

KEKROPS S.A.

HOTEL – TOURIST – CONSTRUCTION & QUARRY SERVICES

KEKROPS S.A.
General Commercial registry No. 223301000

Interim Financial Report
For the period from 1st January to 30th June 2019
(according to article 5 of Law 3556/2007)

SEPTEMBER 2019

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**STATEMENTS BY BOARD OF DIRECTORS MEMBERS
(Under paragraph 2 of article 5 of Law 3556/2007)**

The following members of the Board of Directors of KEKROPS SA:

1. Dimitrios Ch. Klonis, Chairman of the Board of Directors,
2. Dimitrios G. Antonakos, Vice President of the Board of Directors,
3. Petros K. Souretis, Managing Director,

under our capacities as the persons, specifically appointed for this purpose by the Board of Directors, declare and certify to the best of our knowledge that:

- a) The attached Semi – Annual Financial Statements of KEKROPS SA for the financial period of 01.01.2019 - 30.06.2019 prepared according to the effective International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Company.
- b) The attached Board of Directors Report provides a true view of the Company’s performance, prepared in compliance with the paragraph 6 of article 5 of Law 3556/2007.

P. Psychiko, September 23, 2019

Dimitrios Ch. Klonis

Dimitrios G. Antonakos

Petros K. Souretis

Chairman of the BoD

Vice President of the BoD

Managing Director

Semi - Annual Management Report of the Board of Directors of the Company

"KEKROPS S.A." HOTEL – TOURIST – CONSTRUCTION & QUARRY SERVICES

FOR THE PERIOD 01.01.2019 – 30.06.2019

Dear Shareholders,

The current Semi – Annual Management Report of the board of Directors (hereinafter the "Report"), of "KEKROPS S.A." (hereinafter "Company"), refers to the first half of the current financial year 2019 (01.01.2019-30.06.2019) was prepared and is in line with the relevant provisions of Laws 3556/2007 and 4548/2018 and the relevant, as stated by Laws, executive decisions issued by the Hellenic Capital Market Commission.

The sections of the Report and their content are as follows:

A. Financial – Business Review for the First Half of 2019

Company's Financial Performance

Turnover: Turnover appears marginally reduced compared to last year, as the Company did not contact any new lease agreement.

Operating Costs: Operating Costs in the first half of financial year 2019, stood at € 114 k compared to € 129 k in the previous period, decreased by 12 % mainly due to the decrease of utility costs that burdened the Company in the previous period.

Operating Expenses: In the first half of financial year 2019, Operating Expenses stood at € 89 k compared to € 81 k in previous period, increased by 10%.

Financial Results: Financial Expenses in the first half of financial year 2019, stood at € 84 k compared to € 92 k in the previous period, decreased by 9% due to the partial repayment of borrowings.

Profit/ (Loss) before tax: Loss before tax in the first half of the financial year, stood at € 282 k compared to profit € 185 k in previous period. The profit in the previous period were affected by the refund of wrongfully paid property tax and interest.

	<u>30/6/2019</u>	<u>30/6/2018</u>	<u>Deviation%</u>
Gross Profit / (Loss)	(107.851)	(121.487)	11,22%
Total Operating Gains (Losses)	(197.952)	276.893	171,49%
Profit /(loss) before taxes	(281.798)	184.821	252,47%
Profit /(loss) after taxes	(271.300)	171.758	257,95%

Key Ratios

	<u>30/6/2019</u>	<u>30/6/2018</u>
ROE (Return On Equity) (Loss) after taxes / Total Equity :	-6,97%	2,61%
ROCE (Return On Capital Employed) (Loss) before taxes / (Total Asset less Current Liabilities) :	-3,57%	1,59%
Degree of Leverage : Total Borrowings / Total Assets	40,24%	29,02%
General Liquidity Ratio : Current assets / Current Liabilities	1,59	2,18

The Company considers that, in current period and in accordance with the development of its sizes, it is not necessary to present additional ratios.

Significant events for the first half of the Financial Year 2019

On June 6, 2019, the Company announced the decision N. 3039/2019 of the Athens Court of Appeal, by virtue of which, its right of ownership was recognized on the disputed area of approximately 300,000 m2 in the district of Paleo Psychiko (known as "Latomeio").

The Athens Court of Appeal reexamined the case at second degree as to whether the Company's objection was well founded in fact (materially lawful) that the action brought by the Greek State regarding its claim for the land was an abuse of process. This objection regarding abuse of rights has already been ruled (bindingly) lawful by the Supreme Court (Judgement 589/2018). Subsequently, the Athens Court of Appeal ruled that the objection regarding abuse of rights raised by the Company is lawful and well founded in fact; it therefore vindicated "KEKROPS S.A." following long legal proceedings.

The Company will take all necessary legal action to make the above decision irrevocable and to register its right of ownership in the Land Register.

B. Prospects of the Company at the Second half of the Financial Year 2019

The Company's real estate items described below are those regarding which, the Company assesses that their settlement directly arises from the pending cases. Therefore, such real estate items can be developed:

a) Sixteen stores in the Old Market of Psychiko. Expected revenues through rentals and operation of the particular stores of total surface 973 M2 on a plot of land surrounded by Kontoleontos- Paschalias-Chrysanthemon and Amaryllis streets. The Old Market building has been declared historical. The main reconstructions on the property have been completed and additional constructions pending regarding the building itself and the surrounding area of the Old Market, are expected to be completed in conjunction with the achievement of the leases.

Upon completion of the reconstructions, the Company estimates that the valuation of its property's fair value will be finalized.

Note that the municipality of Filothei – Psychiko and the association called "Association of Psychiko Real Estate Owners" made an appeal to the Council of State, for cancellation of the decision of the Ministry of Culture approving the use of the stores. The hearing of the above appeal was set for October 30, 2019.

β) Land plot at 7, Meletopoulou Street, Palaio Psychiko, with a surface of 1,049 M2, following the publication of the relevant Government Gazette, is declassified from green common space to a construction land with parallel modification of the approved urban plan at Street Section (SS) 161. The building terms project a 40% coverage, a building factor of 0.60 and a permissible height of 7.5 meters. Municipality of Filothei -

Psychiko submitted to the Council of State (E Department) an application for the annulment of the aforementioned Presidential Decree, which is being discussed after postponement on 23.10.2019. In case of a positive outcome, the Company intends to proceed with the exploitation of the property.

C. Significant Risks

The risks to which the Company is exposed are the following:

Risk related to Real Estate

Following the recent decision of the Athens Court of Appeal (3039/2019), the Company will carry out all the necessary legal procedures in order to render the decision irrevocable and to register its ownership in the Greek Land Registry Office.

A significant part of the Company's real estate continues to be expropriated by the Municipality of Filothei - Psychiko and the Municipality of Chalandri. The Company has taken all necessary actions and, where necessary, undertakes additional actions to achieve the cancelation of the expropriation for the specific properties. In the event of a negative outcome of the foreclosure proceedings, the Company will accelerate procedures for determining the unit price unit price of compensation at the competent court, in order to receive the compensation in accordance with the Greek Expropriation Code (Law 2882/2001), which is estimated to be significantly higher than the book value of the relative Real Estate.

The following table, presents Analysis of the Company's real estate:

KEKROPS PROPERTY				
DESCRIPTION	SURFACE		TAX VALUE AMOUNTS IN THOUS. €	LEGAL SITUATION
	M2			
OWNER - OCCUPIED PROPERTY				
OFFICES OF THE COMPANY: DAFNIS -DAVAKI - STEFANAKOU- ANONYMOYS STREET (SS 89)	PLOT	5.056	8.812	Under expropriation
	BUILDING	770		
INVESTMENT PROPERTY				
<u>PLOTS OF P. PSYCHIKO :</u>				
MELETOPOYLOY 7 & REGIONAL STREET (SS161)	1.049		1.573	
AMADRIADON & BERENIKIS (SS 145)	1.100		1.604	Under expropriation
P. NIRVANA 1 & CHALEPA (SS 137)	2.084		4.107	Under expropriation
P. NIRVANA 1a & CHALEPA (off plan)	375			
PALAIA AGORA - KONTOLEONTOS -PASCHALIAS-CHRISANTHEMON -AMARILIDOS (SS 69)	PLOT	7.230	2.090	Usufruct right
	BUILDING	973		
<u>PLOT OF CHALANDRI :</u>				
ETHNIKIS ANTISTASIS 2 & KODROY – CHALANDRI (SS 325a)	1.035		659	Under expropriation
PLOT INCLUDED IN THE DECISION OF THE ATHENS COURT OF APPEAL 3039/2019				
<u>PLOTS OF P. PSYCHIKO :</u>				
PERSEOS 11-19 & ANONYMOUS STREET (SS 132)	5.829		8.499	Under expropriation
NEFELIS 6 -ERAS – PERSEOS (SS 133)	7.094		13.962	
PSYCHIKO: Rocky area	31.000		388	
PSYCHIKO: Rocky area	18.800		235	
PSYCHIKO: Areas outside urban planning limits	193.867		5.640	(part of 185 acres Reforested)
PERSEOS 1-3 - ANONYMOUS STREET – DOLASIK (50%) (SS 132)	Apartment	427	610	

Fair value risk

The Company's management conducts estimates and assumptions regarding the fair value of its equity instruments, which may final differ from the actual results.

Price risk

The Company is exposed to the risk of changes in the value of rents.

Interest rate risk

The Company is exposed to the risk of interest rate fluctuations due to borrowing. Interest rate decrease positively affects the Company's Income Statement, while interest rate increase negatively affects the Income Statement.

Credit risk

The Company is not exposed to credit risk due to limited operations.

Liquidity risk

The liquidity risk is related to the ability of the Company to settle its financial liabilities when they become effective. The Company ensures the necessary liquidity through the share capital increases until the Company achieves the development of its real estate. The Company's liquidity is monitored by the Company's Management at regular intervals.

D. Transactions with related parties

All transactions with related parties are objective and are conducted in line with the 'arm's length' principle.

The following transactions were conducted with related parties:

Amounts in Euro

Expenses / Purchases

Company Name	Explanation	30/6/2019	30/6/2018
INTRAKAT S.A.	Interest Expenses under loan agreement	0	2.268
Management Executives and Administration Members	Fees	24.000	24.000
Total		24.000	26.268

Amounts in Euro

Receivables

Company Name	30/6/2019	31/12/2018
GEK - TERNA S.A.	0	3.227
Total	0	3.227

Amounts in Euro

Liabilities

Company Name	30/6/2019	31/12/2018
INTRAKAT S.A.	615.472	615.472
Total	615.472	615.472

Liabilities towards Intrakat concern an advance payment based on a private preliminary disposal agreement regarding a land plot.

Events after the balance sheet date 30.06.2019

No post Balance Sheet events have taken place that can affect the current financial statements

Independent auditor's review report

To the Board of directors of "KEKROPS S.A."

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of "KEKROPS S.A." (the "Company"), as of 30 June 2019 and the related condensed statements of income and other comprehensive income, changes in equity and cash flow statements for the six-month period then ended, and the selected explanatory notes that comprise the interim financial statements and which form an integral part of the six-month financial report as required by L.3556/2007.

Management is responsible for the preparation and presentation of these interim financial statements in accordance with International Financial Reporting Standards as they have been adopted by the European Union and are applicable in interim financial reporting (International Accounting Standard IAS 34). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as they have been transposed into Greek Law and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting.

Report on other legal and regulatory requirements

Our review has not revealed any material inconsistency or misstatement in the statements of the members of the Board of Directors and the information of the six-month Board of Directors Report, as defined in articles 5 and 5a of Law 3556/2007, in relation to the accompanying interim condensed financial information.

Chalandri, September 24, 2019



Certified & Registered Auditors
184A, Kifisias Avenue, 152 31 Chalandri,
SOEL Reg. Number 161

Dimitroula M. Apostolakou
SOEL Reg. Number / ELTE Reg.
Number: 15491/ 1144

*(We verified true translation from the
original in the Greek language)*

Interim Statement of Financial Position

<i>Amounts in Euro</i>	σημ.	30/6/2019	31/12/2018
ASSETS			
Non- current assets			
Property, plant and equipment	5.1	672.219	674.832
Investment property	5.2	687.605	676.405
Financial assets at fair value through other comprehensive income	5.3	5.924.561	5.924.561
Other long- term assets		1.259	1.259
Total		7.285.643	7.277.056
Current assets			
Trade and other receivables	5.4	617.163	381.710
Cash and cash equivalents		991.923	1.428.738
Total		1.609.085	1.810.447
Total Assets		8.894.729	9.087.504
EQUITY AND LIABILITIES			
EQUITY			
Share capital		5.941.240	5.941.240
Share premium		4.270.992	4.270.992
Capital reserves		(1.817.717)	(1.817.717)
Retained earnings		(4.503.055)	(4.231.755)
Total Equity		3.891.460	4.162.760
Non - current liabilities			
Deferred income tax liabilities	5.5	401.305	411.804
Retirement benefit obligations		21.715	21.104
Other provisions		55.067	55.067
Other Long - term liabilities		13.893	13.893
Borrowings	5.6	3.500.000	3.500.000
Total		3.991.981	4.001.868
Current Liabilities			
Trade and other payables	5.7	931.705	842.799
Borrowings	5.6	79.583	80.076
Total		1.011.288	922.876
Total Liabilities		5.003.269	4.924.744
Total Equity and Liabilities		8.894.729	9.087.504

The accompanying Notes constitute an integral part of these interim financial statements.

Interim Statement of Comprehensive Income

<i>Amounts in Euro</i>	note	30/6/2019	30/6/2018
Rental Income		5.700	7.056
Less: Operating expenses	5.8	(113.551)	(128.543)
Gross Profit / (Loss)		(107.851)	(121.487)
Operational expenses	5.8	(88.630)	(81.407)
Other Income / (Expenses)	5.9	(1.470)	48.679
Refund of unduly paid property tax and interest		0	431.109
Total Operating Gains/ (Losses)		(197.952)	276.893
Financial income /(expense) - net	5.10	(83.847)	(92.072)
Profit / (loss) before taxes		(281.798)	184.821
Income tax expense	5.11	10.499	(13.063)
Profit /(loss) after taxes (a)		(271.300)	171.758
Other comprehensive income /(expenses) for the period			
<u>Amounts reclassified to the income statement in subsequent periods</u>			
FVOCI financial assets - Fair value losses		0	0
Income tax items of other comprehensive income		0	0
Other comprehensive income / (expenses) after taxes (b)		0	0
Total comprehensive income /(expenses) after taxes (a)+(b)		(271.300)	171.758
Profit /(Loss) per share (€/share)	5.12	(0,0137)	0,0087
Profit /(loss) before taxes, financing, investing income and depreciation			
Profit /(loss) before taxes		(281.798)	184.821
Plus: investing Results		0	0
Plus: Financial results		83.847	92.072
Plus Depreciation		2.613	3.390
Profit /(loss) before taxes, financing, investing income and depreciation		(195.339)	280.283

The accompanying Notes constitute an integral part of these interim financial statements.

Statement of Changes in Equity

<i>Amounts in Euro</i>	Share capital	Fair Value Reserves	Other Reserves	Retained earnings	Total Equity
Balance at 01/01/2018	5.941.240	4.270.992	321.905	(4.113.069)	6.421.068
<i>Net Profit / (Loss) for the period</i>				171.758	171.758
<i>Net income / (expenses) recognized directly in equity</i>	0	0	0	0	0
<i>Total recognized profit / loss</i>	0	0	0	171.758	171.758
Balance at 30/06/2018	5.941.240	4.270.992	321.905	(3.941.311)	6.592.826

<i>Amounts in Euro</i>	Share capital	Fair value Reserves	Other Reserves	Retained earnings	Total Equity
Balance at 01/01/2019	5.941.240	4.270.992	(1.817.717)	(4.231.755)	4.162.760
<i>Net Profit / (Loss) for the period</i>				(271.300)	(271.300)
<i>Net income / (expenses) recognized directly in equity</i>	0	0	0	0	0
<i>Total recognized profit / loss</i>	0	0	0	(271.300)	(271.300)
Balance at 30/06/2019	5.941.240	4.270.992	(1.817.717)	(4.503.055)	3.891.460

The accompanying Notes constitute an integral part of these interim financial statements.

Interim Statement of Cash Flows

Amounts in Euro

Cash flows from operating activities

Profit/ (Loss) before income tax

Adjustments to profits

Note	30/6/2019	30/6/2018
	(281.798)	184.821
(i)	89.029	96.286
	(192.770)	281.107

Changes in working capital

(Increase) / Decrease of receivables

Increase / (Decrease) of payables

(238.380)	(78.065)
88.596	13.792
(149.784)	(64.273)

Cash Flow from Operating Activities

Interest charges & related expenses paid

Net Cash Flows from Operating Activities

(342.553)	216.834
(89.243)	(138.117)
(431.797)	78.717

Cash Flow from Investing Activities

Purchases of tangible assets

interest income

Net Cash used in Investing Activities

(11.200)	(54.304)
6.182	5.351
(5.018)	(48.952)

Cash Flow from Financial Activities

Repayment of borrowing

Net Cash used in Financing Activities

0	(579.000)
0	(579.000)

Net increase / (decrease) of cash and cash equivalents

Opening cash and cash equivalents

Closing cash and cash equivalents

(436.815)	(549.235)
1.428.738	2.488.830
991.923	1.939.595

Note (i)

Amounts in Euro

Plus/ minus adjustments for:

Depreciation

Provisions for retirement benefit obligations

Impairment - Provisions

Interest Income

Interest expense

Total

Note	30/6/2019	30/6/2018
5.1	2.613	3.390
	411	824
	2.159	0
5.10	(5.413)	(5.351)
5.10	89.260	97.423
	89.029	96.286

The accompanying Notes constitute an integral part of these interim financial statements.

1. General Information about the Company

The Company was established in 1923 and the terms of its duration have been set as that until 2100. The company's title is "HOTEL – TOURIST – CONSTRUCTION & QUARRY SERVICES KEKROPS SOCIETE ANONYME". It is registered in the General Commercial Registry under Num. 223301000 (formerly Societe Anonyme Registry 13063/06/B/86/134). The Company is domiciled in the Municipality of Psychiko –Filothei, at 6, Dafnis str. The Company is listed on Athens Stock Exchange since 1967 and operates in the segment of construction, development and exploitation of real estate with a special emphasis on maisonettes and luxury residences. Its shares are listed on the Main Market of the Athens Stock Exchange (Real Estate - Real Estate Assets and Development).

The Company is managed by an 8-member Board of Directors, elected at the Regular General Meeting on June 27, 2018. The tenure of the new Board of Directors is four years and can be extended, in exceptional circumstances, until the expiry of the deadline in which the next General Meeting will be convened after the expiry of its tenure.

These interim financial statements were approved by the Board of Directors on September 23, 2019. The number of personnel in the period ended as at 30 June 2019 was 4 employees (30.06.2018: 3).

2. Basis for Preparation of the Interim Financial Statements

The Interim Financial Statements of the period 01.01.2019 – 30.06.2019 have been prepared according to the IAS 34 «Interim Financial Statements» and should be considered in connection with the Company's published Annual Financial Statements ended December 31, 2018.

The interim condensed financial report has been prepared under the historical cost principle with the exception of the financial assets at fair value through other profit and loss, carried at fair value, under the going concern principle and is in compliance with the International Financial Reporting Standards (IFRS).

Application of Estimates and Judgments: The preparation of the financial statements according to IFRS requires the use of significant accounting estimates and judgments by the Management, on the application of the Company's accounting policies. Moreover, it requires applying calculations and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent receivables and liabilities as at the financial statements preparation date and the reported amounts of income and expense over the reporting period. The final results may differ from the aforementioned calculations.

Segment report information: The Company manufactures and sells properties within the Greek territory. Management considers the construction and sale of real estate as the Company's unique activity and Greek territory as one geographical area.

Seasonality. Company's revenue is not subject to seasonal fluctuations.

3. Significant accounting policies

The Interim Condensed Financial Report has been prepared following the same accounting policies as adopted during the preparation of the financial statements of 31 December 2018 which are presented in detail in the notes of the annual financial statements, except for new and amended IFRS and IFRIC interpretations that became effective for the accounting periods beginning on the 1st of January 2019, as noted below:

New standards, amendments to existing standards and interpretations

Certain new standards, amendments to existing standards and interpretations that are mandatory for periods beginning on or after 1.1.2019 have been issued. The Company estimation regarding the effect of those new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 16 “Leases”

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure that the lessees and lessors provide relevant information in a manner that fairly represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Company has not entered into any leases agreement and, as a result, the implementation of the standard does not affect Company’s financial position.

IFRS 9 (Amendments) “Prepayment Features with Negative Compensation”

The amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met—instead of at fair value through profit or loss.

IAS 28 (Amendments) “Long term interests in associates and joint ventures”

The amendments clarify that companies account for long-term interests in an associate or joint venture—to which the equity method is not applied—using IFRS 9.

IFRIC 23 “Uncertainty over income tax treatments”

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where 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.

IAS 19 (Amendments) “Plan amendment, curtailment or settlement”

The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur.

Annual Improvements to IFRS 2014 (2015 – 2017 Cycle)

The amendments set out below include changes to four IFRSs.

IFRS 3 "Business combinations"

The amendments clarify that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 "Joint arrangements"

The amendments clarify that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

IAS 12 "Income taxes"

The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 "Borrowing costs"

The amendments clarify that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

Standards and Interpretations effective for subsequent periods

IFRS 17 "Insurance contracts" (effective for annual periods beginning on or after 1 January 2021)

IFRS 17 has been issued in May 2017 and supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost. The standard has not yet been endorsed by the EU.

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

The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. The amendments have not yet been endorsed by the EU.

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

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS. The amendments have not yet been endorsed by the EU.

4. Financial risk management

Interest Rate Risk

The Company is exposed to interest rate fluctuations risk due to its borrowing. Decreases in interest rates positively affect the Company's Income Statement, while increases in interest rate affect it negatively.

The effect on the Company's Income Statement and Equity of an increase/ decrease in interest rate by one percentage point would equal to ± 17 k Euro as at 30.06.2019 versus ± 18 k Euro as at 30.06.2018.

Foreign currency translation risk

The Company is not exposed to foreign currency translation risk since it has no transactions in foreign currency.

Risk related to Real Estate

Following the recent decision of the Athens Court of Appeal (3039/2019), the Company will carry out all the necessary legal procedures to render the decision irrevocable and to register its ownership in the Greek Land Registry Office.

A significant part of the Company's real estate continues to be expropriated by the Municipality of Filothei - Psychiko and the Municipality of Chalandri. The Company has taken all necessary actions and, where necessary, undertakes additional actions to achieve the cancelation of the expropriation for the specific properties. In the event of a negative outcome of the foreclosure proceedings, the Company will accelerate procedures for determining the unit price unit price of compensation at the competent court, in order to receive the compensation in accordance with the Greek Expropriation Code (Law 2882/2001), which is estimated to be significantly higher than the book value of the relative Real Estate.

Fair value risk

The Company's management conducts estimates and assumptions regarding the fair value of its equity instruments, which may final differ from the actual results.

Fair value determination

The table below presents financial assets (investments presented in Financial Assets at Fair Value through Other Income) measured at fair value, per specific valuation technique:

Level 1: Investments that are valued at fair value based on quoted (unadjusted) prices in active markets for the same assets or liabilities.

Level 2: Investments that are valued at fair value, using valuation techniques for which all inputs that significantly affect the fair value (excluding the financial assets included in level 1), are based (either directly or indirectly) on observable market data.

Level 3: Investments that are valued at fair value, using valuation techniques, in which the data that significantly affect the fair value, is not based on observable market data.

	30/6/2019			
	Total	Level 1	Level 2	Level 3
Financial assets at fair value through other comprehensive income	5.924.561	0	0	5.924.561
Total	5.924.561	0	0	5.924.561
	31/12/2018			
	Total	Level 1	Level 2	Level 3
Financial assets at fair value through other comprehensive income	5.924.561	0	0	5.924.561
Total	5.924.561	0	0	5.924.561

The carrying amounts of the following financial assets and liabilities approximate their fair value due to their short-term nature.

- Trade and other receivables
- Cash and cash equivalent
- Suppliers and other liabilities

The fair value of long-term and short-term bank loans does not differ from their carrying amounts due to the application of variable interest rates.

Credit risk

The Company is not exposed to credit risk due to its limited operations.

Liquidity risk

"Liquidity risk" reflects the Company's inability to settle, in full or in due time, its current and future financial liabilities when they become effective due to lack of necessary liquidity.

The monitoring the Company's liquidity risk focuses on management of cash flows and outflows for every period, in order to facilitate that under normal circumstances, the Company will be in position to settle its cash flows.

The Company's liquidity is monitored by the Management at regular intervals. The following table presents maturity analysis of the Company's financial liabilities as at June 30, 2019 and December 31, 2018:

	30/6/2019			
<i>Amounts in Euro</i>	Current	Non Current		
	Less than 6 months	Between 6 & 12 months	Between 1 & 5 years	Over 5 years
Borrowings	140.722	88.472	889.944	3.384.333
Other Long term liabilities	0	0	13.893	0
Trade and other payables	344.091	383.984	0	0
Total	484.813	472.456	903.838	3.384.333
	31/12/2018			
<i>Amounts in Euro</i>	Current	Non Current		
	Less than 6 months	Between 6 & 12 months	Between 1 & 5 years	Over 5 years
Borrowings	89.243	140.722	895.000	3.467.750
Other Long term liabilities	0	0	13.893	0
Trade and other payables	17.744	621.425	0	0
Total	106.987	762.147	908.893	3.467.750

* Analysis of the account "Suppliers and other liabilities" does not include the category "Income carried forward – Taxes" since the liability in question will not be settled in cash, given the equal receivables. Analytical reference is presented in Notes 5.4. "Trade and other receivables" & 5.7 "Suppliers and other liabilities".

Capital risk management

The Company's objective in relation to its capital structure, which includes equity and loan financing, is to ensure its ability to continue as a going concern in the future and maintain the ideal capital structure in terms of cost.

In order to maintain or adjust its capital structure, the Company may issue new shares or sell assets to reduce its borrowings.

The Company monitors its capital structure and borrowing based on the leverage ratio, which arises from the result of net borrowings divided by total working capital.

Net borrowings are calculated as total borrowings, long-term and short-term as recorded in the statement of financial position, less cash and cash equivalents.

Total working capital is calculated as total equity as recorded in the statement of financial position, plus net borrowings.

The leverage ratios as at June 30, 2019 and December 31, 2018 respectively, are presented below as follows:

Amounts in Euro	30/6/2019	31/12/2018
Borrowings	3.579.583	3.580.076
Cash and cash equivalents	-991.923	-1.428.738
Net borrowings	2.587.661	2.151.339
Total Equity	3.891.460	4.162.760
Net borrowings	2.587.661	2.151.339
Total Capital employed	6.479.121	6.314.098
Leverage factor	39,94%	34,07%

5. Notes to Financial Statements

5.1. Property, plant and equipment

Property, plant and equipment as at June 30, 2019 is analyzed as follows:

<i>Amounts in Euro</i>	Land	Buildings	Others	Assets under Construction	Total
Acquisition Cost at 31/12/2017	601.346	410.133	183.451	34.000	1.228.930
Less: Accumulated Depreciation	0	(365.350)	(182.505)	0	(547.855)
Net book amount at 31/12/2017	601.346	44.783	946	34.000	681.075
Additions	0	0	0	0	0
Depreciation charge	0	(5.899)	(344)	0	(6.243)
Acquisition Cost at 31/12/2018	601.346	410.133	183.451	34.000	1.228.930
Less: Accumulated Depreciation	0	(371.249)	(182.849)	0	(554.098)
Net Book amount at 31/12/2018	601.346	38.884	602	34.000	674.832
Additions	0	0	0	0	0
Depreciation Charge	0	(2.441)	(172)	0	(2.613)
Acquisition Cost at 30/06/2019	601.346	410.133	183.451	34.000	1.228.930
Less: Accumulated Depreciation	0	(373.690)	(183.021)	0	(556.711)
Net book amount at 30/06/2019	601.346	36.443	430	34.000	672.219

Analysis of owner-occupied real estate:

Description	Surface (M2)	Legal situation	Tax value Amounts in thous. €
OFFICES OF THE COMPANY: DAFNIS - DAVAKI -STEFANAKOU- ANONYMOYS STREET (SS 89)	PLOT 5.056,00 BUILDING 770	Under expropriation	8.812

The following is to be noticed regarding legal and urban regulations as far as the aforementioned real estate item is concerned:

On 19.04.2004, at Athens Administrative Court of Appeal of Athens (Section A1 - Cassation), a petition initiating third-party proceedings of Municipality of Filothei - Psychiko was heard against the decision No. 2238/2002 of the same Court, which accepted the Company's request for abolition of the expropriation in SS 11 and 89. The aforementioned application of the Municipality of Filothei -Psychiko was rejected by Decision No 1496/2004 of the Athens Administrative Court of Appeals. In response to this decision, Municipality of Filothei - Psychiko made an appeal to Council of State, which issued a decision No. 3627/2007 of the Council of State (Section E), repealing the abovementioned decisions 2238/2002 and 1496/2004 and is reassigning the case to the Management so that it could be re-examined in line with the claims of Municipality of Filothei -Psychiko.

The Company submits the request for abolition of the expropriation and declassification of the property from a communal green space to a building site with a parallel modification of the approved urban plan.

5.2. Investment property

As at June 30, 2019, investment property account is analyzed as follows:

<i>Amounts in Euro</i>	Land	Building	Assets under Construction	Total
Acquisition cost at 01/01/2018	55.881	190.998	547.924	794.803
Accumulated depreciation - impairment of value	0	(190.998)	0	(190.998)
Net book amount at 01/01/2018	55.881	0	547.924	603.805
Additions	0	0	72.600	72.600
Accumulated depreciation - impairment of value	0	0	0	0
Acquisition cost at 31/12/2018	55.881	190.998	620.524	867.403
Accumulated depreciation - impairment of value	0	(190.998)	0	(190.998)
Net book amount at 31/12/2018	55.881	0	620.524	676.405
Additions	0	0	11.200	11.200
Accumulated depreciation - impairment of value	0	0	0	0
Acquisition cost at 30/06/2019	55.881	190.998	631.724	878.603
Accumulated depreciation-impairment of value	0	(190.998)	0	(190.998)
Net book amount at 30/06/2019	55.881	0	631.724	687.605

Investment property is analyzed as follows:

Description	Surface (M2)	Legal situation	Tax value Amounts in thous. €
<u>PLOTS OF P. PSYCHIKO</u>			
MELETOPOYLOY 7 & REGIONAL STREET (SS161)	1.049		1.573
AMADRIADON & VERENIKIS (SS 145)	1.100	Under expropriation	1.604
P. NIRVANA 1 & CHALEPA (SS 137)	2.084	Under expropriation	4.107
P. NIRVANA 1a & CHALEPA (off plan)	375	Under expropriation	
<u>PALATA AGORA (STORES)</u>			
KONTOLEONTOS -PASCHALIAS- CHRISANTHEMON - AMARILIDOS (SS 69)	PLOT 7.230	Usufruct right	
	BUILDING 973	Usufruct right	
<u>PLOT OF CHALANDRI</u>			
ETHNIKIS ANTISTASIS 2 & KODROY – CHALANDRI (SS 325a)	1.035	Under expropriation	659

Regarding the real estate of Old Market of Psychiko, the Company holds its usufruct for the entire period of its duration, and therefore, it can exploit the property for the relevant period, but as an appellant it cannot proceed with its disposal.

Finally, with respect to assets for which the Company was in litigation with the Greek State and which were derecognized in the financial statements of prior years, the Company, following the recent decision of the Athens Court of Appeal (3039/2019), will take all required legal actions to make the decision irrevocable and register its ownership right in the Cadastre.

The Company will proceed to the reclassification of its specific assets in the financial statements with the final transfer of its ownership right to the Cadastre. These assets are presented below in more details:

Description	Surface (M2)	Legal situation	Tax value Amounts in thous. €
<u>PLOTS OF P. PSYCHIKO - Areas Inside urban planning limits</u>			
PERSEOS 11-19 & ANONYMOUS STREET (SS 132)	5.829	Under expropriation	8.499
NEFELIS 6 -ERAS – PERSEOS (SS 133)	7.094		13.962
<u>PLOTS OF P. PSYCHIKO - Off Plan</u>			
PSYCHIKO: Rocky area	31.000		388
PSYCHIKO: Rocky area	18.800		235
PSYCHIKO: Areas outside urban planning limits	193.867	(part of 185 acres Reforested)	5.640
<u>Apartment - Area Inside urban planning limits</u>			
PERSEOS 1-3 - ANONYMOUS STREET – DOLASIK (50%) (SS 132)	427		610

The following is to be noted in respect of legal cases and urban regulations pertaining to the aforementioned real estate items (Investment property and under legal procedures):

- The Council of State issued a decision Num. 962/2003, regarding the appeal made by the Municipality of Filothei - Psychiko against 1107/2001 which was qualified as appropriate for development under the Decision Num. 7577/443/ 04.04.2007 of the Prefect of Athens, published in the Government Gazette (Government Gazette AAP 265 / 22.06.2007).
The Municipality of Filothei - Psychiko submitted to the Council of State an appeal for annulment of the aforementioned decision of the Prefect Num. 5391/2007, heard on 09.01.2013 after being postponed as well as the appeal Num. 1447/2007, suspending the enforcement of the aforementioned decision, regarding which the Decision 829/2008 of the Committee of Suspensions of the Council of State was issued, which suspended the implementation of the aforementioned decision of the Prefect. Regarding the latter, the council of State issued the Decision Num. 1436/2016, which annulled the aforementioned decision (7577/443/04.04.2007) on abolition of the expropriation in SS 137. The Company has resubmitted the appeal for abolition of expropriation in accordance with the guidelines provided in the aforementioned decision of the Council of State.
- The Council of State issued a decision Num. 672/2006 regarding the appeal made by the Municipality of Filothei – Psychiko against as at 1051/2001 decision of Athens Administrative Court of Appeal (section A1 - Cassation), accepting the application of the Company for abolition of the expropriation of its real estate property: a) the item enclosed by Dolasik, Elikas Athanasiadis and Dafni streets (approximately 5 acres in the area qualified for development - former quarry), b) the item of 1.233 M2 in SS 132, c) four plots of land totaling 5.791 M2 (following the new remeasurement - totaling 5.829,14 M2) in SS 132 and d) a land plot of 1.180 M2 in SS 161. The aforementioned decision of the Council of State partially eliminated the above mentioned Decision No. 1051/2001, in particular, only with respect to the item listed in a) case, which is included in the area claimed by the Greek State and was characterized under the city plan in 1988, as the area intended for broadening Elikas Athanasiadou Street, referring the case to the Management, so that the Company's request for abolition of the expropriation could be examined in line with the claims of the Municipality of Filothei - Psychiko.
Regarding items listed in cases b) and c) (of a total area of approximately 6,8 acres), they wedge qualified for development under Decision Num. 3409/202/2006 of the Prefect of Athens, which was published in the Government Gazette (GG No 238/28.03.2006), while the item listed in case b) has already been developed and constitutes residential area of the Company.

The Municipality of Filothei - Psychiko submitted to the Council of State an appeal Num. 3322/2006 asking the annulment of the aforementioned decision of the Prefect, which was heard after being postponed on 13.05.2009, as well as an appeal Num. E '743/2006 requesting the suspension of the implementation of the above decision, which was rejected by the decision of the Committee of Suspensions of the Council of State Num. 932/2006. The Council of State issued the Decision Num. 5479/2012, accepting the application of the Municipality of Filothei - Psychiko for the annulment of the Decision Num. 3409/202/2006 of the Prefect to the "approved urban development plan in sections of SS 132 of the Municipality of Filothei - Psychiko".

In respect of item (d), the Company submitted an application to the Central Council of Urban Planning and Contestation (KESYPOTHA) of the Ministry of Environment and Energy for abolition of the expropriation. After examining the application, KESYPOTHA had a positive opinion and on 10.09.2018 issued "Amendments to the approved urban development plan in SS 161 of the Municipality of Filothei - Psychiko (Prefecture of Attica) determining the use of land, terms and limitations of the building construction" under which the property was declassified from a communal green space to a building site.

The Municipality of Filothei - Psychiko submitted to the Council of State (E Department) an application for the annulment of the aforementioned Decision, which is to be heard on 23.10.2019.

- On 15.11.2006, following a postponement, the Council of State heard an appeal lodged by the Municipality of Filothei -Psychiko against the decision of Athens Administrative Court of Appeal (Section A1 - Cassation), which accepted the Company's application for abolition of the expropriation in SS 145. Regarding this use, the E Section of the Council of State issued the Decision 975/2007, which refers the case to the Management, so that the application for abolition of the expropriation made by KEKROPS S.A. could be examined in line with the claims of the Municipality of Filothei - Psychiko. The case was heard at the Council of Urban Planning and Contestation (SY.PO.THA) of the Decentralized Administration of Attica, Regional Unit of the Northern Sector of Athens on 23.01.2017. The decision-making was initially postponed to facilitate provision of additional urban planning and ownership information. The Company has provided all the necessary information as required and the case was heard once more on 20.06.2019 after the postponement of 18.04.2019. According to the decision of the Central Council of Urban Planning and Contestation (KESYPOTHA), the process of modifying the street plan can be initiated so that the SS 145 plot becomes buildable, provided that the competent services of the Ministry of Environment and Energy decide that there is no ownership or/and forestry issue.
- The Deputy Minister of Environment and Energy (YPEKA) remitted the abolition on expropriation of the Company's plot located between SS 325 and SS 338 in Kodrou Str. and Athinon Ave. (already Ethnikis Antistaseos), in Chalandri. The Company has filed an appeal to Athens Court of Appeal for determining a temporary unit price for compensation, scheduled to be heard on November 7, 2017. Regarding the above-mentioned appeal, the Single-Member Court of Appeal Athens issued the Decision Num. 104/2018, defining the temporary price of a unit of compensation for the aforementioned property of the Company at the amount of five hundred fifty Euro per M2 regarding land, as well as the temporary unit price compensation on the expropriated land, as specifically stated in the text of the Decision. The Company has filed an appeal to Athens Three Member Court of Appeal against the Municipality of Chalandri requesting determining the final price for compensation per unit, as well as recognition of compensation beneficiary in respect of the property described above, which was heard December 11, 2018 and the relevant decision is expected to be issued.

- The Greek State made an appeal to Athens Multi- member Court of First Instance dated as of 01.12.1988, claiming an area of 300 acres in the area of Tourkovouni (Quarry of Psychiko), a part of which belongs to the Company. Regarding the aforementioned appeal, Athens Multi-Member Court of First Instance issued the Decision Num. 5722/1997, rejecting the appeal of the Greek State. The Greek State made another appeal to Athens Court of Appeal, which was heard on 24.11.1998. When the data and evidence, demanded by the Court, were provided in full, the case was heard on 29.11.2011. Athens Court of Appeal issued the Decision Num. 2887/2012, postponing the final verdict and demanding additional evidence. When the required evidence was submitted, the case was heard on 08.04.2014 and the Decision Num. 3401/2014, accepting the appeal of the Greek State. The Company filed an appeal against the decision in question to the Supreme Court, which was heard on November 2, 2016 and the Decision Num. 447/2017 of the Supreme Court was issued requiring additional participation apart from that of the Greek State in support of the Company's claims so that the case could be heard again.

Following the additional evidence, provided by the Company, the above appeal was to be heard on November 1, 2017, when it was postponed and was finally heard on 24 January 2018. The Supreme Court issued the Decision Num. 589/2018, accepting the appeal made by the Company against as of 3401/2014 Decision of Athens Court of Appeal. In particular, the Supreme Court dismissed the appeal against the Company since, notwithstanding the provisions of Article 281 of the Civil Code, Athens Court of Appeal rejected as unfounded the objection of abuse of the right to ownership of the Greek State, invoking KEKROPS, referring to the argument that for at least 70 years, the Greek State explicitly acknowledged its ownership through a series of demonstrative actions.

Thus, the case was heard in Athens' Three-member Court of Appeal for a substantive verdict, in accordance with the above-mentioned verdicts of the Supreme Court, which were binding in respect of the Court of Appeal during the hearing of December 4, 2018, and the Athens Court of Appeal issued Decision Num. 3039/2019, according to which KEKROPS' appeal, as well as all interventions on its behalf, were accepted, and the Greek State's claims were dismissed.
- It has been disclosed to the Company that an appeal for cancellation was made to Athens Administrative Court of Appeal, by the association called "Association of Psychiko Real Estate Owners" questioning the validity of a) the Building Permits 130/17 and 231/12 issued by the Building Permits Department of Municipality of Agia Paraskevi, b) the Building Permit 1633/1996 issued by the Municipality of Agia Paraskevi, c) the decision of the Ministry ΥΠΠΟ/43680/ΔΠΚΑΝΜ/1394/16.09.1996, d) the decision of the Ministry ΥΠΠΟ/ΔΑΣΝΜ/29002/824/06.04.2009, e) the decision of the Ministry ΥΠΠΟ/31111/ΔΠΚΑΝΜ/813/01.09.1995 and f) any other decision revoking the Building Permit 1633/1996, concerning the Old Market of Psychiko.

The appeal was heard on 05.11.2018 and the decision is expected to be issued.

In view of the procedures regarding the above appeal for cancellation, the association called "Association of Psychiko Real Estate Owners" has also made an appeal to Athens Administrative Court of Appeal asking for suspension of the actions challenged in appeal for cancellation, which was related to the building permit of the Old Market of Psychiko. Following its Decision Num. 407/2017, the Court rejected the appeal in question.
- The association called "Association of Psychiko Real Estate Owners" and Mr. Georgios Liapis made an appeal to the Council of State against the Decision Num. 1322/2017 of Athens Administrative Court of Appeal, which partially accepted the appeal for cancellation of the above claimants, only regarding absence of the relative opinion of the Urban Planning and Design Control Committee (EPAE) in the building permit of the Old Market, which the Company has timely taken due care

to obtain. The hearing of the above Appeal was set for October 24, 2018 and was postponed until 05.06.2019 and it was postponed again until 23.10.2019.

- The association called "Association of Psychiko Real Estate Owners" and the Municipality of Filothei - Psychiko made an appeal to the Council of State (E Department) for cancelation of the Decision of the Ministry of Culture UNDER Prot. Num. ΥΠΠΟΑ/ΓΔΑΜΤΕ/ΔΠΑΝΣΜ/ΤΠΑΔΝΣΜΜΤΠΙΤ/241322/26.07.2018 (ΑΔΑ ΨΙΔ94653Π4-ΨΧΓ) approving the use of the stores in the Old Market of Psychiko proposed by KEKROPS (SS 69) as well as the minutes Num. 16 (17.05.2018) of the Central Council of Monuments Preservation. The appeal was to be heard on 30.10.2019.

To the best of our knowledge, apart from the aforementioned cases, there are no other pending legal cases against the Company.

5.3. Financial assets at fair value through other income

The Company holds participating interest in the share capital of three real estate developers, in position of three real estate items, totaling approximately 150 acres, in Lavrion.

In particular, the Company holds:

- 9.22% of the paid-up share capital of the company under the title "EUROTERRA S.A. REAL ESTATE", namely: 45,427 common nominal shares of nominal value of 29,35 Euro each, of a total acquisition value of 3,622 k Euro. The company was established in 1997 and its term of duration has been set as that till 06.11.2050. The company owns a land plot of 97,262 sq.m. which occupies a single land plot, on which urban development is permissible, located in the most privileged position of the city of Lavrion, with a frontage of 400 m on the coastal road.
- 9.30% of the paid-up share capital of the company under the title "REBIKAT S.A. REAL ESTATE", namely: 122,720 nominal shares of nominal value of 2.93 Euro each, of a total acquisition value of 360 k Euro. The company was established in 1999 and its term of duration has been set as that of 50 years.
- 9.70% of the paid-up share capital of the company under the title "ABIES S.A. REAL ESTATE", namely: 89,515 nominal shares of nominal value of 2.93 Euro each, of a total acquisition cost of 263 k Euro. The company was established in 2000 and its term of duration has been set as that of 50 years.

During the preparation of the Annual Financial Statements for the year 2018, the Company proceeded with the valuation of the fair values of those companies based on the fair value estimates of the assets owned by the holdings as well as on the financial statements of the above companies, and on the basis of the information collected by their management.

During the preparation of the Interim Financial Statements, the Company examined the market conditions and assumptions that were in force on 30.06.2019 in relation to the conditions and assumptions in force on 31.12.2018, and taking into account that (a) no works have been carried out on these properties, which would differentiate their technical and qualitative characteristics as compared to 31.12.2018; and (b) the main assumptions used by the independent certified appraisers have not changed; decided that no updates to the January 2019 valuations were required.

<i>Amounts in Euro</i>	30/6/2019	31/12/2018
Company		
EUROTERRA SA	5.340.540	5.340.540
REBIKAT SA	237.749	237.749
ABIES SA	346.272	346.272
Total	5.924.561	5.924.561

5.4. Trade and other receivables

<i>Amounts in Euro</i>	30/6/2019	31/12/2018
Trade receivables	0	4.189
Other debtors	4.131	5.246
Prepaid expenses	0	769
Advances to suppliers	229.448	8.000
Receivables from the State - VAT	179.954	159.876
Receivables from the State - Property tax	203.630	203.630
Total	617.163	381.710

The account "Receivables from the Greek State – Real Estate Tax" and the account "Income from Deferred Income - Taxes" in the item "Suppliers and other liabilities" in note 5.7, present claims against the Greek State amounting to € 203.6 k arising from the submitted appeals, under which the Company demands to be returned wrongfully submitted taxes and fees with the legally effective interest: 1) interest of € 133 k and 2) real estate tax amounting to € 70 k in respect of the expropriated real estate property of Company as at January 1, 2011.

Receivables are allocated as follows, due to their maturity:

Not past due and not impaired at the balance sheet date

<i>Amounts in Euro</i>	30/6/2019	31/12/2018
Less than 3 months	229.448	4.189
Between 3 and 6 months	2.089	11.204
Between 6 months and 1 year	68.042	47.042
More than 1 year	0	0
Sub Total	299.579	62.436

Not impaired at the balance sheet date but past due in the following periods

<i>Amounts in Euro</i>		
Less than 3 months	0	0
Between 3 and 6 months	0	0
Between 6 months and 1 year	0	0
More than 1 year	113.953	115.644
Sub Total	113.953	115.644
Total	413.533	178.080

Post due and non-impaired receivables pertain to the Company's claims against the Greek State for part of the VAT and other withholding taxes.

5.5. Deferred tax assets / obligations

The table below presents the analysis of deferred tax assets/obligations.

<i>Amounts in Euro</i>	30/6/2019		31/12/2018	
	Receivables	Liabilities	Receivables	Liabilities
Share capital issuance costs	13.176	0	14.512	0
Financial assets at fair value through other comprehensive income	0	(419.910)	0	(419.910)
Accrued expense	0	(0)	0	(11.681)
Retirement benefit obligations	5.429	0	5.276	0
Total	18.605	(419.910)	19.788	(431.591)
Offsetting	(18.605)	(18.605)	(19.788)	(19.788)
Deferred Tax Liabilities	0	(401.305)	0	(411.804)

Changes within the current and previous years in the Income Statement and the Equity are presented below as follows:

<i>Amounts in Euro</i>	30/6/2019		30/6/2018	
	Income Statement Revenue / (Expenses)	Equity	Income Statement Revenue / (Expenses)	Equity
Share capital issuance costs	(1.335)	0	(1.434)	0
Financial assets at fair value through other comprehensive income	0	0	0	(0)
Accrued expense	11.681	0	(11.868)	0
Retirement benefit obligations	153	0	239	0
Total	10.499	0	(13.063)	(0)

Deferred income taxes are calculated on all temporary tax differences between the carrying amount and the tax value of assets and liabilities. Deferred income taxes are calculated applying the tax rates expected to be effective for the year, when the asset is realized or the liability is settled and are based on the tax rates (and tax legislation) effective or enacted at the balance sheet date. The Company has not calculated deferred tax asset on tax losses.

It is to be noted that the corporate income tax rate in Greece has been set at 29% for 2018, but, given the provisions of Article 23, Law 4579/2018, it will gradually decrease by 1% on annual basis, starting with the reduction in income tax in 2019. In particular, in 2018, the current tax rate (29%) is effective, while in 2019, the tax rate is set at twenty-eight per cent (28%), in 2020 - at twenty-seven per cent (27%), in 2021 - at twenty-six per cent (26%) and in 2022 and subsequent years – at twenty-five per cent (25%).

5.6. Long-term and short-term borrowings

<i>Amounts in Euro</i>	30/6/2019	31/12/2018
Bank Borrowings	3.500.000	3.500.000
Total Non Current borrowings	3.500.000	3.500.000

Current borrowings**Amounts in Euro**

	30/6/2019	31/12/2018
Current portion of non-current borrowings	79.583	80.076
Total Current borrowings	79.583	80.076
Total borrowings	3.579.583	3.580.076

Maturity of loan liabilities is analyzed as follow:

Borrowings 30/06/2019**Amounts in Euro**

	Bank Borrowings	Total borrowings
Less 1 year	79.583	79.583
Between 1 and 2 years	100.000	100.000
Between 2 and 5 years	100.000	100.000
Over 5 years	3.300.000	3.300.000
Total borrowings	3.579.583	3.579.583

Borrowings 31/12/2018**Amounts in Euro**

	Bank Borrowings	Total borrowings
Less 1 year	80.076	80.076
Between 1 and 2 years	100.000	100.000
Between 2 and 5 years	100.000	100.000
Over 5 years	3.300.000	3.300.000
Total borrowings	3.580.076	3.580.076

The bond loan has been guaranteed by a) INTRACOM CONSTRUCTIONS S.A. up to the amount of € 1.226 k and b) by GEK TERNA S.A. up to the amount of € 1,340 k and also has been given collateral on 50% of the shares incorporated into temporary securities held by the Company in its participating interest in Euroterra S.A., Rebikat S.A. and Abies S.A. The registered mortgage on two real estate items of the Company and on a horizontal real estate item of € 5.95 million remained unchanged.

5.7. Trade and other payables

<i>Amounts in Euro</i>	30/6/2019	31/12/2018
Trade payables	7.143	6.614
Advance to customers	615.472	615.472
Social Security funds	1.432	2.441
Professional and other fees payable	12.820	2.896
Other Taxes	9.125	10.647
Property Taxes	82.083	0
Accrued Expenses	0	1.099
Income carried forward - Taxes	203.630	203.630
Total	931.705	842.799

Advance to customers pertains to advance payment under a private preliminary agreement on disposal of a land plot of 1.2 acres located in street section (SS) 132 in the Community of Psychiko, Municipality of Filothei - Psychiko, for a total consideration of € 2.4 million. This area is part of a plot which is included in Decision 3039/2019 and is expropriated, totaling 5,829.14 sq.m.

The item "Income carried forward – Taxes" pertain to the amounts of taxes and duties the Company demands to be returned plus the legally effective interest from the Greek State as referred to in Note 5.4.

5.8. Expenses per category

Expenses incurred in period 01/01 – 30/06/2019 and in period 01/01 – 30/06/2018 are recorded below as follows:

<i>Amounts in Euro</i>	30/6/2019		
	Operating Expenses	Operational expenses	Total
Employee benefits	0	29.248	29.248
Consultancy, administration and other professional fees	16.251	46.251	62.502
Subcontractors' fees	0	0	0
Utilities	15.110	4.462	19.572
Repair and maintenance costs	0	142	142
Property taxes	82.083	0	82.083
Other taxes	97	0	97
Other expenses	11	5.913	5.924
Depreciation of tangible assets	0	2.613	2.613
Total	113.551	88.630	202.181

<i>Amounts in Euro</i>	30/6/2018		
	Operating Expenses	Operational expenses	Total
Employee benefits	0	26.970	26.970
Consultancy, administration and other professional fees	19.060	41.411	60.472
Subcontractors' fees	1.200	0	1.200
Utilities	33.811	3.784	37.594
Repair and maintenance costs	0	155	155
Property taxes	74.294	0	74.294
Other taxes	179	8	186
Other expenses	0	5.690	5.690
Depreciation of tangible assets	0	3.390	3.390
Total	128.543	81.407	209.951

5.9. Other Income / (expenses)

<i>Amounts in Euro</i>	30/6/2019	30/6/2018
Other Expenses		
Tax fines and surcharges	0	(307)
Other non- recurring expenses	(2.159)	(556)
Sub Total	(2.159)	(863)
Other Incomes		
Other non - recurring income	688	49.541
Sub Total	688	49.541
Total	(1.470)	48.679

Other non-recurring income for the previous period mainly includes receivables from VAT for the construction period.

5.10. Financial results

Financial revenue and expenses are analyzed as follows:

<i>Amounts in Euro</i>	30/6/2019	30/6/2018
Interest cost of retirement benefit obligations	200	185
Interest Expense for bank Borrowings	88.750	94.418
Other banking expenses	309	2.820
Total	89.260	97.423
Amounts in Euro		
	30/6/2019	30/6/2018
Interest income	5.413	5.351
Total	5.413	5.351

5.11. Income tax

Income tax is analyzed as follows in the income statement:

<i>Amounts in Euro</i>	30/6/2019	30/6/2018
Current tax	0	0
Deferred tax	10.499	(13.063)
Total Taxes	10.499	(13.063)

The unaudited fiscal years of the Company, taking into account the fact that until 30.06.2019 no audit order has been disclosed by the competent tax authorities, are from 2013 to 2018.

Regarding FYs 2013, 2014 and 2015, the Company has been subject to the tax audit of the Certified Public Accountants, in compliance with the provisions of Article 65A, Law 4174/2013, as amended and effective, and an Unqualified Conclusion Tax Compliance Certificate was issued.

From the fiscal year 2016 onwards, the issue of tax certificate is optional, so the Company's Management has decided not to be subject to the tax audit of the Certified Public Accountants for the fiscal years 2016, 2017 and 2018.

5.12. Profits / (Losses) per share

Earnings per share are calculated through dividing profits proportionally attributable to the Company's shareholders by the weighted average number of shares outstanding during the year, without taking into account the shares that have been potentially acquired by the Company, listed as treasury shares.

<i>Amounts in Euro</i>	30/6/2019	30/6/2018
Profit/ (loss) after taxes	(271.300)	171.758
Weighted average number of shares	19.804.134	19.804.134
Profit / (Loss) per share (€/share)	(0,0137)	0,0087

5.13. Contingent liabilities

In the regular course of its operations, the Company has contingent liabilities related to legal claims of its clients. No relative provision has been made, since the Company's Management considers that their final settlement and possible court decisions are not expected to have a significant effect on the Company's financial position or operations.

Regarding the unaudited fiscal years and contingent obligation for taxes potentially arising from the tax audit of the particular years, a cumulative provision totaling € 55 k has been made.

5.14. Related parties' transactions

All transactions with related parties are performed in compliance with the regular market conditions.

Amounts in Euro Expenses / Purchases

<u>Company Name</u>	<u>Explanation</u>	<u>30/6/2019</u>	<u>30/6/2018</u>
INTRAKAT S.A.	Interest Expenses under loan agreement	0	2.268
Management Executives and Administration Members	Fees	24.000	24.000
Total		24.000	26.268

Amounts in Euro Receivables

<u>Company Name</u>	<u>30/6/2019</u>	<u>31/12/2018</u>
GEK - TERNA S.A.	0	3.227
Total	0	3.227

Amounts in Euro Liabilities

<u>Company Name</u>	<u>30/6/2019</u>	<u>31/12/2018</u>
INTRAKAT S.A.	615.472	615.472
Total	615.472	615.472

Liabilities to INTRAKAT are analyzed in Note 5.7.

5.15. Subsequent events

No post Balance Sheet events have taken place that can affect the current financial statements.

P. Psychiko, 23 September 2019

The Chairman of the BoD

The Managing Director

The Financial Director

Dimitrios Ch. Klonis
ID Num. AK121708

Petros K. Souretis
ID Num. AN 028167

Kyriaki G. Anastopoulou
ID Num. AH 135720

HOTEL – TOURIST – CONSTRUCTION & QUARRY SERVICES**KEKROPS S.A.****Business Registry NO: 223301000****HEADQUARTERS AND ADDRESS: 6, Dafnis St., 154 52, P. Psychiko****TABLE OF APPROPRIATION OF FUNDS**

It is hereby disclosed that in compliance with the decision of Athens Stock Exchange as of 02.11.2017 following the increase of the share capital of the Company through cash payment and preference rights in favor of the old shareholders, based on the decision of the Annual General Meeting of the Shareholders of HOTEL – TOURIST – CONSTRUCTION & QUARRY SERVICES "KEKROPS S.A." as at 24.05.2017 and Num. 19/799/31.10.2017 decision of the Board of Directors of the Hellenic Capital Market Commission, a net amount of Euro 4,775,804.72 (Euro 4,885,019.72 less expenses of 109,215.00 Euro) was raised. The period for exercising the pre-emptive right was from 06.11.2017 to 20.11.2017. The aforementioned increase resulted in 13,202,756 new nominal shares listed for trading on 04.12.2017. The Company's Board of Directors verified the increase of the Share Capital on 24.11.2017. The funds raised in relation to the Prospectus were made available until 30/06/2019, according to the table presented below. Following the completion of the Share Capital Increase the share capital of the Company amounted to 5,941,240.20 Euro, divided into 19,804,134 common nominal shares of nominal value 0.30 Euro each, while share premium amounting to 924,192.92 Euro has been credited to the account "Share Premium".

Use of Fund Raised (amounts in thousands €)	Total Funds Raised	Total Funds used until 30/06/2019	Remaining Amount for disposal at 30/06/2019
<u>Working capital</u>			
Operating Expenses	742	637	105
Repayment of Taxes	581	428	153
Repayment of Liabilities	1.890	1.574	316
Repayment of Borrowings	1.220	1.022	198
Repayment of outstanding arrears	343	343	-
Expenses on issue of share capital	109	109	-
TOTAL	4.885	4.113	772

Note:

The remaining amount for disposal of € 772 k as at 30.06.2019 was placed in sight and time deposits and will be available until 31.10.2019 in the categories listed in the above table.

Should reduce amounts of tax arise and borrowings, the balance will be used to cover Company's liabilities.

P. Psychiko, 23 September 2019

The Chairman of the BoD

The Managing Director

The Financial Director

Dimitrios Ch. Klonis

ID Num. AK121708

Petros K. Souretis

ID Num. AN 028167

Kyriaki G. Anastopoulou

ID Num. AH 135720

Independent Auditor's Report on Actual Findings of Agreed-upon-Procedures on "Report on Appropriation of Funds"

To the Board of Directors of the Company "KEKROPS S.A."

In compliance with the assignment we received from the Board of Directors of "KEKROPS S.A." (the Company), we have conducted the below agreed-upon-procedures in the context of the regulatory framework of Athens Stock Exchange and the relevant legal framework for the capital market, regarding the Company's Report on Appropriation of Funds pertaining to the share capital through cash payment performed on November 24, 2017. The Company's Management is responsible for the preparation of the aforementioned Report. We have performed our engagement according to the International Standard on Related Services 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information". Our responsibility is to perform the following agreed-upon procedures and disclose our findings to you.

Procedures:

- 1) We have compared the amounts recorded as appropriated funds in the accompanying "Report of Appropriation of Funds raised from the Share Capital Increase through Cash Payment" with the corresponding amounts recognized in the Company's books and records in the period when they were reported.
- 2) We have examined the completeness of the Report and consistency of its content with the references made in the Prospectus, issued by the Company for this purpose, as well as with the relevant decisions and announcements of the competent bodies of the Company.

Findings:

- a) The amounts per intended use recorded as appropriated funds in the accompanying "Report of Appropriation of Funds raised from the Share Capital Increase through Cash Payment" arise from the Company's books and records in the period when they were reported.
- b) We have examined the completeness of the Report and consistency of its content with the references made in the Prospectus, issued by the Company for this purpose, as well as with the relevant decisions and announcements of the competent bodies of the Company.

Since the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any further assurance apart from that reported above. Had we performed additional procedures or had we performed an audit or review, other matters might have come to our attention, apart from those reported in the previous paragraph.

Our Report is addressed exclusively to the Company's Board of Directors within the regulatory framework of Athens Stock Exchange and the relevant legal framework for the capital market. Therefore, the current Report is not to be used for any other purpose since it relates only to the amounts recorded above and does not extend to the financial statements prepared by the Company for the period 01.01.2019-30.06.2019, regarding which we issued a separate Review Report on September 24, 2019.

Chalandri, September 24, 2019

Certified Public Accountant
Dimitroula Apostolakou
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