

KEKROPS S.A.

HOTEL – TOURIST – CONSTRUCTION & QUARRY SERVICES

KEKROPS S.A.
General Commercial Registry No. 22330100

Interim Financial Report
For the period from 1st January to 30th June 2020
(according to article 5 of Law 3556/2007)

SEPTEMBER 2020

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Table of contents

STATEMENTS BY BOARD OF DIRECTORS MEMBERS	4
Interim Board of Directors' Report of the Company	5
INDEPENDENT AUDITOR'S REVIEW REPORT	10
Interim Statement of Financial Position	11
Interim Statement of Comprehensive Income	12
Statement of Changes in Equity	13
Interim Statement of Cash Flows	14
1. General Information about the Company	15
2. Basis for Preparation of the Interim Financial Statements	15
3. Significant accounting policies	16
4. Financial risk management	18
5. Notes to Financial Statements	21
5.1. Property, plant and equipment	21
5.2. Investment property	22
5.3. Financial assets at fair value through other income	26
5.4. Trade and other receivables	27
5.5. Deferred tax assets / liabilities	27
5.6. Long-term and short-term borrowings	28
5.7. Trade and other payables	29
5.8. Expenses per category	29
5.9. Other Income / (expenses)	30
5.10. Financial results	30
5.11. Income tax	31
5.12. Profits / (Losses) per share	31
5.13. Contingent liabilities	31
5.14. Related parties' transactions	31
5.15. Subsequent events	32
TABLE OF APPROPRIATION OF FUNDS	33
INDEPENDENT REPORT ON FACTUAL FINDINGS	34

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,

in our capacity 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 Interim Financial Statements of KEKROPS SA for the financial period of 01.01.2020 - 30.06.2020, prepared according to the applicable 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.

Palaio Psychiko, September 29th, 2020

Dimitrios Ch. Klonis

Dimitrios G. Antonakos

Petros K. Souretis

Chairman of the BoD

Vice President of the BoD

Managing Director

Interim Board of Directors' Report of the Company
"KEKROPS S.A."
HOTEL – TOURIST – CONSTRUCTION & QUARRY SERVICES
FOR THE PERIOD 01.01.2020 – 30.06.2020

Dear Shareholders,

The current Interim Board of Directors' Report (hereinafter the "Report"), of "KEKROPS S.A." (hereinafter the "Company"), refers to the first half of the current financial year 2020 (01.01.2020-30.06.2020), 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 2020

Company's Financial Performance

Turnover: Turnover remains stable since the Company did not engage into new leasing contracts.

Operational costs: For the first semester of 2020, the operational costs amount to € 99 k compared to € 114 k in the previous period, decreased by 13%. The decrease in comparison to prior period is related to shared building costs and consultant fees.

Operating expenses: For the first semester of 2020, the operating expenses amount to € 86 k, compared to € 89 k in the previous period, decreased by 3%.

Financial results: For the first semester of 2020, the financial results amount to € 80 k, compared to € 84 k for the corresponding period of 2019, decreased by 4.7%.

Profit/ (Loss) before tax: For the first semester of 2020, the losses amount to € 236 k, compared to losses € 282 k in the previous period, decreased by 16%.

	<u>30/06/2020</u>	<u>30/06/2019</u>	<u>Variance %</u>
Gross Profit / (Loss)	(93.639)	(107.851)	-13,18%
Profit / (Loss) from operations	(156.012)	(197.952)	-21,19%
Profit / (Loss) before tax	(235.919)	(281.798)	-16,28%
Profit / (Loss) after tax	(243.226)	(271.300)	-10,35%

Key Ratios

	<u>30-June-20</u>	<u>30-June-19</u>
ROE (Return On Equity) (Loss) after taxes / Total Equity:	-7,44%	-6,97%
ROCE (Return On Capital Employed) (Loss) before taxes / (Total Assets less Current Liabilities):	-3,41%	-3,57%
Degree of Leverage: Total Borrownigs / Total Assets	44,94%	40,24%
General Liquidity Ratio: Current Assets / Current Liabilities	0,93	1,59

The Company considers that, in current period and in accordance with its size, it is not necessary to present additional financial ratios.

Significant events for the first half of the Financial Year 2020

The Company is monitoring recent developments regarding the rapid spread of Coronavirus (COVID-19) and examines any potential effects it will have on its financial position and operations. Due to the fact that it is not currently possible to forecast developments in global, nor Greek economy, the Company cannot evaluate the impact to its operations, financial performance, cash flows and financial position. As a result, the Management cannot currently quantify any adverse effects. In addition, due to the temporary suspension of operations of all Courts and Prosecutions in the country, the Management considers that there is a possibility of postponing the trial of pending cases related to its real estate.

The Company announces that, following the Application of the Greek State dated 6.12.2019, to the Supreme Court for the Appeal of its decision No. 3039/2019 of the Athens Court of Appeals, which in essence accepted the Company's appeal and rejected the action of the Hellenic State, was heard on September 23rd, 2020 and the relevant decision is pending.

The Company announces that on 30.04.2020 the use of funds raised by share capital increase in cash and preference right in favor of current shareholders, was completed and based on the decision of 24.05.2017 of the Annual General Meeting of the Shareholders of the Company "HOTEL – TOURIST – CONSTRUCTION & QUARRY SERVICES KEKROPS S.A." and the no. 19/799/31.10.2017 decision of the Board of Directors of the Hellenic Capital Market Commission.

The table below shows the allocation and use of raised funds:

Category of Use of Raising Funds (amounts in Euro thousand)	Projected use according to the Bulletin	Allocated funds until 30/04/2020	Unallocated Balance as at 30/04/2020
<u>Financing of working capital</u>			
Operating Expenses	742	742	-
Tax Repayment	581	581	-
Third Parties Liabilities Repayment	1.890	1.890	-
Bank Loans Repayment	1.220	1.220	-
Past Due Debts Repayment	343	343	-
Share Capital increase expenses	109	109	-
Total	4.885	4.885	-

B. Prospects of the Company at the second half of 2020

2020 is a special year, as COVID-19 pandemic has negatively affected both global and Greek financial and investment activity.

For the second half of 2020, since no new negative developments will occur, due to the pandemic, the results of the Company are expected to remain at the same level, as in the previous year.

Furthermore, the Company, during the following months anticipates the hearing of pending legal cases related to a part of its real estate. In case of positive outcome, it will be able to exploit the following properties:

- a) Sixteen stores in the Old Market of Psychiko. Expected revenues through rentals and operation of the particular stores of total surface of 973 M2 on a plot of land surrounded by Kondoleontos - Paschalias - Chrysanthemon and Amaryllis streets.
- b) Land plot at 7 Meletopoulou Street, Palaio Psychico, surface of 1,049 M2 which, following the publication of the relevant Government Gazette, is declassified from a 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.

C. Significant Risks

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

Risk related to Real Estate

The most significant part of the Company's Real Estate is under expropriation of the Municipality of Filothei - Psychiko and the Municipality of Chalandri or is claimed by the Greek State following the appeal of the Greek State before the Supreme Court for the Appeal of the 3039/2019 decision of the Athens Court of Appeals. Any negative outcome of the Company's lawsuits with the Greek State in respect of the aforementioned Real Estate will not adversely affect the Company's financial position as the value of the particular Real Estate has been fully impaired. Regarding Real Estate under expropriation, in the event of a negative outcome, the Company will accelerate the procedures for determining the unit price of compensation at the competent court, in order to receive 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				
PLOTS OF P. PSYCHIKO :				
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 UNDER LITIGATION PROCEDURES WITH THE GREEK STATE			
<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 Reafforested
PERSEOS 1-3 - ANONYMOUS STREET – DOLASIK (50%) (SS 132)	Apartment	427	610

Fair value risk

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

Price risk

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

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 in the reporting period due to limited operations.

Liquidity risk

Liquidity risk is related to the Company's ability to comply with its financial obligations when they become receivable. The Company ensures the necessary liquidity through share capital increase until it will be able to use its real estate. The liquidity of the Company is monitored by the Company's Management at regular intervals.

D. Related parties' transactions

All transactions with related parties are conducted in line with the 'arm's length' principle and the usual trade terms for relative transactions with third parties.

The following transactions were conducted with related parties:

Amounts in Euro

Expenses / Purchases

Company Name	Explanation	30/6/2020	30/6/2019
Management Executives and Administration Members	Fees	24.000	24.000
Total		24.000	24.000

Amounts in Euro

Receivables

Company Name	30/6/2020	31/12/2019
GEK - TERNA S.A.	0	1.617
Total	0	1.617

Amounts in Euro

Liabilities

Company Name	30/6/2020	31/12/2019
INTRAKAT S.A.	299.472	299.472
Total	299.472	299.472

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

Subsequent events after the balance sheet date 30.06.2020

On July 21st, 2020, the Company announced the sudden loss of Sotirios Filos, Independent Non-Executive Member of the Board of Directors and Chairman of the Audit Committee of the Company.

On August 1st, 2020, the Company engaged to the Issuance of a Common Bond Loan of € 1,800,000, divided into 1,800 bearer common bonds, with a nominal value of € 1,000 each and to be issued in six (6) rows maximum. Its duration is two years, the rate is 5% and it will be covered equally by the Company's shareholders "GEK TERNA SA" (participation 37.48%) and "INTRADEVELOPMENT SA "(participation 34.32%). The implementation of the Bond Loan program is in progress.

The Company notifies that, the application of the Greek State from 6.12.2019, before the Supreme Court for the Appeal, of the decision number 3039/2019 of the Athens Court of Appeal, which essentially accepted the appeal of the Company and rejected the lawsuit of the Greek State, was heard on September 23, 2020 and the relevant decision is pending.

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 2020 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 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 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 30th, 2020



Certified & Registered Auditors
184A, Kifisias Avenue, 152 31 Chalandri,
SOEL Reg./ELTE Reg. Number: 161 / 30

Giannis K. Malisovas
SOEL Reg./ELTE Reg. Number: 40481/2414

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

Interim Statement of Financial Position

Amounts in Euro	note	30/6/2020	31/12/2019
ASSETS			
Non-current assets			
Property, plant and equipment	5.1	667.107	669.634
Investment property	5.2	687.605	687.605
Financial assets at fair value through other comprehensive income	5.3	5.590.063	5.800.424
Other long-term assets		2.269	1.259
Total		6.947.044	7.158.921
Current assets			
Trade and other receivables		364.737	614.138
Cash and cash equivalents	5.4	95.709	190.625
Total		460.446	804.763
Total Assets		7.407.489	7.963.683
EQUITY AND LIABILITIES			
EQUITY			
Share capital		5.941.240	5.941.240
Share premium		4.270.992	4.270.992
Capital reserves		(1.901.762)	(1.895.265)
Retained earnings		(5.040.996)	(4.797.770)
Total Equity		3.269.474	3.519.197
Non-current liabilities			
Deferred income tax liabilities	5.5	368.380	354.576
Retirement benefit obligations		8.747	8.747
Other Long-term liabilities		13.893	13.893
Long-term Borrowings	5.6	3.250.000	3.450.000
Total		3.641.021	3.827.217
Current Liabilities			
Trade and other payables	5.7	417.748	538.103
Borrowings	5.6	79.247	79.167
Total		496.994	617.269
Total Liabilities		4.138.015	4.444.486
Total Equity and Liabilities		7.407.489	7.963.683

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

Interim Statement of Comprehensive Income

<i>Amounts in Euro</i>	note	30/6/2020	30/6/2019
Rental Income		5.700	5.700
Less: Operating expenses	5.8	(99.339)	(113.551)
Gross Profit /(Loss)		(93.639)	(107.851)
Operational expenses	5.8	(86.407)	(88.630)
Other Income / (Expenses)	5.9	24.034	(1.470)
Total Operating Gains/(Losses)		(156.012)	(197.952)
Financial income/(expense)-net	5.10	(79.907)	(83.847)
Profit/(loss) before taxes		(235.919)	(281.798)
Income tax expense	5.11	(7.307)	10.499
Profit/(loss) after taxes (a)		(243.226)	(271.300)
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		(6.497)	0
Other comprehensive income/(expenses) after taxes (b)		(6.497)	0
Total comprehensive income/(expenses) after taxes (a) + (b)		(249.723)	(271.300)
Profit /(Loss) per share (€/share)	5.12	(0,0123)	(0,0137)
Profit/(loss) before taxes, financing, investing income and depreciation			
Profit/(loss) before taxes		(235.919)	(281.798)
Plus: Investing Results		0	0
Plus: Financial results		79.907	(49.946)
Plus: Depreciation		2.527	2.613
Profit/(loss) before taxes, financing, investing income and total depreciation		(153.485)	(329.132)

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 1/1/2019	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)
Change in equity for period 01/01-30/06/2019					
<i>Net income / (expense) 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 30/6/2019	5.941.240	4.270.992	(1.817.717)	(4.503.055)	3.891.460
Balance at 1/1/2020	5.941.240	4.270.992	(1.895.265)	(4.797.770)	3.519.197
<i>Net Profit /(Loss) for the period</i>				(243.226)	(243.226)
Change in equity 1/1/-30/6/2020					
Financial assets measured at fair value through other comprehensive income - Fair value gains/(losses)			0		0
Income tax items of other comprehensive income			(6.497)		(6.497)
<i>Net income / (expense) recognized directly in equity</i>	0	0	(6.497)	0	(6.497)
<i>Total recognized profit/loss</i>	0	0	(6.497)	(243.226)	(249.723)
Balance at 30/6/2020	5.941.240	4.270.992	(1.901.762)	(5.040.996)	3.269.474

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

Interim Statement of Cash Flows

<i>Amounts in Euro</i>	Note	30/6/2020	30/6/2019
Cash flows from operating activities			
Profit/(Loss) before income tax		(235.919)	(281.798)
Adjustments to profits	(i)	82.434	89.029
		(153.485)	(192.770)
Changes in working capital			
Decrease/(Increase) of receivables		53.406	(238.380)
Increase/(Decrease) of payables		83.275	88.596
		136.681	(149.784)
Cash Flow from Operating Activities		(16.804)	(342.553)
Less: Taxes paid		(88.472)	(89.243)
Net Cash Flows from Operating Activities		(105.276)	(431.797)
Cash flows from Investing Activities			
Purchases of FVOCI		210.360	0
Addition of tangible assets		0	(11.200)
Interest income		0	6.182
Net cash used in Investing Activities		210.360	(5.018)
Cash Flows from Financial Activities			
Repayment of Debt		(200.000)	0
Net cash used in Financing Activities		(200.000)	0
Net increase/(decrease) of cash and cash equivalents		(94.916)	(436.815)
Opening cash and cash equivalents		190.625	1.428.738
Closing cash and cash equivalents		95.709	991.923

Note (i)

<i>Amounts in Euro</i>	Note	30/6/2020	30/6/2019
<i>Plus / minus adjustments for:</i>			
Depreciation	5.1	2.527	2.613
Provisions for retirement benefit obligations		0	411
Impairment - Provision - Extraordinary profits		0	2.159
Interest income	5.10	(8.728)	(5.413)
Interest expense	5.10	88.635	89.260
Total		82.434	89.029

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

1. General Information about the Company

The Company was established in 1923 with a duration term 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 in 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 in Main Market of Athens Stock Exchange (Real Estate - Real Estate Assets and Development).

The Company is managed by a 7-member Board of Directors, since a recently deceased member has not been replaced yet. The Board of Directors, as elected at the Regular General Meeting on June 27, 2018, was 8-membered, its tenure 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 30, 2020.

The number of personnel in the period ended as at 30 June 2020 was 3 employees (30.06.2019: 3).

2. Basis for Preparation of the Interim Financial Statements

The Interim Financial Statements of the period 01.01.2020 – 30.06.2020 have been prepared according to IAS 34 «Interim Financial Statements» and should be considered in connection with the Company's published Annual Financial Statements ended December 31, 2019.

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: The preparation of the financial statements according to IFRSs, requires the use of significant estimates 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 develops and trades properties in Greece. 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 for the period 01/01-30/06/2020, has been prepared following the same accounting policies, which are used for drafting the annual financial statements for the year ended on December 31st, 2019, taking into consideration the new standards and any amendments of standards, issued by the International Accounting Standards' Board, adopted by the European Union and applied from 01.01.2020.

The accounting policies that have been adopted, are described in detail in the Company's Annual Financial Report, for the year ended December 31, 2019, and have been uploaded at the Company's website.

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

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

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

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

The amendments do not affect the Financial Statements.

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

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards.

The amendments do not affect the Financial Statements.

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

In September 2019, the IASB issued amendments to some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the Interest Rate Benchmark reform. The amendments are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest – rate benchmarks such as interbank offered rates (IBORs). It requires companies to provide additional information to investors about their hedging

relationships which are directly affected by these uncertainties. The amendments do not affect the Financial Statements.

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

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance.

The amendments do not affect the Financial Statements.

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

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

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

In May 2020, the IASB issued amendments to IFRS 16 that provide lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification. More specifically, the amendments clarify that if certain conditions are met, lessees are not required to assess whether particular Covid-19-related rent concessions are lease modifications. Instead, lessees that apply the practical expedient, would account for those rent concessions as if they were not lease modifications. It applies to Covid-19-related rent concessions that reduce lease payments due on or before June 30, 2021.

Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2022)

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

Annual Improvements 2018-2020

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

4. Financial risk management

Interest rate risk

The Company is exposed to interest rate fluctuations risk due to its borrowings. 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 Interim Income Statement and Equity of a variance in interest rate, by one percentage point, would equal to ± 17 k Euro as at 30.06.2020, and as at 30.06.2019.

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

The most significant part of the Company's Real Estate is under expropriation by the Municipality of Filothei - Psychiko and the Municipality of Chalandri or ownership is claimed by the Greek State following the appeal of the Greek State before the Supreme Court for the Appeal of the 3039/2019 decision of the Athens Court of Appeals. Any negative outcome of the open Company's lawsuits with the Greek State in respect of the aforementioned Real Estate will not adversely affect the Company's financial position as the value of the particular Real Estate has been fully impaired. Regarding Real Estate under expropriation, in the event of a negative outcome, the Company will accelerate the procedures for determining the compensation unit price 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 makes estimates and assumptions regarding the fair value of its equity instruments, which may 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. The categories are as follows:

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.

	30/6/2020			
	Total	Level 1	Level 2	Level 3
Financial assets at fair value through other comprehensive income	5.590.063	0	0	5.590.063
Total	5.590.063	0	0	5.590.063

	31/12/2019			
	Total	Level 1	Level 2	Level 3
Financial assets at fair value through other comprehensive income	5.800.424	0	0	5.800.424
Total	5.800.424	0	0	5.800.424

The carrying amounts of the following financial assets and liabilities approximately equal their fair value due to their short-term type.

- 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 limited trading activity.

Liquidity risk

“Liquidity risk” reflects the risk that the Company will not be able to settle, in full or in due time, its current or future financial liabilities when they become due.

The Company is monitoring liquidity risk and focuses on management of cash flows and outflows for every period, in order to assure that it will be in position to settle its obligations.

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, 2020 and December 31, 2019:

<i>Amounts in Euro</i>	30/6/2020			
	Current		Non Current	
	Less than 6 months	Between 6 & 12 months	Between 1 & 5 years	Over 5 years
Bank Loans	139.444	86.729	3.713.000	0
Other Long term liabilities	0	0	13.893	0
Trade and other payables *	113.013	304.735	0	0
Total	252.457	391.464	3.726.893	0

<i>Amounts in Euro</i>	31/12/2019			
	Current		Non Current	
	Less than 6 months	Between 6 & 12 months	Between 1 & 5 years	Over 5 years
Borrowings	88.472	139.444	3.909.938	0
Other Long term liabilities	0	0	13.893	0
Trade and other payables *	31.784	302.689	0	0
Total	120.256	442.133	3.923.831	0

* Analysis of the account "Suppliers and other liabilities", of the year 2019, 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 Note 5.4. "Trade and other receivables".

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, 2020 and December 31, 2019 respectively, are presented below as follows:

<i>Amounts in Euro</i>	30/6/2020	31/12/2019
Debt	3.329.247	3.529.167
Cash and cash equivalents	-95.709	-190.625
Net borrowings	3.233.538	3.338.542
Total Equity	3.269.474	3.519.197
Net Debt	3.233.538	3.338.542
Total capital employed	6.503.012	6.857.739
Leverage factor	49,72%	48,68%

5. Notes to Financial Statements

5.1. Property, plant and equipment

Property, plant and equipment as at June 30, 2020 is analyzed as follows:

<i>Amounts in Euro</i>	Land	Buildings	Others	Assets Under Construction	Total
Acquisition Cost 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	(4.881)	(316)	0	(5.198)
Acquisition cost at 31/12/2019	601.346	410.133	183.451	34.000	1.228.930
Less: Accumulated Depreciation	0	(376.130)	(183.166)	0	(559.296)
Net book amount at 31/12/2019	601.346	34.003	286	34.000	669.634
Additions	0	0	0	0	0
Depreciation charge	0	(2.440)	(87)	0	(2.527)
Acquisition cost at 30/06/2020	601.346	410.133	183.451	34.000	1.228.930
Less: Accumulated Depreciation	0	(378.571)	(183.253)	0	(561.823)
Net book amount at 30/06/2020	601.346	31.562	199	34.000	667.107

Analysis of owner-occupied real estate:

Description		Surface (M ²)	Legal situation	Tax value Amounts in € thousand
OFFICES OF THE COMPANY: DAFNIS-DAVAKI-STEFANAKOU- ANONYMOUS STREET (SS 89)	PLOT	5.056,00	Under expropriation	8.812
	BUILDING	770		

The following is 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, the Municipality of Filothei - Psychiko submitted an appeal to Council of State (Section E), which issued the decision No. 3627/2007 of the Council of State, 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. The relevant procedure is pending.

5.2. Investment property

As at June 30, 2020, investment property account is analyzed as follows:

<i>Amounts in Euro</i>	Land	Buildings	Assets Under Construction	Total
Acquisition Cost at 1/1/2019	55.881	190.998	620.524	867.403
Accumulated depreciation- impairment of vaule	0	(190.998)	0	(190.998)
Net Book amount at 1/1/2019	55.881	0	620.524	676.405
Additions	0	0	11.200	11.200
Depreciation charge	0	0	0	0
Acquisition cost at 31/12/2019	55.881	190.998	631.724	878.603
Accumulated depreciation- impairment of vaule	0	(190.998)	0	(190.998)
Net book amount at 31/12/2019	55.881	0	631.724	687.605
Additions	0	0	0	0
Depreciation charge	0	0	0	0
Acquisition cost at 30/06/2020	55.881	190.998	631.724	878.603
Accumulated depreciation- impairment of vaule	0	(190.998)	0	(190.998)
Net book amount at 30/6/2020	55.881	0	631.724	687.605

Investment property is analyzed as follows:

Description	Surface (M2)	Legal situation
<u>PLOTS OF P. PSYCHIKO</u>		
MELETOPOYLOY 7 & REGIONAL STREET (OT 161)	1.049	
AMADRIADON & BERENIKIS (OT 145)	1.100	Under expropriation
P. NIRVANA 1 & CHALEPA (OT 137)	2.084	Under expropriation
P. NIRVANA 1a & CHALEPA (off plan)	375	Under expropriation
<u>PALAI A AGORA (STORES)</u>		
KONTOLEONTOS -PASCHALIAS- CHRISANTHEMON - AMARILIDOS (OT 69)	PLOT BUILDING	Usufruct right Usufruct right
<u>PLOT OF CHALANDRI</u>		
ETHNIKIS ANTISTASIS 2 & KODROY – CHALANDRI (OT 325a)	1.035	Under expropriation

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

Finally, it is to be noted that the Company is in the litigation procedures with the Greek State in respect of the real estate items, included in the recent decision of the Athens Court of Appeals (3039/2019), against which the Greek State filed an Appeal to the Supreme Court. The items in questions were derecognized from the Financial Statements in previous years.

These real estate items are as follows:

Description	Surface (M2)	Legal situation	Tax value Amounts in thous. €
<u>PLOTS OF P. PSYCHIKO</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>ex - QUARRY AREA</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 Reafforested	5.640
<u>Apartment</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:

- The Council of State issued the decision Num. 962/2003, regarding the appeal made by the Municipality of Filothei - Psychiko against the 1107/2001 Decision of the Athens Administrative Court of Appeal which qualified as appropriate for development the plot of land in SS 137, under the Decision Num. 7577/443/ 04.04.2007 of the Prefecture 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 the appeal Num. 5391/2007, for the annulment of the aforementioned decision of the Prefecture, which was 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. Subsequently, the file has been sent to the Municipality of Filothei-Psychiko under the legal disclosure provision. The file is expected to be forwarded to the competent service of the Ministry of Environment and Energy, for the issuance of the relevant Presidential Decree.
- The Council of State issued a decision Num. 672/2006 regarding the appeal made by the Municipality of Filothei against the Num. 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) of the item enclosed by Dolasik, Elikas Athanasiadis and Dafni streets (approximately 5 acres in the area qualified for development - former quarry), b) of the item of 1,233 M2 in SS 132, c) of four plots of land totaling 5.791 M2 (following the new remeasurement - totaling 5.829,14 M2) in SS 132 and d) of 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) in SS 132 (of a total area of approximately 6,8 acres), they were qualified for development under Decision Num. 3409/202/2006 of the Prefecture 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 Prefecture, which was heard after being postponed on 13.05.2009. 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 of Athens (Government Gazette D 238/28-3-2006) "the approved urban development plan in sections of SS 132 of the Municipality of Filothei - Psychiko". Also, the Municipality of Filothei-Psychiko, filed 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.

In respect of item d) in SS 161, 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 will be heard following postponement on 23.10.2019, 11.12.2019, 11.03.2020 and 17.06.2020 on 11.11.2020.

- 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 issue, 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. SY.PO.THA partially accepted the modification proposal of the road plan in SS 145 and notified the Ministry of Environment and Energy for further actions, after deciding on the ownership status and the forest on non-forest type of SS 145. The Deputy Minister of the Ministry of Environment and Energy, referred the issue to KESYPOTHA, which issued decision No 54 of 7th/27.07.2020 meeting and decided in favour of the applied modification of the urban planning. Subsequently, the file has been sent to the Municipality of Filothei-Psychiko, under the legal disclosure provision.
- The Deputy Minister of Environment and Energy 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, regarding which the Athens' Single-Member Court of Appeal 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. Thereafter, 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 on December 11, 2018 and the relevant decision (Department 1st State) was issued under Num. 5262/2019, determining the final price for compensation per unit of expropriated item as six hundred and fifty euro per square meter (€ 650,00/sq.m.) and the compensation for the items within the real estate of approximately thirteen thousand and five hundred euro (€ 13.500,00) as a total. The collection of the compensation is pending.

- 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 Tourkovounia (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 the 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 January 24, 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 at 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 decision Num. 3039/2019 was issued essentially accepting the appeal and rejecting the file made by the Greek State and the decisions in favor of the Company were made.

On December 6, 2019, the Greek State submitted an Application for the Revocation of the above decision Num. 3039/2019, which was heard on September 23, 2020 and the decision is pending.

- An appeal for cancellation was made to Athens Administrative Court of Appeal, 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 of Culture ΥΠΠΟ/43680/ΔΠΚΑΝΜ/1394/16.09.1996, d) the decision of the Ministry ΥΠΠΟ/ΔΑΣΜ/29002/824/06.04.2009, e) the decision of the Ministry of Culture 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 Company made an appeal against the relative decision. The appeal was heard on 05.11.2018 and the decision Num. 2638/2019 was issued, which accepted the intervention, rejected the Cancellation Request regarding the urban issues (eg 130/2017 Building Permit) and referred the appeal to the Council of State as part of it is directed against a decision of the Ministry of Culture. The hearing of the aforementioned appeal for cancellation is scheduled on 09.12.2020. Against the decision Num 2638/2019 of the Administrative Court of Appeal, the Association filed an appeal under Num. E 697/2020 to the Court of Appeals, scheduled for hearing on 29.04.2020, postponed for 13.05.2020, for 24.06.2020 and further postponed for 09.12.2020
- 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 were 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 to be heard on 05.06.2019, 23.10.2019, 11.12.2019, 15.01.2020, 29.04.2020, 13.05.2020, 24.06.2020 and on 09.12.2020.
- 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 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 06.02.2019 and, following the postponements, on 13.03.2019, 29.05.2019, 30.10.2019, 12.02.2020 and 07.10.2020.

5.3. Financial assets at fair value through other income

The Company holds participating interest in the share capital of three real estate developers, operating 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 of 06.11.2050. This particular 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 and owns 50% of a plot of land with a total area of 7,902.18 sq.m. and buildings 6,947.5 sq.m. (former industrial complex - spinning mill) in Lavrio, Attica.
- 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. The company used to own a land plot of a total area of 46,826 sq.m. in Lavrio, Attica. The plot in question was sold at the end of financial year 2019. On 17/01/2020, the Extraordinary General Meeting decided to reduce the nominal value of shares by 2.35 Euro per share by cash payments to the shareholders. In the second quarter, the company collected the relevant amount.

During the preparation of the Annual Financial Statements for the year 2019, the Company had proceeded to valuation of the fair values of these participations based on the estimates for the fair values of the properties they hold, but also in the financial statements of the aforementioned companies, following the information collected by their Managements.

During the preparation of the Interim Financial Statements, the Company proceeded to examine the market conditions and the assumptions that were valid on 30.06.2020, in relation to the conditions and the assumptions that were valid on 31.12.2019 and taking into account that a) no workings have been performed in the aforementioned property, that would differentiate its technical and qualitative characteristics, comparing to 31.12.2019 and b) that the main assumptions used by the independent certified valuers have not changed, considered that no update of the evaluations of March 2020, is required.

<i>Amounts in Euro</i>	30/6/2020	31/12/2019
Company		
EUROTERRA SA	5.313.687	5.313.687
REBIKAT SA	255.353	255.353
ABIES SA	21.023	231.384
Total	5.590.063	5.800.424

5.4. Trade and other receivables

<i>Amounts in Euro</i>	30/6/2020	31/12/2019
Trade receivables	1.178	1.617
Other debtors	2.254	2.905
Prepaid expenses	0	1.070
Advances to suppliers	202.548	201.208
Receivables from the State - VAT	124.582	203.708
Receivables from the State - Property tax	34.174	203.630
Total Trade and Other Receivables	364.737	614.138

The decrease in account "Receivables from the Greek State – Real Estate Tax" arises from the fact that, during the period of reference, Athens Administrative Court of First Instance, issued the decision Num 6361/2020, under which partially accepts the Company's appeal for the return of unduly paid Real Estate Tax of year 2011, regarding the properties under compulsory expropriation of the Company, except for the headquarters of the Company and the property of Chalandri, for which the aforementioned decision does not accept Real Estate Tax refund.

The Company, for the total receivable, had formed an equal provision reflected in the item "Suppliers and other liabilities", account "Revenue for the following years - Taxes", note 5.7.

5.5. Deferred tax assets / liabilities

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

<i>Amounts in Euro</i>	30/6/2020		31/12/2019	
	Receivables	Liabilities	Receivables	Liabilities
Share capital issuance costs	9.338	0	10.525	0
Financial assets at fair value through other comprehensive income	0	(379.818)	0	(373.321)
Retirement benefit obligations	2.099	0	2.099	0
Accrued Expenses	0	0	6.120	0
Total	11.438	(379.818)	18.745	(373.321)
Offsetting	(11.438)	(11.438)	(18.745)	(18.745)
Deferred Tax Liabilities	0	(368.380)	0	(354.576)

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

<i>Amounts in Euro</i>	30/6/2020		30/6/2019	
	Income Statement Revenue / (Expenses)	Equity	Income Statement Revenue / (Expenses)	Equity
Share capital issuance costs	(1.187)	0	(1.335)	0
Financial assets at fair value through other comprehensive income	0	(6.497)	0	0
Accrued expense	0	0	11.681	0
Retirement benefit obligations	0	0	153	0
Accrued Expenses	(6.120)	0	0	
Total	(7.307)	(6.497)	10.499	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.

We note that the income tax rate in Greece, has been set at 24%, under Law 4646/2019.

5.6. Long-term and short-term borrowings

Non-current borrowings

<i>Amounts in Euro</i>	30/6/2020	31/12/2019
Bank borrowings	3.250.000	3.450.000
Total non-current borrowings	3.250.000	3.450.000

Current borrowings

<i>Amounts in Euro</i>	30/6/2020	31/12/2019
Current portion of non-current borrowings	79.247	79.167
Total current borrowings	79.247	79.167
Total borrowings	3.329.247	3.529.167

Maturity of loan liabilities is analyzed as follows:

<i>Amounts in Euro</i>	30/6/2020	31/12/2019
Less 1 year	79.247	79.167
Between 1 and 2 years	50.000	100.000
Between 2 and 5 years	3.200.000	3.350.000
Over 5 years	0	0
Total borrowings	3.329.247	3.529.167

The bond loan has been granted with guarantees to the Bondholders and in favor of the Company 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 there has been a provision of collateral on 50% of the shares incorporated into temporary securities held by the Company in its participating interest in Euroterra S.A. and Rebikat 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>	30/6/2020	31/12/2019
Trade payables	5.847	3.574
Advance to customers	299.472	299.472
Social security and other taxes	232	2.530
Professional and other fees payable	26.000	20.203
Other Taxes	86.196	7.742
Accrued Expenses	0	952
Income carried forward - Taxes	(0)	203.630
Total	417.748	538.103

Advance from customers pertain 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. The specific area is part of a plot of land which is included in the decision 3039/2019 and is being expropriated, with a total area of 5.829,14 sq.m.

5.8. Expenses per category

Expenses incurred in period 01/01 – 30/06/2020 and in period 01/01 – 30/06/2019 are presented below as follows:

<i>Amounts in Euro</i>	30/6/2020		
	Operating expenses	Operational expenses	Total
Employee benefit expense	0	29.467	29.467
Consultancy, administration and other professional fees	12.085	42.502	54.587
Subcontractors' fees	0	0	0
Utilities	4.409	4.304	8.714
Repair and maintenance costs	200	0	200
Property taxes	82.519	0	82.519
Other taxes	121	13	134
Other expenses	5	7.594	7.599
Depreciation of tangible assets	0	2.527	2.527
Total	99.339	86.407	185.746

<i>Amounts in Euro</i>	30/6/2019		
	Operating expenses	Operational expenses	Total
Employee benefit expense	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

5.9. Other Income / (expenses)

<i>Amounts in Euro</i>	30/6/2020	30/6/2019
Other Expenses		
Tax fines and surcharges	(103)	0
Other non-recurring expenses	(1.320)	(2.159)
Sub-total	(1.423)	(2.159)
Other incomes		
Other non-recurring income	25.457	688
Sub-total	25.457	688
Total	24.034	(1.470)

5.10. Financial results

Financial revenue and expenses are analyzed as follows:

<i>Amounts in Euro</i>	30/6/2020	30/6/2019
Interest cost of retirement benefit obligations	0	200
Interest expense for bank borrowings	88.553	88.750
Other banking expenses	83	309
Total	88.635	89.260
Amounts in Euro		
	30/6/2020	30/6/2019
Interest income	0	5.413
Other Finance income	8.728	0
Financial Results	8.728	5.413

5.11. Income tax

Income tax is analyzed as follows in the income statement:

<i>Amounts in Euro</i>	30/6/2020	30/6/2019
Current tax	0	0
Deferred tax	(7.307)	10.499
Total taxes	(7.307)	10.499

Tax returns statement is submitted on an annual basis, while the declared gains or losses remain temporary until the tax authorities inspect the Company's books and records and the final audit report is issued.

The unaudited fiscal years of the Company, taking into consideration that until the date of financial statements approval no audit order has been issued by the competent tax authorities, are from 2014 to 2019.

Regarding financial years 2013, 2014 and 2015, the Company has been subject to the tax audit of certified auditors, 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 auditors for the fiscal years 2016, 2017, 2018 and 2019.

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>	30/6/2020	30/6/2019
Profit/(loss) after taxes	(243.226)	(271.300)
Weighted average number of shares	19.804.134	19.804.134
Profit / (Loss) per share (€/share)	(0,012)	(0,014)

5.13. Contingent liabilities

The Company's tax obligations for financial years 2014 - 2019 have not been inspected by the tax authorities and, therefore, are not final as far as the aforementioned financial years are concerned.

5.14. Related parties' transactions

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

<i>Amounts in Euro</i>			
Expenses / Purchases			
Company Name	Explanation	30/6/2020	30/6/2019
Management Executives and Administration Members	Fees	24.000	24.000
Total		24.000	24.000

Amounts in Euro

Receivables

Company Name	30/6/2020	31/12/2019
GEK - TERNA S.A.	0	1.617
Total	0	1.617

Amounts in Euro

Liabilities

Company Name	30/6/2020	31/12/2019
INTRAKAT S.A.	299.472	299.472
Total	299.472	299.472

Liabilities to INTRAKAT are analyzed in Note 5.7.

5.15. Subsequent events

On July 21st, 2020, the Company announced the sudden loss of Sotirios Filos, Independent Non-Executive Member of the Board of Directors and Chairman of the Audit Committee of the Company.

On August 1st, 2020, the Company engaged to the Issuance of a Common Bond Loan of € 1,800,000, divided into 1,800 bearer common bonds, with a nominal value of € 1,000 each and to be issued in six (6) rows maximum. Its duration is two years, the rate is 5% and it will be covered equally by the Company's shareholders "GEK TERNA SA" (participation 37.48%) and "INTRADEVELOPMENT SA "(participation 34.32%). The implementation of the Bond Loan program is in progress.

The Company notes that, the application of the Greek State dated from 6.12.2019, before the Supreme Court for the Appeal, of the decision number 3039/2019 of the Athens Court of Appeal, which essentially accepted the appeal of the Company and rejected the lawsuit of the Greek State, was heard on September 23rd, 2020 and the relevant decision is pending.

P. Psychiko, 29th September 2020

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. 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".

The funds raised from the Share Capital Increase were completely used until 30.04.2020, in accordance with the provisions of the Bulletin and there are no "unallocated funds" placed in the Company's bank accounts on 30.04.2020.

The table below presents the disposal of all the funds raised (amounts in € thousand).

Category of Use of Raising Funds (amounts in Euro thousand)	Projected use according to the Bulletin	Allocated funds until 30/04/2020	Unallocated Balance as at 30/04/2020
<u>Financing of working capital</u>			
Operating Expenses	742	742	-
Tax Repayment	581	581	-
Third Parties Liabilities Repayment	1.890	1.890	-
Bank Loans Repayment	1.220	1.220	-
Past Due Debts Repayment	343	343	-
Share Capital increase expenses	109	109	-
Total	4.885	4.885	-

Palaio Psychiko, 30th September 2020

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 REPORT ON FACTUAL FINDINGS
FROM AGREED UPON PROCEDURES ON USE OF FUNDS REPORT

To the Board of Directors of the Company «KEKROPS SA».

In accordance with our appointment by "KEKROPS SA" (hereinafter the Company), we have performed agreed-upon procedures as provisioned by Athens Stock Exchange regulations and the relevant legislation for the use of raised funds by share capital increase with cash contribution on November 24th, 2017. The Company is responsible for the compilation of the aforementioned "Use of Funds Report". We were engaged to perform our work under the International Standard on Related Services 4400 "Engagements to perform agreed-upon procedures regarding financial information". Our responsibility is to perform the following agreed procedures and disclose our findings.

Procedures:

- 1) Confirm the amounts classified as payments in the attached "Use of Funds Report" with the relevant items posted to the Company's accounting books and records for the period of reference.
- 2) Assess completeness and consistency of "Use of Funds Report" in comparison to publications and announcements made by the Company for that matter.

Findings:

- 1) Each class of payments shown to the attached "Use of Funds Report", reconcile to the accounting books and records of the Company for the relevant period.
- 2) We have confirmed completeness and consistency of "Use of Funds Report" to publications and announcements made by the Company for that matter.

Because the procedures performed by us did 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 assurance on the Financial Statements. Had we performed additional procedures, or had we performed an audit or review of the Financial Statements in accordance with International Standards on Auditing, other matters might have come to our attention that would have been reported to you.

This Report is prepared solely for the Board of Directors of the Company in connection with the requirements as set out by Athens Stock Exchange regulatory framework and the relevant legislation. This Report may not be relied upon for any other purpose, nor extends to the financial statements of the period 01.01 – 30.6.2020, for which we have issued a separate Review Report dated September 30th, 2020.

Chalandri, September 30th, 2020



Certified & Registered Auditors
184A, Kifisias Avenue, 152 31 Chalandri,
SOEL Reg./ELTE Reg. Number: 161 / 30

Giannis K. Malisovas
SOEL Reg./ELTE Reg. Number: 40481/2414

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