lease liabilities		
1 January 2019	**90,990**	**63,551**
Payments for the period	(27,485)	(14,457)
Additions for the period	79,524	18,501
31 December 2019	**143,028**	**67,595**
Short-term lease liabilities		
1 January 2019	**21,103**	**6,067**
Payments for the period	(24,384)	(8,074)
Interest for the period	4,475	2,113
Additions for the period	35,862	8,747
31 December 2019	**37,056**	**8,853**

10 Investments in subsidiaries

The companies of the Group that are consolidated using the full consolidation method are the following:

COMPANY	% participation	Participation value 31.12.2019	Participation value 31.12.2018	Registered office	Unaudited tax years
KANTZA COMMERCIAL SA	100%	13,052,623	12,755,513	GREECE	2012-2014*, 2015-2019
YIALOU COMMERCIAL & TOURIST SA	100%	14,153,110	14,153,110	GREECE	2012-2019 (*)
PMS PROPERTY MANAGEMENT SA	100%	219,726	219,726	GREECE	2012-2013 (*), 2014-2019
CLH ESTATE Srl	100%	4,295,920	4,515,920	ROMANIA	2006-2019
PROFIT CONSTRUCT Srl	100%	6,004,901	6,256,901	ROMANIA	2006-2019
Total		**37,726,280**	**37,901,170**		

- Fiscal years for which Group companies subject to mandatory audit by audit firms have obtained tax compliance certificates are marked with an asterisk (*).

By virtue of Decisions of the Board of Directors of the subsidiary PROFIT CONSTRUCT Srl dated 05/02/2019 and 31/5/2019, it was decided that its share capital be increased by EUR 40,000 and EUR 48,000 respectively, by payment of cash.

At the Extraordinary General Meeting of the company "KANTZA COMMERCIAL SA" held on 20/12/2019, it was decided to increase the company's share capital by the amount of EUR 297,110.

In view of the fact that the subsidiaries in Romania show losses both in the current and in the comparative period, the Company has made an assessment of the recoverable amount of investments in subsidiaries. The assessment was made at company level, and it revealed an impairment of the holding in the subsidiary CLH ESTATE Srl amounting to EUR 0.22 million. (2018: EUR 0.32 million) and the holding in the subsidiary PROFIT CONSTRUCT SRL amounting to EUR 0.34 million (2018: EUR 0.15 million).

In the comparative period, an impairment loss was recognised at the holding in the subsidiary PMS SA, amounting to EUR 0.03 million).

11 Financial assets at fair value through other comprehensive income

The financial assets measured at fair value through other comprehensive income pertain to our holdings of 11.66% in the Company ATHENS METROPOLITAN EXPO SA.

	CONSOLIDATED FIGURES	COMPANY FIGURES
1 January 2018	1,199,000	1,199,000
Reduction of participation cost	(391,988)	(391,988)
31 December 2018	**807,012**	**807,012**
1 January 2019	807,012	807,012
Value adjustment	359,600	359,600
31 December 2019	**1,166,612**	**1,166,612**

ATHENS METROPOLITAN EXPO SA distributed dividends of €135,326 for fiscal year 2018, and interim dividends of €135,326 for fiscal year 2019.

The above title is not negotiable in a regulated market.

12 Trade and other receivables

There is no concentration of credit risk in relation to receivables from customers, since these concern a large number of customers mainly from contract-based sales and pertain to lessees with good creditworthiness. With regard to substantial outstanding balances, guarantees have been obtained as collateral to reduce credit risk.

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Customers	745,442	743,766	91,028	91,028
Customers – Related parties	141,199	93,816	798,724	1,000,565
	886,640	**837,582**	**889,752**	**1,091,593**
Loans to related parties	-	-	-	-
Other Receivables	2,171,662	728,725	504,050	521,850
Revenues receivable from contracts with customers	202,623	108,880	-	-
Total	**3,260,926**	**1,675,187**	**1,393,802**	**1,613,443**
Long-term receivables	6,700	6,700	3,100	3,100
Short-term receivables	3,254,226	1,668,487	1,390,702	1,610,342
Total	**3,260,926**	**1,675,187**	**1,393,802**	**1,613,443**

The account “Other receivables” can be broken down as follows:

	CONSOLIDATED DATA		COMPANY FIGURES	
Other receivables	**31-Dec-19**	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Greek State: (withheld and pre-payable taxes)	21,994	36,250	3,078	23,830
Greek State: Debit VAT	1,511,188	106,455	72,474	71,955
Withheld dividend tax	6,966	6,966	6,966	6,966
Advance payments & credit management account	6,933	1,389	4,625	1,314
Cheques (postdated) receivable	2,646	5,000	-	-
Prepaid expenses	163,651	111,247	11,957	12,835
Advance payments to suppliers / creditors	44,559	36,362	-	-
Sundry debtors (*)	413,725	425,057	404,950	404,950
Total	**2,171,662**	**728,725**	**504,050**	**521,850**

(*) The line “Other debtors” includes the sum of EUR 401,850 which concerns a claim by the Municipality of Pallini, due to a legal dispute pending court hearing which, according to the Municipality, amounts to the sum of EUR 750 thousand.

The maturity breakdown of other trade receivables as at 31 December 2019 and 31 December 2018 is as follows:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
0 – 3 months	682,067	549,697	85,552	264,963
3 – 6 months	4,636	14,909	-	-
6 months – 1 year	3,453	19,998	2,976	1,813
1 - 2 years	1,913	58,408	1,813	25,405
2 - 3 years	-	-	-	-
More than 3 years	866,663	866,662	1,471,504	1,471,504
	1,558,733	1,509,674	1,561,845	1,763,685
Less: Provision for impairment	(672,092)	(672,092)	(672,092)	(672,092)
Net trade receivables	**886,640**	**837,582**	**889,752**	**1,091,593**

Group trade and other receivables as of 31.12.2019 stood at €3,260,926 of which €56,827 in Romanian LEI. With regard to the comparative year as at 31.12.2018, an amount of EUR 34,548 (from the sum of EUR 1,675,187) was in Romanian RON.

13 Cash and cash equivalents

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Cash in hand	8,684	8,795	385	385
Sight deposits	1,775,034	355,874	311,011	203,113
	1,783,718	**364,669**	**311,396**	**203,498**

The following table shows the rates of deposits per credit rating class by Standard & Poor (S&P) as of 31.12.2019 and 2018 respectively.

Financial Institution Rating (S&P)	Rate of sight and time deposits as at 31.12.2019	Rate of sight and time deposits as at 31.12.2018
B +	0.0%	0.2%
B	99.2%	0.0%
B-	0.6%	99.8%
-	0.2%	0.0%
TOTAL	**100.00%**	**100.00%**

Cash and cash equivalents are broken down into the following currencies:

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
EUR	1,775,154	355,433	311,396	203,498
ROMANIA NEW LEU (RON)	8,565	9,236	-	-
Total	**1,783,718**	**364,669**	**311,396**	**203,498**

14 Committed deposits

The Group's committed deposits stood at EUR 6,735,403 and EUR 6,038,175 thousand on 31.12.2019 and 31.12.2018 respectively. These are in their entirety from the subsidiary company YIALOU COMMERCIAL & TOURIST SA.

Committed deposits for self-financed or co-financed projects (e.g. Smart Park) relate to either revenue accounts where project revenue is deposited before approved expenses are covered, or accounts to service short-term loans and settle subsequent loan installments.

15 Share capital and premium reserve

The share capital of the Company amounts to € 75,239,698 and is divided into 57,434,884 common registered shares, with a nominal value of € 1.31 each. All the Company's shares are listed on the Athens Stock Exchange. As of 31/12/2019, the Company held no treasury shares.

16 Other Reserves

CONSOLIDATED DATA

	Statutory reserve	Special & extraordinary reserves	Tax-free reserves	Other reserves	Foreign exchange difference reserves	Cash flow hedging reserves	Actuarial profit/(loss) reserves	Total
1 January 2018	**1,390,143**	**3,380,223**	**453,540**	**2,159**	**(2,222,480)**	**(846,877)**	**(38,509)**	**2,118,198**
Transfer from profit and loss	177,543		-	-	-	-	-	**177,543**
Cash flow hedging	-		-	-	-	98,285	-	**98,285**
Foreign exchange differences	-	-	-	-	(20,475)	-	-	**(20,475)**
Actuarial gains/(losses)	-	-	-	-	-	-	(5,791)	**(5,791)**
31 December 2018	**1,567,686**	**3,380,223**	**453,540**	**2,159**	**(2,242,955)**	**(748,592)**	**(44,300)**	**2,367,760**
1 January 2019	**1,567,686**	**3,380,223**	**453,540**	**2,159**	**(2,242,955)**	**(748,592)**	**(44,300)**	**2,367,760**
Transfer from profit and loss	72,038		-	-	-	-	-	**72,038**
Cash flow hedging	-		-	-	-	52,055	-	**52,055**
Foreign exchange differences	-	-	-	-	(477,193)	-	-	**(477,193)**
Reserves of financial assets at fair value through other comprehensive	-	-	-	359,600	-	-	-	**359,600**
Actuarial gains/(losses)	-	-	-	-	-	-	1,859	**1,859**
31 December 2019	**1,639,723**	**3,380,223**	**453,540**	**361,759**	**(2,720,148)**	**(696,537)**	**(42,441)**	**2,376,119**

COMPANY FIGURES

	Statutory reserves	Special & extraordinary reserves	Tax-free reserves	Other reserves	Actuarial profit/(loss) reserves	Total
1 January 2018	**1,240,002**	**3,387,277**	**453,540**	**-**	**(26,095)**	**5,054,724**
Actuarial gains/(losses)	-	-	-	-	(6,011)	**(6,011)**
31 December 2018	**1,240,002**	**3,387,277**	**453,540**	**-**	**(32,106)**	**5,048,713**
1 January 2019	**1,240,002**	**3,387,277**	**453,540**	**-**	**(32,106)**	**5,048,713**
Reserves of financial assets at fair value through other comprehensive income	-	-	-	359,600	-	**359,600**
Actuarial gains/(losses)	-	-	-	-	(4,798)	**(4,798)**
31 December 2019	**1,240,002**	**3,387,277**	**453,540**	**359,600**	**(36,904)**	**5,403,515**

(a) Statutory reserve

The provisions of Articles 158-160 of Law 4548/2018 for fiscal years from 1.1.2019, and the provisions of Articles 44 and 45 of Codified Law 2190/1920 for fiscal years until 31.12.2018 regulate the way the legal reserve is formed and used, as follows: At least 5% of each year's actual (book) net earnings must be withheld to form the statutory reserve, until the accumulated amount equals at least 1/3 of the share capital. Statutory reserves may be used to cover losses by virtue of a decision by the Ordinary General Meeting of Shareholders, and cannot as such be used for any other purpose.

(b) Extraordinary reserves

Reserves in this category have been created by decisions of the Ordinary General Meeting in past years. They do not have any specific designated purpose, and may therefore be allocated for any use by decision of the Ordinary General Meeting.

(c) Tax-free reserves

The above reserves may be capitalised and distributed (having taken into account any applicable restrictions) by decision of the Ordinary General Meeting of Shareholders.

In the event of a decision to distribute, the company will be liable for payment of the corresponding tax.

(d) Actuarial profit/(losses) reserves

These reserves include the actuarial profit/(loss) (and the respective deferred taxation) arising from recalculations of the present value of defined benefit commitments, which, in accordance with the revised standard IAS 19, are recognised in the statement of comprehensive income.

(e) Cash flow hedging reserve

The above reserve represents the actual effect of cash flow hedge derivative valuations.

(f) Foreign exchange reserve

The above reserve refers to exchange rate differences arising from currency conversion in the financial statements of foreign subsidiaries which have a functional currency other than the euro.

17 Provisions for other liabilities & expenses (long-term liabilities)

The amount of this provision was recognised in a previous year and pertains to payment of the special contribution pursuant to Law 2947/2001, which according to the Municipality of Pallini reaches a sum of EUR 750 thousand. The obligation of the Company to pay the amount in question remains pending, and is awaiting the final decision of the Council of State following an appeal filed by the Company against Decision No 327/2017 of the Administrative Court of Appeal of Athens.

18 Trade and other payables

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Trade payables (suppliers)	900,133	613,483	13,307	13,713
Accrued interest	8,590	236,572	714	714
Accrued costs	12,600	105,560	12,600	21,000
Social security and other taxes/duties	245,891	351,344	83,973	78,219
Real estate guarantees received	1,189,885	991,085	-	-
Other payables	439,391	411,208	349,842	245,040
Liabilities to related parties	3,512,664	1,013,189	646,354	673,589
Total	**6,309,154**	**3,722,442**	**1,106,790**	**1,032,274**
Long-term liabilities	1,189,885	922,441	-	160,508
Short-term liabilities	5,119,269	2,800,000	1,106,790	871,766
Total	**6,309,154**	**3,722,442**	**1,106,790**	**1,032,274**

The “Other liabilities” account can be broken down as follows:

	CONSOLIDATED DATA		COMPANY FIGURES	
Other payables	**31-Dec-19**	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Advances from customers	51,830	63,559	34,095	34,095
Wages and salaries payable	15,312	3,334	12,000	-
Fees to beneficiaries payable for services rendered	89,292	96,976	56,117	71,155
Amounts due to subcontractors	82,129	168,671	69,044	96,334
Beneficiaries of financial guarantees	12,014	12,322	-	-
Sundry creditors	53,487	66,345	43,260	43,456
Interim dividends received (not recognised as income)	135,326	-	135,326	-
Total	**439,391**	**411,208**	**349,842**	**245,040**

The liabilities of the Company and the Group from the commercial activity are interest free.

Suppliers and other liabilities of the Group as of 31.12.2019 stood at EUR 6,309,154 of which EUR 31,079 was in Romanian RON. In the corresponding fiscal year, as of 31.12.2018 total liabilities amounted to EUR 3,722,442 of which 34,003 was in Romanian RON. The book value of liabilities does not differ significantly from their fair value.

19 Borrowings

All loans carry floating interest rates. The Group is exposed due to floating interest rates prevailing in the market, which affect both the financial position and cash flows. The cost of borrowing may increase or fall as a result of these fluctuations. For this reason, it was decided that derivatives and cash flow hedging arrangements should be used.

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Long-term borrowing				
Bond Loans	16,807,777	20,385,934	3,137,500	4,137,500
From related parties	-	10,000	-	810,000
Total long-term borrowings	16,807,777	20,395,934	3,137,500	4,947,500
Short-term borrowings				
Bank loans	12,161,722	-	-	-
Bond Loans	6,605,622	3,163,176	2,000,000	1,000,000
From related parties	10,000	-	2,000,000	-
Total short-term borrowings	18,777,344	3,163,176	4,000,000	1,000,000
Total borrowings	**35,585,121**	**23,559,111**	**7,137,500**	**5,947,500**

On 22 April 2015 the Company proceeded with the issue of a bond loan to subsidiary company YIALOU COMMERCIAL & TOURIST SA and the related entity YIALOU ANAPTYXIAKI SA, for a maximum amount of EUR 2 million. By virtue of Amendment Addendum dated 28/12/2018, the loan repayment term was amended to expire on 31/12/2020. As of 31/12/2019, the due amount of the loan to the subsidiary YIALOU COMMERCIAL & TOURIST SA amounted to the sum of EUR 1,990,000, and the outstanding balance to the related entity YIALOU ANAPTYXIAKI SA amounted to the sum of EUR 10,000.

For the financing needs of the new expansion, the company YIALOU COMMERCIAL & TOURIST SA has agreed on the basis terms of issue of a new common bond loan of up to EUR 41.5 million, (EUR 36.5 million + EUR 5 VAT loan), for the expansion by about 15 thousand m^2 of the buildable area at the “Smart Park” Commercial Park, which includes the refinancing of the existing loan amounting to EUR 15.3 million. The Management, having obtained the approval of the financial bodies for the suspension of the scheduled installments for 2019, is currently at the final stage of negotiations for the signing of the new common bond loan, which is expected to be concluded soon. To facilitate the development until the new bond loan is signed, the company signed bridge finance agreements for a total amount of EUR 12 million, such amounts corresponding to the disbursements of the bond loan to be signed.

The exposure of the Group's loan liabilities to interest rate changes and contractual revaluation dates is restricted to a maximum revaluation period of 6 months.

The following table presents a breakdown of the long-term loan maturities:

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Between 1 and 2 years	5,757,923	3,376,338	3,137,500	1,810,000
Between 2 and 5 years	9,486,965	11,849,749	-	3,137,500
Over 5 years	1,562,890	5,169,847	-	-
	16,807,777	**20,395,934**	**3,137,500**	**4,947,500**

The fair value of loans is calculated by discounting expected future cash flows using discount rates that reflect current banking market conditions, and is categorised as Level 2 in the fair value hierarchy.
The book value of long term and short-term borrowings approximates their fair value. Due to the fluctuating nature of the loans, lending rates, which are redetermined at regular intervals, are equivalent to discount rates as per market data.
On 31.12.2018 the Company and the Group had no financial lease liabilities. All Group and Company loans are expressed in euros.

Changes in liabilities from financing activities are as follows:

	CONSOLIDATED FIGURES	FIGURES FIGURES
Balance as at 1 January 2018	**27,486,252**	**7,927,387**
Cash flows	(3,968,692)	(2,000,000)
Capitalised interest	-	-
Other non-cash changes	41,550	20,113
Balance as at 31 December 2018	**23,559,111**	**5,947,500**

	Borrowings	Borrowings
Balance as at 1 January 2019	**23,559,111**	**5,947,500**
Cash flows	11,788,182	1,190,000
Capitalised interest	216,390	-
Other non-cash changes	21,438	-
Balance as at 31 December 2019	**35,585,121**	**7,137,500**

20 Financial derivatives

The Group, through the subsidiary company “YIALOU COMMERCIAL & TOURIST SA”, concluded an interest rate swap agreement with the National Bank on 28.2.2013, which matures on 28.2.2025.

Under the above agreement, the Group pays interest on the nominal value, which is determined on a semi-annual basis as per the contract at a fixed interest rate of 1.73% and receives interest at a floating interest rate (6-month Euribor). Payments are made on a net basis.

The nominal value of interest rate swaps on 31.12.2019 amounts to € 16,359,200, with a fixed rate of 1.73%.

21 Deferred taxation

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Deferred tax liabilities:	(1,221,500)	(1,080,539)	-	-
	(1,221,500)	**(1,080,539)**	**-**	**-**
Deferred tax receivables:	-	-	41,832	40,771
	-	**-**	**41,832**	**40,771**
Total	**(1,221,500)**	**(1,080,539)**	**41,832**	**40,771**

Total change in deferred income tax is presented below.

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Balance at fiscal year start	1,080,539	224,542	(40,771)	(35,910)
Debit/ (credit) in the income statement	68,437	800,247	(110)	(4,817)
Debit/ (credit) in the statement of comprehensive income	72,524	55,751	(952)	(43)
Balance at fiscal year end	**1,221,500**	**1,080,539**	**(41,832)**	**(40,771)**

Changes in deferred tax receivables and liabilities during the year, without taking into account offsetting of balances with the same tax authority, are the following:

Deferred tax liabilities:

	Accelerated tax depreciation	Other	Total	Other	Total
1 January 2018	738,717	5,833	744,550	5,833	5,833
Income statement debit/(credit)	725,305	(5,833)	719,472	(5,833)	(5,833)
31 December 2018	**1,464,022**	**-**	**1,464,022**	**-**	**-**
1 January 2019	1,464,022	-	1,464,022	-	-
Income statement debit/(credit)	133,722	-	133,722	-	-
31 December 2019	**1,597,744**	**-**	**1,597,744**	**-**	**-**

Deferred tax receivables:

CONSOLIDATED DATA

	Provisions for receivables	Accelerated tax depreciation	Cash flow hedge reserves	Actuarial profit/(loss) reserves	Other	Total
1 January 2018	4,914	80,871	387,590	15,550	31,083	**520,008**
Income statement (debit)/credit	5,240	(80,304)	(4,695)	-	(1,015)	**(80,774)**
(Debit)/credit to equity	-	-	(54,788)	(962)	-	**(55,751)**
31 December 2018	**10,153**	**567**	**328,106**	**14,587**	**30,068**	**383,484**
1 January 2019	10,153	567	328,106	14,587	30,068	**383,484**
Income statement (debit)/credit	3,126	69,560	(7,511)	-	110	**65,284**
(Debit)/credit to equity	-	-	(71,160)	(1,364)	-	**(72,524)**
31 December 2019	**13,280**	**70,127**	**249,435**	**13,222**	**30,177**	**376,244**

COMPANY FIGURES

	Actuarial profit/(loss) reserves	Other	Total
1 January 2018	10,658	31,085	41,743
Income statement (debit)/credit	-	(1,015)	(1,015)
(Debit)/credit to equity	43	-	43
31 December 2018	**10,702**	**30,069**	**40,771**
1 January 2019	10,702	30,069	40,771
Income statement (debit)/credit	-	110	110
(Debit)/credit to equity	952	-	952
31 December 2019	**11,654**	**30,179**	**41,833**

The following are also noted:

- The Company and the Group have not formed deferred tax claims for accumulated tax losses.
- Most deferred tax liabilities and receivables are recoverable after 12 months because they relate primarily to temporary differences related to differential depreciation, changes in fair values of investments in real estate and inventory and personnel compensation provisions.

22 Employee benefit obligations

The amounts entered in the statement of financial position are the following:

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Present value of non-financed liabilities	236,175	219,241	174,303	163,084
Liability in Statement of Financial Position	**236,175**	**219,241**	**174,303**	**163,084**

The amounts recognised in the income statement for the fiscal year are the following:

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Retirement benefits	(20,157)	(19,175)	(5,468)	(13,089)
Total	**(20,157)**	**(19,175)**	**(5,468)**	**(13,089)**

The amounts entered in the income statement are the following:

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Current employment costs	17,180	6,885	2,696	1,619
Financial cost	3,727	3,124	2,772	2,303
Past service cost	-	9,167	-	9,167
Losses from staff cut-backs	(750)	-	-	-
Total included in employee benefits	**20,157**	**19,175**	**5,468**	**13,089**

The change in liabilities as shown in the Balance Sheet is as follows:

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Opening balance	219,241	195,238	163,084	143,942
Indemnities paid	-	-	-	-
Actuarial (profit)/loss charged to Other Comprehensive Income Statement.	(3,223)	4,829	5,750	6,054
Total charge to income statement	20,157	19,175	5,468	13,089
Closing balance	**236,175**	**219,241**	**174,303**	**163,084**

Sensitivity analysis of pension benefits in relation to changes in main assumptions is shown below:

		Effect on retirement benefits	
	Change in assumption against	**Increase in the assumption**	**Decrease in the assumption**
Discount rate	0.50%	-7.78%	7.78%
Rate of change in wages & salaries	0.50%	7.67%	-7.67%

The main actuarial assumptions used for accounting purposes are the following:

	31-Dec-19	**31-Dec-18**
Discount rate	0.90%	1.70%
Future salary raises	1.70%	1.75%
Average annual rate of long-term rise of inflation	1.70%	1.75%

The average weighted duration of retirement benefits is 15.04 years.

Analysis of expected maturity of non-discounted pension benefits:

	CONSOLIDATED DATA		**COMPANY FIGURES**	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Over 5 years	270,408	290,671	198,005	211,189
Total	**270,408**	**290,671**	**198,005**	**211,189**

Actuarial (profit)/losses recognised in the Statement of Other Comprehensive Income can be broken down as follows:

	CONSOLIDATED DATA		**COMPANY FIGURES**	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
(Profit)/losses from the change in financial assumptions	5,750	(2,218)	5,750	(2,218)
Experience (profit)/ loss	(8,973)	7,047	-	8,272
Total	**(3,223)**	**4,829**	**5,750**	**6,054**

23 Rental income from investments in real estate

The rental income of real estate investments for the Group in the fiscal year 2019 is 6.8 million euros, while for fiscal year 2018 the respective amount reached 6.3 million euros.

The operating lease term of real estate investments (located in Greece) is in most cases 12 years. The rents are adjusted annually in accordance with contractual terms in relation to the Consumer Price Index, increased by up to 1%.

The Group's rental income is not subject to seasonal fluctuations.

The total minimum guaranteed (non-cancellable) leases that are collectable under operating lease agreements per year are the following:

	CONSOLIDATED DATA	
	31-Dec-19	**31-Dec-18**
Up to 1 year	6,596,951	4,834,483
2nd year	6,184,593	4,155,101
3rd year	5,499,878	3,452,523
4th year	4,852,531	2,313,683
5th year	3,603,484	2,027,225
More than 5 years	14,093,342	9,381,926
Total	**40,830,779**	**26,164,942**

24 Income from the provision of services

Revenues from provision of services mainly involve contractor agreements, and stood at EUR 0.05 million for the Group and the Company for the closed year, and respectively, at EUR 0.04 million for the comparable year 2018.

25 Financial income / (expenses)

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Interest expenses				
- Bank loans & other liabilities	(1,319,209)	(1,476,483)	(350,005)	(397,857)
- Interest expenses related to financial leases	(4,475)	-	(2,113)	-
	(1,323,684)	(1,476,483)	(352,118)	(397,857)
Income from interest / securities	14,385	39,275	57	1,202
Net (expenses) / interest income	(1,309,299)	(1,437,208)	(352,060)	(396,655)
Other financial expenses				
- Procurement of letters of guarantee	(15,060)	(15,000)	(60)	-
- Miscellaneous banking expenses	(20,381)	(75,866)	(11,421)	(67,574)
	(35,441)	(90,866)	(11,481)	(67,574)
Net foreign exchange differences profit/ (loss) from borrowings	3,711	46	-	-
Total	**(1,341,029)**	**(1,528,028)**	**(363,541)**	**(464,229)**

Special borrowing interest for the expansion of the Commercial Park "Smart Park", for an amount of € 293 thousand was capitalised in the current year in investment properties.

26 Expenses per category

		CONSOLIDATED DATA					
		31-Dec-19			31-Dec-18		
	Note	Exploitation expenses (*)	Operating expenses	Total	Exploitation expenses (*)	Operating expenses	Total
Employee benefits	27	-	964,287	964,287	-	988,665	988,665
Inventories used		-	-	-	207,643	-	207,643
Depreciation of rights of use assets	9	-	57,882	57,882	-	-	-
Depreciation of tangible assets	7	11,706	265	11,971	10,843	563	11,407
Depreciation of intangible assets	8	821	15	836	274	-	274
Depreciation of investment properties	6	1,271,335	131,007	1,402,342	1,188,360	131,007	1,319,366
Rental fees & expenses under long-term operating leases		-	21,719	21,719	-	80,210	80,210
Other third party benefits		50,121	175,947	226,068	31,852	178,121	209,973
Third party fees and expenses		48,174	731,805	779,979	39,660	431,188	470,848
Technicians' fees		-	96,424	96,424	-	171,801	171,801
Subcontractors' fees		117,385	206,340	323,725	18,960	14,252	33,212
Taxes - Duties		296,284	216,706	512,990	303,688	226,160	529,848
Promotion & advertisement expenses		837,630	-	837,630	396,226	-	396,226
Other expenses		9,819	209,624	219,443	19,092	330,493	349,584
Total		**2,643,276**	**2,812,020**	**5,455,296**	**2,216,597**	**2,552,459**	**4,769,056**

(*) “Exploitation expenses” of the Group pertain to the parent company and YIALOU COMMERCIAL SA.

		COMPANY FIGURES					
		31-Dec-19			31-Dec-18		
	Note	Exploitation expenses	Operating expenses	Total	Exploitation expenses	Operating expenses	Total
Employee benefits	27	-	640,454	640,454	-	656,627	656,627
Inventories used		-	-	-	207,643	-	207,643
Depreciation of rights of use assets	9	-	23,741	23,741	-	76	76
Depreciation of investment properties	6	-	15,500	15,500	-	15,500	15,500
Rental fees & expenses under long-term operating leases		-	4,495	4,495	-	40,068	40,068
Other third party benefits		785	38,035	38,820	400	36,872	37,272
Third party fees and expenses		1,450	265,645	267,095	7,542	157,562	165,103
Technicians’ fees		-	96,424	96,424	-	171,801	171,801
Subcontractors’ fees		37,801	960	38,761	469,732	4,902	474,634
Taxes - Duties		-	30,192	30,192	-	141,349	141,349
Perishable supplies and property service charges		4,669	11,224	15,893	215,129	26,461	241,590
Other expenses		-	47,543	47,543	-	60,871	60,871
Total		**44,705**	**1,174,213**	**1,218,918**	**900,446**	**1,312,087**	**2,212,533**

27 Employee benefits

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Salaries and wages	778,991	801,468	529,597	539,495
Social security contributions	146,191	144,583	86,441	81,275
Cost of defined benefit plans	20,157	19,175	5,468	13,089
Other employee benefits	18,948	23,438	18,948	22,768
Total	**964,287**	**988,665**	**640,454**	**656,627**

28 Income tax

Pursuant to Article 22 of Law 4646/2019, the income tax rate for legal entities in Greece was fixed at 24% for the year 2019.

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Fiscal year tax	352,111	378,297	-	-
Deferred tax	68,437	798,926	(110)	(4,817)
Total	**420,548**	**1,177,223**	**(110)**	**(4,817)**

As of the fiscal year ended 31 December 2011, pursuant to Law 4174/2013 (Article 65A), as currently in force (and as stipulated in Article 82 of Law 2238/1994), Greek Sociétés Anonyme and Limited Liability Companies whose annual financial statements are mandatorily audited by certified auditors were required, up to the years starting before 1 January 2016, to obtain an "Annual Tax Certificate", which is issued following a tax audit performed by the same certified auditor or audit firm that audits the annual financial statements.

For fiscal years beginning on 1 January 2016 and onwards, the "Annual Tax Certificate" is optional; however, the Group will obtain it. Pursuant to the Greek tax laws and the relevant Ministerial Decisions, companies for which a tax certificate is issued without any annotations for breaches of the tax laws are not exempted from the imposition of additional taxes and fines by the Greek tax authorities following conclusion of the tax audit, as part of the legislative restrictions (as a general principle, 5 years from the end of the fiscal year in which the tax statement should have been submitted).

The Company has been audited by a legal auditor, and has obtained a tax certificate for fiscal years 2013 until 2018 (included). For the fiscal years ended after 31 December 2012 which are still unaudited by the competent tax authorities, the Management estimates that any taxes that may arise will not have a significant impact on the financial statements. For the Greek companies of the Group subject to the tax certificate issuance process, the tax audit for fiscal year 2018 was conducted by PriceWaterhouseCoopers S.A., and the "Tax Compliance Reports" have been issued, while the audit for fiscal year 2019 is underway.

As of 31.12.2019 and 31.12.2018, a provision of EUR 70 thousand has been made for unaudited fiscal years at a consolidated level.
The tax rate for subsidiary companies in Romania is 16%.

Pre-tax profits for the Company differ from the theoretical sum that would apply if the weighted average tax rate of the company's country of origin was used, as follows:

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Accounting profits / (losses) before tax	360,599	2,721,551	(1,575,438)	(1,928,178)
Tax calculated on profits under current tax rates applied in the respective countries	86,544	789,250	(378,105)	(559,172)
Adjustments				
Untaxed income	(11,068)	45,492	137,345	145,000
Expenses not deductible for tax purposes:	22,263	15,399	-	(67,636)
Difference between current tax rate and deferred tax rate	-	(5,567)	-	-
Fiscal year tax losses for which no deferred tax was recognised	358,739	542,456	240,651	472,179
Impact of change in tax rate to 24%	(35,931)	(209,807)	-	4,811
Taxes	**420,548**	**1,177,223**	**(110)**	**(4,817)**

29 Impairment

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Impairment of subsidiaries	-	-	(560,000)	(500,000)
Reversal of impairment of investment properties	-	2,807,000	-	-
Impairment of receivables	-	(284,906)	-	-
Total	**-**	**2,522,094**	**(560,000)**	**(500,000)**

The income statement of the Company for the closed year shows an impairment of a total amount of EUR 0.5 million, which concerns an impairment of its holdings in Romania, by an amount of EUR 0.34 million, an impairment of holdings in the subsidiary CLH ESTATE Srl (2018: EUR 0.32 million), and an impairment of holdings in the subsidiary PROFIT CONSTRUCT Srl by an amount of EUR 0.22 million (2018: EUR 0.15 million). Also, in the comparative period an impairment loss of holdings in the subsidiary PMS SA was recognised at the amount of EUR 0.03 million.

30 Other exploitation income/ expenses

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Other exploitation income/ (expenses)	149,106	(55,219)	381,695	303,585
Total	**149,106**	**(55,219)**	**381,695**	**303,585**

The account "other operating income/expenses", mainly includes income from the provision of services by the parent company to affiliated companies of the Group.

31 Profits /(losses) per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders of the parent company by the weighted average of ordinary shares outstanding during the year, excluding treasury ordinary shares held by subsidiaries (treasury shares). Where the number of shares is increased following an issue of bonus shares, the new number of shares is used through comparative information.

The Company holds no convertible securities which operate in the reduction of earnings. For this reason, the adjusted earnings per share are equal to the basic earnings per share.

	CONSOLIDATED DATA		COMPANY FIGURES	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Earnings/(losses) attributable to parent company equity holders (amounts in €)	(59,949)	1,544,328	(1,575,328)	(1,923,361)
Weighted average of ordinary shares	57,434,884	57,434,884	57,434,884	57,434,884
Profit/(loss) after taxes per share - basic (in EUR)	**(0.0010)**	**0.0269**	**(0.0274)**	**(0.0335)**

32 Dividends per share

The company will not distribute dividends for 2019 due to losses.

33 Contingent liabilities

The Group's contingent liabilities relate to bank, other guarantees and other matters arising in the ordinary course of business, in addition to contingent liabilities for which provisions have been formed. Substantial burdens are not expected to arise from any liabilities other than those already incurred.

Note 10 presents detailed tables for the unaudited fiscal years of all consolidated companies and the fiscal years for which Group companies subject to audits by audit firms have received a certificate of tax compliance. The Group's tax liabilities for these years have not been finalised, and it is therefore possible that additional charges will be imposed when the respective audits are conducted by the tax authorities. The provision formed by the Group with regard to unaudited fiscal years amounts to EUR 70 thousand. The parent company has been audited for tax purposes in accordance with Law 2238/1994 for fiscal years 2011, 2012, and 2013, and in accordance with Law 4174/2013 for fiscal years 2014 to 2018, and has received a tax compliance certificate from PricewaterhouseCoopers SA without qualification. The audit for fiscal year 2019 is underway.

34 Transactions with related parties

Sales/ Purchases of goods and services	**CONSOLIDATED FIGURES**		**COMPANY FIGURES**	
	1/1-31/12/2019	**1/1-31/12/2018**	**1/1-31/12/2019**	**1/1-31/12/2018**
Sales of goods & services to the parent company	100,000	49,920	100,000	49,920
Sales of goods & services to subsidiaries	-	-	198,668	891,255
Sales of goods & services to other related parties	135,500	43,400	135,500	43,400
Purchases of goods & services from the parent company	32,634	20,397	32,634	20,397
Purchases of goods & services from subsidiaries	-	-	88,954	48,667
Purchases of goods & services from other related parties	11,164,754	434,772	12,712	34,881

Related party receivables/ liabilities	**CONSOLIDATED FIGURES**		**COMPANY FIGURES**	
	31-Dec-19	**31-Dec-18**	**31-Dec-19**	**31-Dec-18**
Receivables from parent company	-	-	-	-
Receivables from subsidiaries	-	-	657,526	906,749
Receivables from other related parties	141,199	93,816	141,199	93,816
Liabilities to the parent company	82,424	49,057	82,424	49,057
Payables to subsidiaries	-	-	2,237,215	958,262
Liabilities to other related parties	3,440,240	974,132	326,716	476,270

Transactions & fees of directors & managers	**CONSOLIDATED DATA**		**COMPANY FIGURES**	
	1/1-31/12/2019	**1/1-31/12/2018**	**1/1-31/12/2019**	**1/1-31/12/2018**
Transactions & fees of directors & managers	320,231	313,140	320,231	313,140
Amounts receivable from key management	-	-	-	-
Amounts payable to key management	-	-	-	-

At Group level, liabilities to and purchases from other related parties show a significant increase mainly due to the undertaking of the project of expansion of the 'Smart Park' shopping center, by "TOMI SA", company of the Ellaktor group.

At Company level, the reduction sales to subsidiaries is due to the provision of services during the comparative period to the subsidiary company "YIALOU COMMERCIAL & TOURIST SA" for the purpose of expanding the Smart Park shopping centre.

35 Other notes

- As of 31 December 2019, 38 administrative/clerical personnel were employed by the Group, and 8 administrative/clerical personnel were employed by the Company. Respectively, as of 31.12.2018, 38 persons were employed as administrative/clerical personnel by the Group, and 9 persons were employed in administrative/clerical capacities by the Company.

- The total fees payable to the Group's legal auditors for financial year 2019 amount to EUR 60,668 (2018: EUR 60,668) for the mandatory audit on the annual financial statements and €35,000 for other non-audit related services (2018: EUR 36,505).

More specifically, audit and other fees paid to the PricewaterCoopers SA audit firm with registered offices in Greece for services provided to the Company and the Group amounted to the following:

	CONSOLIDATED DATA		COMPANY FIGURES	
	1/1-31/12/2019	1/1-31/12/2018	1/1-31/12/2019	1/1-31/12/2018
Fees for auditing services	52,000	42,000	42,000	42,000
Fees payable for Annual Tax Certificate	30,000	20,000	20,000	20,000
Other authorised non-audit services	8,500	4,505	4,375	4,505
Total	**90,500**	**66,505**	**66,375**	**66,505**

36 Events after the date Balance Sheet

The first half of 2020 is affected by the spread of the pandemic Covid-19 and the restrictive measures (lock-down) imposed by individual governments. The Group's primary concern is to protect the health of workers, to limit the spread of the virus and minimise the inevitable impact on the financial performance of the Group.

Given the great uncertainty concerning the development of the crisis, and following the decision on a 40% discount off the rents for March and April for the shops that closed down pursuant to a government decision, the full extent of the financial cost will be uncertain for some period of time, if the adoption of measures continues. The fear of contamination will reduce consumer and business activity, having a negative impact on economy. The longer it takes for households and businesses to get back to normal, the greater the financial impact. The Company and the Group have adjusted their manner of operation in order to normally continue their activities, in order to ensure an immediate and smooth restart, upon withdrawal of the measures imposed.

Kifissia, 7 May 2020

THE CHAIRMAN OF THE BoD & CEO	THE MEMBER OF THE BOARD OF DIRECTORS	THE CFO
IOANNIS MORAITIS	THEODOROS XENIDIS	GERASIMOS GEORGOULIS
ID Card No AE 574340	ID Card No AZ 047731	OEE Licence No 1981

E. WEBSITE WHERE THE COMPANY AND CONSOLIDATED STATEMENTS AND SUBSIDIARY FINANCIAL STATEMENTS ARE POSTED

The Annual Financial Statements, the Chartered Accountants' Audit Report and the Board of Directors' Report for the Group and the Company are available on the website https://www.reds.gr. Also available from the Company's website are the annual financial statements, the audit reports of the certified auditors & accountants and the reports of the Boards of Directors of the companies that are incorporated in the consolidated financial statements of the Group. Shareholders and investors who are interested in more information or clarifications regarding the Group may contact the Investment Relations Department of the Group during business days and hours. Lastly, this annual financial report, as well as annual financial reports of previous years and other important information are available in electronic form from the Group's website https://www.reds.gr