# HELLINIKON S.M.S.A.

## ANNUAL FINANCIAL REPORT

## FOR THE YEAR ENDED 31 DECEMBER 2023

*These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.*

# Index of annual financial report

# I. ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY « HELLINIKON S.M.S.A.»

## TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR THE FISCAL YEAR 01.01.2023 – 31.12.2023

Dear Shareholders,

This annual management report of the Board of Directors of "HELLINIKON S.M.S.A.", (the "Company") has been prepared based on article 150 of Law 4548/2018 and is referred to in the Company Financial Statements for the year ended December 31, 2023.

## A. COMPANY FINANCIAL POSITION

This fiscal year is the eleventh in a row and includes the period from January 1, 2023 to December 31, 2023.

During this fiscal year, the activities of the Company were in accordance with the applicable legislation and the purpose of the Company, as defined by the articles of association. The financial statements of the above year were prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union. Detailed information on the following basic accounting principles is referred to in the explanatory notes to the financial statements as of December 31, 2023.

According to the International Financial Reporting Standards, the main financial figures for the Company for the fiscal year from 01.01.2023 to 31.12.2023 are as follows:

| NET ASSETS VALUE (NAV) | | |
|---|---|---|
| | **31.12.2023** | **31.12.2022** |
| **Net Assets Value (NAV)** *(€ million)* | **939,2** | **1.101,0** |

| KEY ITEMS OF STATEMENT OF FINANCIAL POSITION | | |
|---|---|---|
| *Amounts in € million* | **31.12.2023** | **31.12.2022** |
| **Cash** | **118,7** | **164,9** |
| **Investment Portfolio** | **1.803,5** | **1.759,9** |
| **Total Assets** | **2.099,8** | **2.049,1** |
| **Total Equity** | **909,3** | **1.077,3** |
| **Total Debt** | **236,3** | **89,4** |
| **Adjusted Total Debt** | **908,4** | **718,0** |
| **Total Liabilities** | **1.190,5** | **971,8** |

| FINANCIAL RATIOS | | |
|---|---|---|
| | **31.12.2023** | **31.12.2022** |
| **ADJUSTED NET TOTAL DEBT / TOTAL INVESTMENT PORTFOLIO** | **43,1%** | **31,4%** |
| **TOTAL DEBT / TOTAL EQUITY AND TOTAL DEBT (GEARING RATIO)** | **20,6%** | **7,7%** |

| CONDENSED PRESENTATION OF FINANCIAL RESULTS | | |
|---|---|---|
| *Amounts in € million* | **1.1.2023 έως 31.12.2023** | **1.1.2022 έως 31.12.2022** |
| **Revenue** | **332,0** | **276,2** |

| | | |
|---|---|---|
| Gross Results (after cost of sales of inventory) | 206,6 | 153,3 |
| Total operating expenses | (100,3) | (78,2) |
| **Total operating results (EBITDA) before valuations and other adjustments** | **106,3** | **75,1** |
| Revaluation gains of investment properties | 23,4 | 93,7 |
| Provision for impairment of inventories | (38,9) | - |
| **Operating result (EBITDA)** | **90,7** | **168,8** |

| | | |
|---|---|---|
| **Net profit/(loss)** *(after interest, taxes)* | **32,8** | **119,2** |

The revenues of the fiscal year 2023 amounted to €332,0 million compared to €276,2 million in the fiscal year 2022. The increase is mainly due to revenue related to inventories amounting to €297,1 million in 2023 (land and residential properties, including income from customer participation contracts in the corresponding infrastructure costs, as well as construction project management and supervision revenue), but also in real estate rental revenue of €15,7 million.

At the level of operating profitability, the total operating results (EBITDA) before valuation & other adjustments for the financial year 2023 amounted to €106,3 million compared to €75,1 million in the financial year 2022. The Operating profits EBITDA was burdened in fiscal 2023 by total expenses for the Hellenikon project of €100,3 million (2022: €78,2 million), which were either incurred directly by the Company or recharged by LAMDA DEVELOPMENT S.A. (preliminary costs for the development of the Hellenikon property), as a result of the significant acceleration of the pace of preparation and implementation of the strategic plan for the Hellenikon project, as well as from the cost of sales of inventories amounting to €125,5 million (2022: €122,9 million).

The revaluation by an independent appraiser of the value of part of the Company's assets (Investment Property) improved the results for the year 2023 before tax by €23,3 million (2022: €93,7 million).

The financial costs that do not affect cash and concern the accounting recognition of future obligations[1] related to the development of the Hellenikon property, amounted to €29,0 million in 2023 (2022: €20,7 million). In addition, the 2023 results were charged with the amount of €11,1 million relating to the expensing of undrawn bank loan issue costs under IFRS 9 that had been capitalized in the context of the amendments made to the key lending terms when the definitive agreements were signed in December 2023, as well as with the amount of €38,9 million relating to provisions for impairment of inventories.

Therefore, the Company's net results, after tax, amounted to a profit of €32,8 million in fiscal year 2023 compared to a profit of €119,2 million in fiscal year 2022.

In addition, the following important observations regarding the financial performance and the financial results of the Ellinikon project require separate mention:

- The **total cash receipts from property sales/leases** from the inception of the Project up to 31.03.2024 amounted to **€828 million**.
- **Unearned income from property sales/leases**, which will be gradually recognized in the Income Statement, amounted on 31.12.2023 to **€127 million**.[2]
- The **total cash** on 31.12.2023 amounted to **€131 million** (€165 million on 31.12.2022).
- During 2023, **no bank loans were drawn down for Ellinikon project** (excluding the debt for the Ellinikon Malls), despite the existence of an **approved credit line from the lending banks amounting to €232 million**.

[1] Obligation to carry out Public Infrastructure Projects (e.g., roads, utility networks, undergrounding, and footbridges, etc.) which will be delivered to the Greek State upon their completion, without compensation.
[2] Excluding the unearned income from operation of Agios Kosmas Marina (€3 million).

- Total **Investment Portfolio** of the Company amounted to €1.803 million as of 31.12.2023 increased by approximately €43 million compared to 31.12.2022, mainly due to (a) the accelerated pace of the implementation of the investment plan (increase of approximately €119 million), (b) sales of inventories (decrease of approximately €121 million), (c) revaluation (increase of approximately €23 million), (d) the revaluation of inventories (increase of approximately €23 million) and (e) the increase of the value of the assets (increase of approximately €23 million). ), based on the revaluation of investment properties by an independent appraiser, (d) the provision for impairment of inventories (decrease of approximately €39 million), (e) the revised budget for estimated infrastructure project costs (increase of approximately €64 million), and (f) depreciation (decrease of approximately €3 million).

## B. ALTERNATIVE PERFORMANCE MEASURES (“APMs”)

The Company uses certain Alternative Performance Measures (APMs) according to the characteristics of the certain sector that it operates, which compared to the corresponding period of 2022 are as follows:

**<u>Definitions</u> :**

1. **Operating result (EBITDA) of Ellinikon project:** Profit/(loss) before income tax, plus net finance costs, plus depreciation and impairment of tangible assets, intangible assets and right-of-use assets, which concern Ellinikon project, excluding operations of Marina of Agios Kosmas, and results of commercial developments The Ellinikon Mall (ex. Vouliagmenis Mall) and Riviera Galleria.

2. **Total operating result (EBITDA) before valuations and other adjustments:** Operating result (EBITDA) excluding any investment property fair value gains/losses, inventory impairment provision losses, profit or loss from acquisition/disposal of participation share in investments, as well as profit or loss from disposal of investment properties.

3. **Net Asset Value (NAV):** Equity adjusted by the deferred tax liability and asset.

4. **Total Investment Portfolio:** Investment property, plus Inventories, plus Tangible and Intangible assets, plus Investments in joint ventures and associates, plus Right-of-use assets.

5. **Total Debt:** Borrowings, plus Lease liabilities.

6. **Adjusted Total Debt:** Total Debt, plus Provisions for infrastructure investments in HELLINIKON.

7. **Net Total Debt:** Total Debt, less Cash and cash equivalents, less Restricted cash for serving or securing Borrowings.

8. **Adjusted Net Total Debt:** Adjusted Total Debt, less Cash and cash equivalents, less Restricted cash for serving or securing Borrowings.

9. **Adjusted Net Total Debt / Total Investment Portfolio**

10. **Gearing Ratio: Total Debt / (Total Equity and Total Debt)**

**Calculations :**

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Equite | 909.284 | 1.077.315 |
| Plus: Deferred tax liabilities | 29.878 | 23.666 |
| **Net Assets Value (NAV)** | **939.162** | **1.100.981** |

| *Amounts in € thousand* | **01.01.2023 to 31.12.2023** | **01.01.2022 to 31.12.2022** |
|---|---|---|
| **Total operating result (EBITDA) before valuations and other adjustments** | **106.297** | **75.110** |
| Net gain/(loss) from fair value adjustment on investment property | 23.350 | 93.683 |
| Inventories impairment provision | (38.945) | - |
| **Operating result (EBITDA)** | **90.702** | **168.793** |
| Depreciation | (3.193) | (1.090) |
| Finance income | 2.038 | 1 |
| Finance costs | (46.036) | (25.887) |
| **Profit/(loss) before income tax** | **43.511** | **141.817** |

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Investment property | 624.956 | 616.477 |
| Inventories | 1.064.557 | 1.026.851 |
| Tangible assets | 36.350 | 39.137 |
| Intangible assets | 722 | 636 |
| Right-of-use assets | 76.883 | 76.835 |
| **Total Investment Portfolio** | **1.803.468** | **1.759.936** |

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Borrowings | 230.790 | 83.710 |
| Lease liabilities | 5.556 | 5.698 |
| **Total Debt** | **236.346** | **89.408** |

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Total Debt | 236.346 | 89.408 |
| Plus: Provisions for infrastructure investments in HELLINIKON | 672.048 | 628.614 |
| **Adjusted Total Debt** | **908.394** | **718.022** |

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Total Debt | 236.346 | 89.408 |
| Less: Cash and cash equivalents | (118.671) | (164.925) |
| Less: Restricted cash for serving or securing borrowings | (11.893) | - |
| **Net Total Debt** | **105.782** | **(75.517)** |

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Adjusted Total Debt | 908.394 | 718.022 |
| Less: Cash and cash equivalents | (118.671) | (164.925) |
| Less: Restricted cash for serving or securing borrowings | (11.893) | - |
| **Adjusted Net Total Debt** | **777.830** | **553.097** |

| **Financial Ratios** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| ADJUSTED NET TOTAL DEBT / TOTAL INVESTMENT PORTFOLIO | 43,1% | 31,4% |
| TOTAL DEBT / TOTAL EQUITY AND TOTAL DEBT (GEARING RATIO) | 20,6% | 7,7% |

## C. SIGNIFICANT EVENTS UNTIL THE DATE OF THE FINANCIAL RESULTS

### Significant events 2023

In March 2023, the Company announced that the following agreements were signed within the framework of the strategic cooperation between the Lamda Development and TEMES SA. (signed in November 2020) for the joint development of two modern, luxury 5-star hotels and the corresponding tourist-residential complexes (branded residences) on the coastal front of Ellinikon, with a horizon of completion of the construction of the developments at the end of 2026:

- between the company BELT Riviera S.A. and the Company for the acquisition on behalf of the first, percentage of 100% of the right of full ownership of property with an area of 80,011 sq.m. in the "PM-A2" Development Zone of the Metropolitan Pole Hellinikon-Agios Kosmas, in which, according to the original plan, a 5-star hotel with 160 rooms, large outdoor spaces, emblematic restaurants and entertainment shops next to the sea, a luxurious Beach Club, Health Club with leisure, fitness and beauty facilities will be developed, accompanied by a residential complex of 17 branded luxury homes/apartments (branded residences) with an unobstructed view of the sea. The said development will be located next to the prime coastal residential zone of ultra-luxury residences (The Cove Villas and The Cove Residences). The total transaction consideration is payable in installments and amounts to approximately €38,3 million, consisting of the purchase price of the property of approximately €22,3 million, as well as the allocated infrastructure costs of the Metropolitan Pole of approximately €16,0m. The first instalment of the consideration of approximately €12,8m, plus relevant taxes, was paid at the signing of the agreement. BELT Riviera S.A. is controlled 70% by TEMES S.A. and 30% by ELLINIKON HOSPITALITY INVESTMENTS S.M.S.A. (100% subsidiary of Lamda Development Group).

- between the company MALT Riviera S.A. and the Company for the acquisition on behalf of the first, percentage of 100% of the surface rights on property with an area of 132.821 sq.m. in the "PM-A1" Development Zone of the Metropolitan Pole Hellinikon-Agios Kosmas, in which, according to the original design, a 5-star hotel with 200 rooms, large outdoor spaces and emblematic restaurants and entertainment shops next to the sea, a luxurious Beach Club, Health Club with leisure, fitness and beauty facilities will be developed, accompanied by a residential complex of 49 branded homes/apartments (branded residences) with unobstructed views of the sea and Marina Ag. Kosmas. Said development will be located next to the upgraded Ag. Kosmas Marina and a short distance from the Riviera Galleria and the landmark high-rise residential building, Riviera Tower. The total transaction consideration is payable in installments and amounts to approximately €52,5m, consisting of the purchase price of the property's surface rights of approximately €32,5m, as well as the allocated infrastructure costs of the Metropolitan Pole of approximately €20m. The first instalment of the consideration of approx. €17,5m, plus relevant taxes, was paid at the signing of the agreement. MALT Riviera S.A. is controlled 70% by TEMES S.A. and 30% by ELLINIKON HOSPITALITY INVESTMENTS S.M.S.A. (100% subsidiary of Lamda Development Group).

The design of the units will be assigned to leading international architectural offices, while their management will be assigned to internationally renowned management companies (hotel operators).

In May 2023, the process for the selection of joint venture was completed, which will undertake the construction of the highest, "green", residential tower in Greece, the Riviera Tower. The contractor is the joint venture of Bouygues Batiment International and Intrakat, a collaboration between one of the leading construction companies worldwide, with an excellent reputation and extensive experience in the design and construction of high-rise luxury residential buildings, and one of the leading construction companies in Greece in the sector of infrastructure and buildings. With this selection, the joint venture of the companies Bouygues Batiment International and Intrakat moves to the next stage of the construction of the Riviera Tower following the provision of consulting services in the form of Early Contractor Involvement (ECI) and the implementation of the preparation and preliminary works regarding the design, planning, supply chain and construction management of the project as an Early Works Contractor (EWC).

In May 20223, the Company signed a contract with the Olympic Airways Workers Cultural Centre (POL.K.E.O.A.) for the purchase and sale of the four non-navigational aircrafts that are located within the premises of The Ellinikon. These four aircrafts, now fully owned by the Company include: a Boeing 727, a Boeing 737, a Boeing 747 and a BAC1-1. The agreement establishes a new era in the relations between the two parties and was the result of months of negotiations aiming at finally resolving the issue of the partial removal of the aircrafts from The Ellinikon. The Company and POL.K.E.O.A. confirm that this agreement lays a solid foundation for the exploitation of the legacy of Olympic Aviation and foresees the preparation of a feasibility study for the Boeing 747 being used as a museum space. In addition, POL.K.E.O.A. with its valuable experience will contribute to the future in the possible creation of a Civil Aviation Museum. The creation of the iconic project of The Ellinikon, the largest urban regeneration project in Europe, is being implemented with respect to the area's history and culture, a vision that POL.K.E.O.A. has consistently served until today.

In June 2023, the Lamda Development, following its relevant announcements of 25.11.2019, 30.01.2020 and 07.04.2021, announced that on 23.06.2023 it signed with the banks "Eurobank S.A.", "Piraeus Bank S.A.", " Alpha Bank S.A." agreement to update the basic business terms of syndicated bank loans to the Company and/or subsidiaries of the LAMDA DEVELOPMENT Group for the purpose of financing the Ellinikon project (the "**Project**"). The update is a consequence of the favorable developments in the sales mainly of the residential developments of the first five years of the Project (Phase A), as well as the generally excellent course of the Ellinikon project to date, as reflected both in the progress of the construction projects and in the overall collections. After the update, the total amount of syndicated bank loans is as follows:

| **Syndicated Banking Financing for Phase A'** | | |
|---|---|---|
| *(amount in € millions)* | **New Financing** | **Old Financing** |
| Residential developments, infrastructure projects & other developments | €120 | €394 |
| Covering VAT costs | €112 | €100 |
| **Total borrowings** | **€232** | **€494** |

In June 2023, in relation to the acquisition of HELLINIKON S.M.S.A., HELLINIKON GLOBAL I S.A., the Lamda Development 100%-owned subsidiary, paid the 2nd installment of the Share Acquisition Price, amounting to €166.650.000 in accordance with the provisions of the Shares Sale and Purchase Agreement dated 14.11.2014 (as it has been modified by the Amendment Agreement dated 19.07.2016) as well as the Shares Transfer Agreement dated 25.06.2021. With this payment, an amount of approximately €467m has been paid to the HRADF to date, which corresponds to 51% of the total Share Acquisition Price of €915m, in accordance with the provision of the aforesaid agreements.

In June and July 2023, the sale of the right of surface on parts of the Development Zone of the Coastal Front of Ellinikon and in particular on plots of land with a total buildable surface of up to 5.790 sq.m., in the wider area of the Agios Kosmas Marina (between the Riviera Tower and the Riviera Galleria) was completed by Company. The total price of the sale amounts to approximately €29 million. On the said plots, ORILINA PROPERTIES has undertaken the development of a residential project consisting of 20 maisonettes and on the other hand a building that will include areas for catering, recreation, wellness, events, as well as sale of catering-related products (Marina Club). Both developments bear the signature of renowned Japanese architect Kengo Kuma.

In September 2023, the Company completed, at its own expense in the amount of €15m and delivered within the schedule it had already previously announced, a building complex which will operate as a Care Center for Persons with Disabilities. This model building complex, which will house 4 unions, "Amymoni", "Hermes", "Niki - Victor Artant", "Association of People with Multiple Sclerosis", was a main priority of the Company, which committed and undertook the responsibility for the first building to be constructed in Ellinikon to become the new home of our vulnerable fellow citizens. The 4 unions, which were housed in Ellinikon in rough and inadequate facilities of only 2.500 sq.m., are moving within September 2023 - with their transport costs again being fully borne by the Company - to a building complex which is a model for Social Care facilities across Europe. With a total construction of 11.500 sq.m., on a plot of 7.400 sq.m. and which has already been handed over to its new owner, the Municipality of Hellinikon-Argyroupoli, the new Care Center for Persons with Disabilities, has a unique environment and its creation aims to upgrade everyday life and a new way of life, easier, more functional and extroverted for both children and adults who need, but are entitled to, optimal care.

**Significant events after the end of 2023 and up to the date of financial results' announcement**

In February 2024, The Ellinikon Experience Park has been awarded with the international SITES Gold sustainability certification for new construction projects. This award is a milestone, as The Experience Park of the major regeneration project of The Ellinikon, which was loved by young and old from the very first day it opened its doors in December 2021, is the first project in the New Construction Project category with a SITES certification in Europe. The Sustainable SITES Initiative certification is the international framework for the design, development and management of sustainable, resilient landscapes and open spaces. By acquiring this certification, The Ellinikon Experience Park emerges as a model sustainable urban park. The Ellinikon Experience Park welcomed the public just six months after the signing of the contract for The Ellinikon project by LAMDA Development and has been embraced as a new destination ever since. It was designed by the studio of the distinguished Greek landscape architect Thomas Doxiadis, setting as a priority the enhancement of biodiversity, the restoration of the soil and the reuse and recovery of building materials from the old airport, in a way that connects nature with the aesthetics and ecosystem of the area. In The Ellinikon Experience Park, 900 new trees and 80,000 new low-growing plants that thrive in the Mediterranean climate have been planted, with an emphasis on local species that are part of the Attica landscape.

In April 2024, the Lamda Development further to the announcement dated 31.01.2022, in relation to the strategic cooperation between Lamda Development, the Company, and a company of the BROOK LANE CAPITAL group company (Framework Agreement was signed on 27.01.2022) for the development of a state-of-the-art Mixed Use Tower, within the Commercial Hub in the Vouliagmenis Avenue, announces that on 28.03.2024 it completed the closing of all legal documentation, which define the parties' contractual relationship and reaffirm their official cooperation regarding the project, including the execution of the Shareholders Agreement dated 13.03.2024. The special purpose company ELLINIKON PARK TOWER S.A., which will undertake the development of the Mixed-Use Tower with an estimated total budget of almost €500m, was established on 13.03.2024 and is controlled 70% by a company of BROOK LANE CAPITAL Group and 30% by ELLINIKON HOSPITALITY INVESTMENTS S.M.S.A. (the Company's 100% subsidiary). According to the initial plan, the development of the Mixed-Use Tower, c.150 meters high and approx. 40 floors, will consist of the following uses:

- 5-star hotel with luxury leisure and wellness facilities, conference rooms as well as condo-style rooms.
- Branded residences with unobstructed views towards the Metropolitan Park and the sea.
- The management of the hotel and the branded residences will be assigned to an internationally renowned management company. The completion of the construction for the project is estimated to be within 2028.

## Significant events related to The Ellinikon project

| Total cash collections[1] from sales & leases of properties/land | | |
|---|---|---|
| *(amount in € millions)* | **Up to 31.03.2024** | **Up to 31.12.2023** |
| **Residential developments** | 537 | 413 |
| **Sales/Leasing of Land[2]** | 291 | 253 |
| **Total** | **828** | **666** |

*[1]Overall available data from the inception of the Project. It includes (a) receipts from sales/leases of properties through a notarial deed and (b) deposits made for future acquisition/lease of properties.*

*[2]Includes the intercompany transaction for the sale of land to the subsidiary LAMDA VOULIAGMENIS S.M.S.A. and LAMDA RIVIERA S.M.S.A. (€187 million)*

### ***Progress of Sales Residential Development***

The following table shows the significant progress in the sales of residential developments that have been offered to the market so far.

| Available Data: 31.03.2024 | Number of Apartments/Plots of land | | | Total value of sales[1] (€ million) |
|---|---|---|---|---|
| | Sales & Advances | Available in the market | Total of Phase A' of the Project | |
| **Riviera Tower** | 167 | 173 | **173** | **626** |
| **The Cove Residences** | 105 | 115 | **115** | **284** |
| **The Cove Villas (Land plots)** | 28 | 28 | **28** | **211[2]** |
| **Coastal Front total** | **300** | **316** | **316** | **1.121** |
| **Total Little Athens[3]** (1st sales launch for 5 projects) | **140** | **243** | **459** | **517** |

*[1]Total gross revenue from the sale of all units (land plots/apartments) during the first five years (Phase A), upon completion of the transactions.*

*[2]The revenues from construction management of Company are included. The construction costs are assumed by the buyers.*

*[3] Refers to the 1st sales launch for the residential projects: Park Rise, Pavilion Terraces, Promenade Heights, Atrium Gardens, Trinity Gardens*

Regarding the **residential project Park Rise** (a 50m high building designed by the famous architectural office Bjarke Ingels Group - BIG), a total of 65 apartments have been placed on the market to date. Further, in December 2023 and January 2023, selected apartments from the residential projects: (a) **Pavilion Terraces**, (b) **Promenade Heights**, (c) **Atrium Gardens** and (d) **Trinity Gardens** were launched. From the total of [459] apartments planned for all the above residential projects in Little Athens, during Phase A' of the project in Ellinikon, 243 apartments have been made available to the buying public, approximately 53% of the total. Until 31.03.2024, customer advances had already been deposited for 140 apartments (58% of the apartments placed on the market as available), totaling approximately €19m. The signing of the notarial deeds for the completion of the purchase and sale is expected to begin in the Second Quarter of 2024 (at which time 20% of the total price of each will be collected, including any advance payment).

### ***Receipts for sales of properties***

- **Mixed Use Tower:** On 28.03.2024, the first installment of approximately €13 million, plus taxes, was received regarding the sale of full ownership rights of a property measuring 26.144 square meters within the building zone A-P4.17. The total transaction amount is approximately €39 million and concerns the sale of the aforementioned property to the special purpose company ELLINIKON PARK TOWER S.A., established on 13.03.2024 and controlled by 70% by a company within the BROOK LANE

CAPITAL group and 30% by ELLINIKON HOSPITALITY INVESTMENTS S.M.S.A (a 100% subsidiary of LAMDA Development). The iconic Mixed Use Tower will be developed on the said property.

- **Marina Residences & Club:** In June and July 2023, the sale of surface rights on plots with a total buildable area of up to 5,790 square meters was completed in the wider area of the Marina of Agios Kosmas (between the Riviera Tower and the Riviera Galleria). The total transaction amount reached approximately €29 million.

***Infrastructure projects and other construction works***

The main milestones until the date of publication of the annual financial statements of 31.12.2023, regarding the implementation of the Company's strategic plan for the building and infrastructure projects at the Ellinikos property, are the following:

- In 2023, capital expenditures (CAPEX) amounted to €171 million, while the outstanding balance of contractual liabilities for CAPEX as of 31.12.2023, stood at approximately €615 million.
- **Riviera Tower:** foundation of the tower was completed in October 2023. Also, the concreting works of the 2 basements of the tower have been completed, while the works of the Podium are in progress. The first levels of the tower are now visible from Poseidonos Avenue. Specifically, ongoing work includes the organization of the superstructure, with concrete pouring underway for the ground floor slab and the central elevator/staircase cores up to the 2nd floor.
- **The Cove Residences:** the archaeological work on the land plots of the declared archaeological site as well as the excavations on all 4 land plots were completed. On land plots 5-6, the foundation concreting work was also completed, while on plot 6, the ground floor slab concreting work was completed. On land plots 7-8, the concreting work of the foundation is in progress.
- **The Cove Villas:** The required demolitions have been completed, building permits have been issued for 12 land plots, and the process of issuing building permits for an additional 7 land plots is ongoing.
- **Park Rise (BIG):** the building permit was issued in December 2023 while preliminary works/excavations will commence within April 2024.
- **Sports Center (Sports Complex):** the foundation works for the building of the athletes' dormitories and for the administration building of the football facility were completed. The works of the foundation of the building of the athletics stands and the earthworks of the entire sports center are in progress.
- **Poseidonos Avenue undergrounding:** approximately 78% of the excavations and 51% of the concreting have already been completed.
- **Trachones stream (flood protection works):** 80% of the excavations have already been completed.
- **Buildings complex AMEA:** the project was delivered in September 2023 for use by the 4 disabled associations. In February 2024 it received LEED Platinum certification.
- **The Ellinikon Experience Park:** in February 2024 it received the international SITES Gold sustainability certification level, for new constructions projects. It is the first project in Europe in the New Construction category to receive SITES certification (Sustainable SITES Initiative international certification for the design, development and management of sustainable, resilient landscapes and outdoor spaces).

***Financing for the development of the Property of Ellinikon***

The LAMDA DEVELOPMENT S.A., on 27.01.2020 signed with "Eurobank S.A." and "Piraeus Bank S.A." the "Heads of Terms" regarding the bank financing intended to cover part of the capital to be invested by the Group Lamda Development during the first five years of the Ellinikon project development.

On 07.04.2021, the LAMDA DEVELOPMENT S.A., signed with the aforementioned banks an agreement for the update of the "Head of Terms". This update emanated from the gradual evolution and maturity of the Company's plans regarding the envisaged projects and investments during the first five years of the Project. The aforementioned bank financing agreement includes:

(a) the financing of infrastructure and other developments' works during the first five years of the Project (Phase A), as well as the financing of V.A.T., with a bond loan of up to €442m to be issued by the Company (plus an amount of up to €100m for financing of recoverable V.A.T. cost), with a duration of 10 years from the Transfer Date,

(b) the financing of the commercial development on Vouliagmenis Avenue (The Ellinikon Mall), as well as the financing of V.A.T., with a bond loan of up to €415m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an amount of up to €86m for financing recoverable V.A.T. cost), with a duration of 6 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 5 years, reaching 11 years in total from first loan drawdown),

(c) the financing of the commercial development within the Aghios Kosmas Marina (Riviera Galleria), as well as the financing of V.A.T., with the issuance of a bond loan of up to €102m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an additional amount of up to €19,3m for financing of recoverable V.A.T. cost), with a duration of 5 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 6 years, reaching 11 years in total from the loan first drawdown) and in conjunction with the financing mentioned in points (a) and (b) above,

(d) the issuance of a letter of guarantee of €175m, to secure the fulfillment of LAMDA DEVELOPMENT S.A. obligations to cover any cost overruns of Phase A of the Project, as well as to cover any shortfall in sales and/or assets exploitation intended to finance Phase A of the Project budget l. Following the written agreement dated 29.06.2022 with the Representative of the Bondholders, the amount of the aforementioned Letter of Guarantee was reduced from €175m to €160m.

Regarding the (a) above, the Company signed on 06.04.2022 with the banks "Eurobank S.A." and "Piraeus Bank S.A." the bond program and subscription agreement for the financing of infrastructure and other developments' works of Phase A of up to €394m, as well as for the financing of V.A.T. (additional amount up to €100m), with a duration until the completion of 10 years from the Date of Transfer, a fact that covers its revised needs. Regarding, (d) above, LAMDA DEVELOPMENT S.A. signed on 06.04.2022 the relevant contractual documents.

In addition, LAMDA DEVELOPMENT S.A. on 23.06.2023 signed with the banks "Eurobank S.A.", "Piraeus Bank S.A.", and "Alpha Bank S.A." agreement to update the basic business terms for the syndicated bank loans to be provided to the company and/or the LAMDA Development Group's subsidiaries for the purposes of financing the Ellinikon Project.

In respect with the above agreement, to (a) above, the amount of the syndicated bank loan for the financing of infrastructure projects and other developments related to Phase A of the Project is modified, among other things, which amounts to €120m, as well as for the financing of V.A.T. (plus an amount of up to €112m), which covers its revised needs.

Furthermore, (d) was repealed, as there is no longer a need to issuance of a letter of guarantee to cover any overruns of the budgeted costs of Phase A of the Project, as well as to cover any shortfall in sales and/or assets exploitation of assets intended for the financing of the budget of Phase A of the Project.

As part of the agreement dated June 23, 2023, regarding the Ellinikon Project, on December 8, 2023, the LAMDA DEVELOPMENT S.A. and its subsidiaries signed final contracts with the banks Eurobank S.A., Piraeus Bank S.A., and Alpha Bank S.A..

With reference to (b) above, the amount of the bank loan for the commercial development on Vouliagmenis Avenue (The Ellinikon Mall, which amounts up to €440m (plus an amount for the V.A.T. financing which now amounts up to €105m), while the duration of the financing is set until 30.09.2027 (with the option of the issuer for an extension until 30.09.2033).

With reference to (c) above, the amount of the bond loan for the commercial development within the Aghios Kosmas Marina (Riviera Galleria), which now amounts up to €137m (and the additional amount for V.A.T. cost, which now amounts up to €33m) while the duration of the financing is set until 30.09.2026 (with possibility of the issuing company for extension until 30.09.2033).

| Syndicated Banking Financing for Phase A' | | |
|---|---|---|
| *(amounts in € millions)* | **New Financing** | **Old Financing** |
| Residential developments, infrastructure projects & other developments | €120 | €394 |
| Covering VAT costs | €112 | €100 |
| **Total borrowings** | **€232** | **€494** |

It is noted that the interest rate of all financing is floating, and the expected margin has been determined on standard market terms. In the context of the Financings, which are foreseen to be governed by Greek law, and to secure their repayment, the provision of collateral rights is provided, which is common in such project finance as, for example, establishment of mortgage on assets (of the Company and of the above-mentioned special purpose vehicles, which will carry out the commercial developments The Ellinikon Mall and Marina Galleria), restrictions on distributions to shareholders pertaining to each loan, pledge of the shares of the subsidiaries involved in borrowings and pledge of part of the receivables and sources of revenue from the operation of the Project, as well as on the receivables from the Share Purchase Agreement.

The syndicated secured bond loan of the Company which was signed on 06.04.2022 with Eurobank and Piraeus Bank, remains undrawn till the date of approval of these financial statements, as the Company has the necessary liquidity for the implementation of Ellinikon project.

## D. PROSPECTS, SIGNIFICANT CONTINGENT EVENTS AND RISKS FOR THE YEAR 2024

**Impact from inflationary pressures, energy crisis, increasing interest rates and geopolitical instability**

Regarding the inflationary pressures observed in international markets and in Greece, the Company's revenues from leasing and berthing services contracts are adjustment based on the Consumer Price Index (CPI).

The LAMDA Development Group constantly monitors the developments in the energy market in order to react immediately and take advantage of possible market variations. Finally, the LAMDA Development Group will intensify its efforts to implement its "green" energy investments in eligible properties, to reduce future energy costs, by limiting dependence on traditional energy sources.

The Company has not agreed or contracted final selling prices for the larger part of the projects and developments included in The Ellinikon. This enables the Company to pass on to its counterparties all or part of the increase in raw material prices and energy costs, observed recently in the market, while maintaining selling prices at competitive levels based on the broader market conditions. Worth noting that, in accordance with international practices related to the preparation of future estimates-budgets for projects of similar size and complexity, the Company has included contingencies in the cost estimates for all projects and developments included in The Ellinikon.

Regarding the exposure to the risk of increases in interest rates, it is pointed it is noted that as at 31 December 2023 the Company is exposed to the risk of interest rate changes as its total borrowings consist of two loan series for a total amount of €230 million, which have been drawn by LAMDA FINANCE S.A. (a wholly owned subsidiary of LAMDA Development Group) and provide for a fixed interest rate of 4,24% plus 12-month EURIBOR. Therefore, according to the relevant sensitivity analyses, a change of +/- 1 percentage point in the benchmark interest rates (EURIBOR) would have an impact of approximately €2,3 million on the Company's annual finance cost (respectively in the pre-tax consolidated results).

Regarding the war in Ukraine and the conflict in Middle East and the current geopolitical developments, it is worth highlighting the following: (a) the Company does not own subsidiaries and/or other investments in Russia/Ukraine, or other neighboring areas directly affected from war conflicts (b) in the Marina of Ag. Kosmas Marina, there are no long-term customers from these countries and (c) there are no customers from said countries who have submitted deposits for the future purchase of both apartments and land in the Ellinikon project.

The Company's Management closely monitors and evaluates developments regarding geopolitical situation as well as the current energy crisis, in order to take the necessary measures and adjust its business plans (if required) with the aim of ensuring business continuity and limiting any negative effects on its activities. At this stage, it is not possible to predict the general impact that a prolonged energy crisis and price increase in general may have on the financial situation of the Company's customers. Based on its current assessment, it has concluded that no additional impairment provisions are required for the Company's financial and non-financial assets as of December 31, 2023.

**Fluctuations in property values**

Fluctuations in property values have an impact on both the Income Statement and the Statement of Financial Position depending on their fair value. An increase in yield rates will affect the profitability and net asset value, (Investment Properties under development) in the Ellinikon project. Additionally, the full reflection of the consequences of economic contingencies and the impacts of a prolonged crisis in Ukraine, the energy crisis, and inflationary pressures may potentially affect the future commercial values of the properties.

It is noted that despite the existing factors of increased uncertainty, the resulting outcome represents the best estimate of the value of the Company's investment properties.

**Credit risk**

Credit risk is managed on Company level. Credit risk arises from credit exposure to customers, cash and cash equivalents, as well as restricted cash.

Revenue will be significantly affected in case customers are unable to fulfill their contractual obligations due to either downsizing of their financial activities or weakness of the local banking system.

However, the Company on 31.12.2023 has a well-diversified customers mix consisting mainly of well-known companies in a stable basis. The customers' financial condition is monitored on a recurring basis. The Company Management considers that there is no substantial risk for doubtful debts, other than those for which sufficient provisions have already been recognized. In addition, customers' credit risk is significantly reduced due to the Company's policy of receiving bank letters of guarantee from customers.

The maximum exposure to credit risk at the reporting date is the carrying value of the trade and other receivables.

As for the bank deposits of the Company, they are placed in banks that are classified in the external credit rating of Moody's. As at 31.12.2023, the bank assets of the Company were concentrated in mainly 2 banking organizations in Greece at a rate of more than 10%, which is a significant concentration of credit risk. No significant losses are expected due to the creditworthiness of the banks in which the Company maintains its various bank accounts.

**Foreign exchange risk**

The Company operates in Greece and is not exposed to foreign exchange risk arising from various currency exposures. The major part of the Company's transactions is denominated in Euro. Foreign exchange risk arises from few commercial transactions in foreign currency.

The Company's stable policy is to avoid purchasing foreign currency in advance and contracting foreign exchange future contracts with external counterparties, as well as foreign exchange hedging.

Therefore, the Company is not exposed to a significant exchange rate risk during December 31, 2023 and 2022.

**Interest rate risk**

Interest risk mainly derives from risk of fluctuations in cash flows related to the Company's loans with floating interest rates based on Euribor. The Company examines its exposure to the risk of changes in interest rates and manages this risk considering the possibility of refinancing, renewal of existing loans, alternative financing and risk hedging.

The Company's exposure to the risk of changes in market interest rates mainly concerns the long-term borrowings of the Company which is an intra-group financing from LAMDA FINANCE S.A. (a 100% subsidiary of the Group) and is subject to a variable interest rate based on Euribor 12-month, plus a fixed interest rate of 4,24%.

The sensitivity analysis below is based on change in a variable keeping all other variables constant. Such a scenario is not probable to happen, and changes in variables can be related for example to change in interest rate and change in market prices. Therefore, according to the relevant sensitivity analyses, a change of +/- 1 percentage point in the reference interest rates (EURIBOR) will have an impact of approximately €2,3 million on the Company's annual financial expenses (respectively on results before tax of the year).

In addition to the above, the Company has entered into a €100 million interest rate swap agreement regarding the bank loan for the financing of the development of the property in Ellinikon area, which has not yet been disbursed, as the Company has the necessary liquidity for the implementation of the project.

**Inflation risk**

The Company is also exposed to price risk related to the fluctuation of the rental prices of its properties and mainly the inflation risk, which is minimal, as the Company's revenues from leases and berthing contracts are adjusted on an annual basis in relation to the change in consumer price index (CPI).

Decrease in the demand or increased offer or shrinking of the domestic real estate market could adversely affect the Company’s business and financial condition, as well as negatively affect the Company's investment property occupancy.

**Liquidity risk**

Existing or future risk for profits and working capital arising from the Company's inability to either collect overdue debts without incurring significant losses or to meet its obligations when payable, since cash outflows may not be fully covered by cash inflows. The Company ensures the required liquidity in time to meet its obligations in a timely manner, through the regular monitoring of liquidity needs and debt collection from tenants, maintaining overdraft accounts with systemic banking institutions and the prudent management of cash. The liquidity of the Company is monitored by the Management at regular intervals.

The Management, based on the existing levels of cash and forecasts for future cash flows, is convinced that the Company will generate sufficient cash flows from their ongoing activities as well as from their financing activities to adequately meet future working capital and other cash needs. The LAMDA Development Group and the Company have a good reputation, creditworthiness, and an excellent and constructive relationship with financial institutions and the investment community that finance them, facilitating negotiations regarding refinancing and securing additional capital to smoothly fulfill their investment plan, as evidenced by recent developments regarding the financing of the development of the investment in Ellinikon.

More detailed disclosures regarding liquidity risk are presented in note 3 of the financial statements for the year ended 31 December 2023.

**External Factors**

The Company can be affected by external factors such as political instability, economic uncertainty and changes in local tax regimes.

At the macroeconomic level, focusing mainly on Greece, the early repayment of part of the Greek Debt to the IMF strengthens the country's international profile and signals the recovery of the confidence of the financial markets and international rating agencies, reflecting the successful implementation of the reform commitments. In addition, the positive outlook is reinforced by the funds of the European Union's Recovery and Resilience Fund which are expected to strengthen economic growth through extensive investments. Also, Greek Government Bond (GGB) yields are expected to further compress once Greece receives investment grade from international rating agencies. This will lead to further stabilization of the macroeconomic environment and strengthen the drive for sustainable economic growth. However, the level of disposable income and private consumption are in turn affected by the current economic conditions in Greece, such as GDP, levels of unemployment, inflation and taxation rates. Therefore, a possible worsening of the aforementioned indicators in combination with a worsening of the economic climate and/or consumer confidence, may lead to a reduction in purchasing activity and related spending by the Company's customers.

The Company's Management closely monitors and evaluates the events in order to take the necessary measures and to adjust its business plans (if required) in order to ensure business continuity and limitation of any negative effects on the Company's activities. It is worth pointing that the Group Lamda Development has constituted a Risk Management Unit (RMU). The aim of the RMU is to strengthen the risk management culture, while its mission is to make a substantial contribution to the development of a modern operating framework at all organizational levels, to identify, assess and manage the risks faced by the Company. RMU ensures that the risks taken by the company's units comply with the risk appetite and tolerance limits set and shaped by the senior management.

Despite the aforementioned uncertainties, the Company’s operations continue without any disruption. However, Management is not able to accurately predict the likely developments in the Greek economy and its impact on the Company activities.

The financial risk factors are also disclosed in note 3 of the financial statements for the year ended 31 December 2023.

## E. PENDING LITIGATION

The Company has no significant open legal cases against, but on the other hand there are several open cases in favor. Therefore, although until the date of publication of the annual financial statements of 31.12.2023 the result cannot be reliably measurable, the Company's Management concludes that by the time those will be finalized, the result will not affect, significantly, the financial results of the Company.

## F. RELATED-PARTY TRANSCATIONS

The related-party transactions according to IAS 24 of the Company are disclosed in note 31 of the consolidated financial statements for the year ended on 31 December 2023.

## G. NON-FINANCIAL POSITION OF THE COMPANY

This Non-Financial Statement is part of the Board of Directors (BoD) Management Report and includes information related to the activities of HELLENIKON S.M.S.A. (hereinafter referred to as «Company») in the following thematic aspects, as defined in articles 151 and 154, Law 4548/2018, as codified by Law 5019/2023, Government Gazette A' 104/13-06-2018.

1. Brief description of the business model
2. Main non-financial risks
3. Environmental issues/climate change
4. Social and employment issues
5. Respect for human rights
6. Corporate governance, anti-corruption, anti-bribery and supply chain issues

The purpose of the Non-Financial Statement is to inform stakeholders in an integrated and comprehensive manner about the strategy, objectives, and performance of the Group regarding sustainable development issues (including its subsidiaries) in its entire value chain (upstream, midstream, downstream).

The Sustainable Development Department is responsible for the preparation of this information, which undertakes to collect all the necessary information and shape the current Statement, in cooperation with the relevant departments within the LAMDA Development Group (hereinafter referred to as «Group»). The BoD approves the Annual Financial Report, of which the present non-financial statement is a part of.

### 1. Brief description of the business model

**The Company**

HELLENIKON S.M.S.A., subsidiary of LAMDA Development S.A., focuses on the redevelopment of the Metropolitan Pole of Elliniko – Agios Kosmas (redevelopment of the former airport of Elliniko, as well as promotion of the coastal front), where the Company will develop residences, hotels, commercial destinations and shopping complexes, offices, cultural and training centers and other infrastructure, a metropolitan park of 2 million m2, as well as will proceed with the redevelopment of the 3.5 km long coastal line.

**Value Chain**

The Company seeks to develop strong and long-term relationships of trust and mutual benefit with its entire value chain.

| Upstream | Activities (Midstream) | Downstream |
|---|---|---|
| **Development projects** | | |
| • Technical companies and consultants<br>• Architectural and planning offices<br>• Manufacturers<br>• Service providers (consulting, accounting, legal services, advertising and communication, insurance)<br>• Technology companies<br>• Material suppliers Security companies | • Services of external technical consultants, urban planning consultants, marketing services<br>• Contracting, material supplies, consulting services (supervision)<br>• Insurance<br>• Legal services | • Wider society<br>• Local community and authorities<br>• State and regulatory authorities<br>• Business community<br>• Academic and scientific community<br>• Buyers<br>• Joint ventures |

**Sustainable Development Policy and Strategy**

For the Company, Sustainable Development has been, since the beginning of its operation, part of its business strategy and a key driver of all its activities. By aligning its actions and strategic goals with the UN Sustainable Development Goals (SDGs), it reflects its commitment to contribute positively and in the long term to a sustainable future focusing on people, the environment, society, and the economy.

Since 2022, the Company has developed a Sustainable Development Policy and a Sustainable Development Management Plan, which cover the topics of the environment, society, and corporate governance. The BoD is responsible for compliance with the Sustainable Development Policy and the stemming strategy.

The Company has developed a Sustainable Development Strategy for The Ellinikon project, which was completed in 2021, received the approval of the BoD in 2022 and was subsequently updated at the end of the same year. It consists of 3 main pillars, each of which has a broader goal and individual focus areas:

1. **Decarbonisation:** The goal is the transition to a zero-carbon economy across the entire spectrum of business activity (currently for The Ellinikon project) and to build resilience in a changing environment.
2. **Circularity:** The goal is to have a net zero impact on water consumption and waste management.
3. **People and Prosperity:** The goal is to create economic value, accelerate social well-being and engage people.

**Oversight and Management of Sustainable Development topics**

The BoD has overall supervision of Sustainable Development topics. The Sustainable Development Department is responsible for managing the impacts of the Group's subsidiaries on the economy, environment and society. Sustainable Development department is responsible for the development, overseeing and alignment of the Company's Sustainable Development Strategy under the overall strategy of the Lamda Development Group, as well as for developing, implementing and monitoring the goals and initiatives throughout the life cycle of the The Ellinikon project (design, construction and operation), in order to ensure the wider strategic Sustainable Development goals of the Company.

The responsibility for the implementation of the Sustainable Development programmes lies with the individual departments, in cooperation with the Sustainable Development Department.

**Green Bond Framework**

Since 2022, the Group has developed and adopted the Green Bond Framework for the issuance of "green" bonds, in accordance with the Green Bond Principles (GBP), version June 2021 of the International Capital Market Association (ICMA). The aim is to describe the use of bond proceeds, define eligible categories of green investments and the evaluation and approval process.

Through the Green Bond Framework, the Group supports the issuance of Green Bonds, with particular emphasis on investments that fall into the following categories:

1. Sustainable buildings and landscapes
2. Green energy
3. Smart Cities

During 2023, the Riviera Tower project of HELLENIKON S.M.S.A. made use of raised funds of the Green Bond, following its successful evaluation in relation to the Green Bond Framework.

More information about the Green Bond can be found on the website:

https://www.lamdadev.com/images/lamda_prasino_omologo.pdf

**Stakeholder engagement**

The Company communicates and interacts constantly with its stakeholders, who belong to either its internal or external environment. Key stakeholders are defined as individuals or groups whose interests are or could be affected – positively or negatively – by the business' activities and its direct and indirect business relationships throughout the Company's value chain. Special attention is also given to stakeholders located in the areas where the Company operates and owns investment properties. A key element of this cooperation is the continuous communication with stakeholders, in order to create mutual trust and seamless cooperation.

**Stakeholders**

- Employees
- Customers, Buyers, Consumers, Visitors & End-Users
- Suppliers, Partners & Contractors
- Shareholders, Investors & Capital & Finance Providers
- Wider Society
- Local Community & Authorities
- State & Regulatory Authorities
- Business Community
- Academic & Scientific Community

**The engagement method**

Stakeholder engagement is the basis for building constructive and strong relationships, which are essential for the successful risk management of a project. The high-level commitment of stakeholders throughout the whole project, will allow the Company to solve problems faster and at a lower cost.

Stakeholder engagement and communication, are carried out in accordance with:

The current Greek regulatory and legislative requirements, including the relevant legislation of the European Union for LAMDA Development as a whole.

The EBRD's environmental and social policy, and its requirements on stakeholder engagement (EBRD PR10), for The Ellinikon.

The EBRD Complaints Management – Guidance Note (2012), for The Ellinikon.

In particular, stakeholder engagement includes the following elements:


**Stakeholder Engagement Plan**

Regarding The Ellinikon, stakeholder mapping and prioritisation takes place on a regular basis. In accordance with the requirements of the EBRD, the Group is obliged to apply the following principles regarding the participation of stakeholders and the public disclosure of information:

- Provide access to timely, relevant, understandable, and easily accessible information, and free of manipulation, interference, coercion, and intimidation of stakeholders, such as local communities and others, directly affected by the project.
- Stakeholder engagement process including stakeholder identification and mapping, engagement, information disclosure, consultation meetings, public participation, engagement and advisory support, the grievance mechanism, and the ongoing reporting to relevant stakeholders.
- The nature and frequency of stakeholder engagement must be proportionate to the nature and scale of the project and its potential adverse impacts on local communities, the environment, and the degree of public interest.
- The definition of concrete roles, responsibilities, and definition of the Group's employees, responsible for the implementation and control of stakeholder participation activities.

Specifically, for The Ellinikon, a Stakeholder Engagement Plan (PR10) has been developed, which includes identification, mapping, engagement, information/disclosure, and consultation meetings. The last revision of the Plan which took place in 2022 reflects the developments that have taken place since June 2020, including the start of the construction activities in 2021, and is available on the project website https://theellinikon.com.gr.

The Plan specifically requires:

- Initiation of stakeholder engagement actions from the primary design stage and thereafter throughout the project lifecycle.
- Systematic identification and mapping of stakeholders.
- Disclosure of the Environmental and Social Impact Assessment (ESIA) of the project, to ensure meaningful consultation with stakeholders and allow them to express their concerns.
- Providing an effective procedure or mechanism, through which stakeholders can comment or make complaints.

Additionally, in the monitoring and evaluation process for the participation of stakeholders, all the consultations that took place, all the issues raised, and the actions taken are recorded.

This process also entails a description of the stakeholders' feedback and any changes to the consultation process. The effectiveness of the stakeholder engagement activities will be assessed in relation to the objectives set out in the Plan.

More specifically, the Group takes the following actions to ensure an "open", active, and meaningful participation and interaction of stakeholders with The Ellinikon project.

- **Identification of Stakeholders:** The objective of identifying stakeholders is to look for organisations and individuals that may be directly or indirectly affected (positively or negatively, permanently, or temporarily) or simply have an interest in the project. The identification of stakeholders is an ongoing process, requiring regular review and updates following the project's progress. The Company has classified all stakeholders, identifying their relationship with the project and the potential points of impact of the project on them. The list can be updated and modified during the development of the project.

- **Stakeholder Engagement Plan:** During the project, the Company ensures that consultations will take place with all stakeholders, who must be adequately represented to capture specific needs. It also emphasizes that stakeholders will be informed about decisions and changes that concern them throughout the project, while the consultations will be objective and not manipulative. The entire participation process will be adequately documented.

- **Substantial consultations**: The Company intends to organise public consultations with the local community, through a special application available on mobile phones, in order to achieve a two-way dialogue with stakeholders about the project. Consultations are considered a key element of both stakeholder involvement for the Company and the delivery of successful projects.

- **Information Disclosure**: For the Company, the disclosure of information about the project is essential, to hep the stakeholders understnad and evaluate the risks, impacts, and opportunities of the project. In particular, the company adopts mechanisms to ensure that the information concerning the following, always remains up-to-date and available to stakeholders:
  - The type and duration of the project activities.
  - Potential risks and impacts of the project, as well as specific means to minimise them.
  - Stakeholder engagement and consultation.
  - Communication channels and timetables.

**Procedure for submitting complaints or suggestions (Grievance mechanism)**

The Group has developed a process for submitting grievance/suggestions/reports, aimed at building and maintaining trust with all external stakeholders, preventing possible adverse consequences due to inadequate response, identifying, and managing stakeholder concerns and, consequently, effective risk management.

The procedure for submitting complaints or suggestions is open and accessible to all, so that comments and complaints are addressed promptly and effectively in a fair, socially acceptable, and completely transparent way.

The Group collects the recorded complaints once a week and proceeds to their relevant recording for their effective management. All requests are forwarded to the Corporate Communications Department, which has the responsibility to communicate with the stakeholder to provide the necessary information and record his/her experience in using the mechanism, as well as the settlement of the grievance.

## 2. Materiality Analysis

In the context of the continuous improvement toward Sustainable Development issues, the Group conducted, in 2023, for the first time a double materiality analysis adopting the new methodology of the European Sustainability Reporting Standards (ESRS), in order to prioritize:

- The Group's topics that present or are likely to present the most significant positive and negative economic, environmental, and social impacts, including human rights impacts throughout the value chain (impact materiality).
- The financial risks and opportunities arising from the environment and society for the Group (financial materiality).

## 3. Main non-financial risks

The Group's Management closely monitors and evaluates any new developments as they arise from external factors, e.g., political instability, economic instability, so as to take the necessary measures and adjust its business plans (if required), in order to ensure business continuity and limit any negative impact on the Group's activities.

The Group has established a Risk Management Unit, whose main mission is to substantially contribute to the development of a modern operating framework at all organisational levels, for the identification, assessment and management of the risks faced by the Group. The Unit ensures that the risks undertaken by the Divisions are in line with the risk appetite defined and shaped by the Top Management. Such risks are thoroughly reflected in the Risk Management System, where mitigation actions are recorded and monitored and both residual exposure and the extent to which they affect the achievement of strategic objectives are assessed. The Group has developed and implements as of 2022, a Risk Management Policy, as well as a Risk Appetite Statement.

In addition, the Group has identified risks and opportunities, including those related to sustainable development issues, and in particular compliance with regulatory requirements, the sustainable development targets it has set, as well as the ability to adapt to and mitigate climate change. In addition, risks are identified and managed in relation to best practices of Environmental Compliance, as well as Health and Safety that may result in fines or penalties issued by regulatory authorities.

In 2023, in the context of the new Corporate Sustainability Reporting Directive (CSRD), as well as the development of an integrated risk management process, the Group proceeded to the identification of risks and opportunities, including those related to sustainability topics, by conducting a double materiality analysis for all activities, as well as its value chain (see section "Materiality analysis").

The Group, recognising the importance of climate change and its potential impact on its activities, aims at its resilience and shielding against physical climate risks, as they are shaped by both chronic changing climatic conditions and the frequency and magnitude of extreme weather events. With the aim of fully understanding physical climate risks and ultimately implementing appropriate measures for their management where required, within 2023, the Group proceeded with the identification and assessment of climate-related physical risks, in accordance with the principles of Do No Significant Harm (DNSH) regarding climate change adaptation, as provided by the EU Taxonomy Regulation (Regulation 2020/852/EU) on sustainable economic activities, as defined in Regulation 2021/2139/EU.

Regarding the results of the physical climate risk assessment, for the projects in operation and for the under development The Ellinikon, the physical climate risks were assessed, as well as the effects of heat wave, frost, sea level rise, strong winds, drought, heavy rainfall and snowfall, flooding, fire, and soil erosion. Overall, for the above activities, natural climate risks were assessed as non-significant because the necessary operational measures are in place to ensure the resilience of these infrastructures.

Moreover, the Company has identified potential risks related to the transition to a low-carbon economy, as well as compliance with the European and national changing regulatory framework regarding sustainable development and responding to the growing demand for relevant disclosures. The Sustainable Development Department has planned and is already implementing relevant actions to prevent potential impacts and build a resilient and sustainable strategy.

At the same time, by setting the safeguarding of the Health and Safety of its employees, customers and visitors as a key priority, the Company recognises, records, and makes every effort to improve and maintain health and safety conditions in order to ensure the protection of the life and health of its employees, including subcontractors, customers and visitors to its facilities as defined by the applicable provisions of the Greek and European legislation. The Company focuses on a detailed and regularly updated risk assessment and taking the necessary measures to control them in order to eliminate risks and reduce threats to health and safety at work. The aim is to perform all works with the best requirements in quality and time, without accidents or incidents that will harm human health.

In addition, it has been recognised that the Greek market has limited potential to undertake and implement large construction projects simultaneously, with large construction groups being highly dependent on a few local subcontractors, while it is also affected by a shortage of skilled personnel and unskilled workforce, affecting progress, and jeopardising both the timely execution and the budget of the Group's construction development projects.

At the same time, the acquisition and retention of talented and skilled employees is recognised as a strategic choice, as the costs of mobility, the need for replacement and the potential loss of knowledge and experience, have been recognised as likely to have direct impacts on productivity, employee development, operational coherence, and cost. Therefore, the Company aims to strengthen and maintain existing jobs and attract new ones, forming a uniform corporate culture and providing working conditions based on the needs of employees and respect for Human Rights.

The Company, in the context of responsible entrepreneurship throughout its value chain, identifies potential non-financial risks related to compliance and implementation of sustainable development strategies in its supply chain. Therefore, it proceeds to integrate sustainable development criteria into the evaluation processes of key suppliers and contractors, initially through mapping rather than rejecting, with the aim of identifying and mitigating relevant risks and ultimately creating an adaptation and improvement plan.

All the above risks, as well as the inability to address them, can have a significant impact on the Company and the Group's reputation, operation, financing, and strategic development, as well as on its people and society. The Group aims at optimal risk management, but also at identifying and exploiting the opportunities associated with the integration of best practices for sustainable development.

For The Ellinikon, a risk management process is applied, in accordance with the principles described in ISO 31000:2018 and the corporate risk management framework, which briefly includes the following steps:

- Communication and counseling.
- Scope and objectives definition.
- Risks identification.
- Risk analysis.
- Risk assessment.
- Treatment.
- Control and review.

This process is followed to ensure that the approach is both systematic and effective. It is carried out in conjunction with the operational planning and includes the review and update of risks. The followed approach is top-down, starting from the highest seniority level, and vice-versa.

## 4. Environmental issues/climate change

### Climate change & pollution of air


**Climate change**

The Company aims to ensure environmentally friendly operations for all projects in operation and under development, in the context of sustainable development and to achieve climate change mitigation and adaptation in all its activities, and to reduce potential negative impacts.

By taking into consideration climate and environmental factors during the design and construction of projects, the Group aims at the resilience and adaptation of its buildings to changing climatic conditions.

Reducing its carbon footprint and achieving carbon neutrality, are significant challenges for the Group. It aims to formulate a specific strategy that will be adapted to all its activities, and will include target-setting, actions to reduce its carbon footprint, as well as ways to monitor its path towards decarbonisation. In 2023, a carbon footprint assessment was carried out for the second year in accordance with the specifications of the ISO 14064-1:2018[3] and the Greenhouse Gas Protocol[4], including the Group's direct and indirect greenhouse gas emissions. The carbon footprint was verified in 2024 by an independent external auditor.

For the development of The Ellinikon, an environmentally friendly design is followed, with the aim of mitigating environmental impacts and adapting to climate change. Focusing on the Sustainable Development Strategy and in line with the Sustainable Development Policy, the Environmental Policy, and the relevant ISO 14001:2015 certified EMS, during the design and construction phase (as well as during the operation of the project), measures are taken for the energy efficiency, the reduction of the embodied carbon emitted during construction, the reduction of greenhouse gas emissions, as well as the reduction of noise, dust emissions and air pollution.

The Sustainable Development Department is responsible for developing, implementing, and monitoring the objectives and initiatives throughout the life cycle of The Ellinikon project (design, construction, and operation), in order to ensure the Group's broader strategic sustainable development goals.

In line with the European objectives for climate neutrality, the project aims to maximise energy efficiency and the use of renewable energy sources by applying best practices and closely monitoring the progress of projects under development. In this context and in collaboration with designers, contractors and consultants, the following practices are applied:

- Implementation of the sustainable development’s principles and bioclimatic design.
- Installation of efficient heating, ventilation, and air conditioning systems.
- Installation of Building Management Systems (BMS) and lighting control systems.
- Selection of sustainable, long-lasting materials with recycled content and a recorded carbon footprint.

At the same time, in the context of the international LEED (Leadership in Energy and Environmental Design) certifications that are followed, most projects aim to reduce the incorporated carbon, implementing a Life Cycle Analysis (LCA) and selecting materials with a reduced carbon footprint. Efforts are mainly focused on optimising load-bearing materials such as concrete and reinforced steel, and also on optimising the design.

In addition, advanced design models are used in the projects to simulate energy behavior and analyse natural lighting. At the same time, upon completion of the construction of the projects, commissioning works are carried out by independent consultants to verify the proper operation of the building's energy systems.

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[3] ISO 14064-1:2018 Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.

[4] Greenhouse Gas Protocol, WRI (GHG Protocol Corporate Accounting and Reporting Standard, Revised Edition)

All The Ellinikon's developments follow the highest standards of sustainable development both in design, construction, and operation. All commercial developments during Phase A of the project, as well as the majority of residences, aim at being certified with the international certification at Gold level. At the same time, the certification of individual projects with the Sustainable SITES Initiative (SITES), aims at the development of sustainable landscapes and outdoor spaces.

The Environmental Unit of The Ellinikon is responsible for the coordination of actions monitoring the approved Environmental Terms of the project, as well as addressing the requirements of the environmental legislation and also its members are part of the Environmental Licensing Department, Environmental Compliance Department, the Sustainable Development Department, the Archeology Department and also the respective construction divisions.

The Company aims to ensure the resilience and the ability of the project to adapt to future climate conditions. In this context, several specialised studies have been implemented for relevant parameters, such as the flood protection of the whole development and the design based on the proofing of the seafront area against a possible change in sea level.

Both the Ellinikon Park and the Coastal Front are designed in accordance with the principles of sustainable development, with the aim of minimising the carbon footprint, protecting, and restoring natural resources and the existing natural environment, meeting irrigation and electricity needs, as well as enhancing biodiversity and resilience. The extensive free spaces, the higher percentage of green spaces within the residential areas, the restoration of existing water bodies, as well as the unification of the coastal front, and the connection of the city with the sea, are also important environmental and social goals. The project aims at achieving a sustainable urban mobility, with the design of an extensive network of sidewalks and cycle paths, as well as bicycle parking and electric vehicle charging spaces.

*Building projects*

In 2023, the implementation of the international sustainable development certification LEED for 11 projects and sub-projects has been in progress, and more specifically:

- The Riviera Tower, 200 meters high, with 171 apartments on 50 floors, which, upon its completion, will be the tallest building in Greece. Its design has been entrusted to the internationally renowned award-winning architectural firm Foster+Partners. A key feature of the design approach is the creation of a landmark building, in full harmony with the sea and the special features of the Mediterranean landscape with a bioclimatic character. Riviera Tower, by fully integrating sustainable development strategies, is the 1st residential building in Greece to be pre-certified according to the LEED sustainable buildings standard at Gold level, in June 2022.

- The Building Complex for People with Disabilities, which will house the services of Day Care Centers (DCC) and Lifelong Learning Centers (LLC), of 4 associations for children and adults with disabilities. The cost for the construction of the building, amounting to €15 million was undertaken exclusively by the Group. The vision of the Group is not only the creation of a modern building, but a new way of life, with quality, easier, more open, more extroverted, which will improve the everyday life of children and adults with disabilities. Construction work was completed in 2023 and final LEED certification of the project is expected in 2024.

- The Mixed-Use Tower (MUT), part of The Ellinikon Commercial District, will be a landmark tower of 150 meters which will contain a hotel with rooms and condos, while on the upper floors it will provide branded residences, combining modern technologies, high sustainability standards and energy saving strategies. The building has been designed by the internationally renowned architectural firm AEDAS in collaboration with AETER.

- The Park Rise has been designed by renowned architectural firm Bjarke Ingels Group (BIG) as an interconnected community in one of Little Athens' most iconic buildings. With a height of approximately 50 meters and 88 residences that will enjoy excellent panoramic views of the sea and The Ellinikon Park, the project aims at a Gold level LEED sustainability certification. Its design is expected to be completed within 2024 and at the same time the preliminary construction works will begin.

- The Cove Residences, a residential development, near the coastal zone, comprises an organised residential complex of 3 floors, 115 apartments and duplexes, ideal for families, with a total area of approximately 52 acres. Designed by ISV Architects and Bobotis+Bobotis Architects, it is among the first projects to follow the LEED system for low-rise residential complexes (BD+C Homes and Multifamily Lowrise) in Greece. Construction work began within 2023.

- The Cove Villas are developed parallel to the coastal zone of 2 floors each and a total area of about 59 acres. They are designed by various international and Greek architectural offices such as ISV, K-Studio, Oppenheim, Tombazis and SAOTA Architects. Some of the villas aim at the LEED certification system (BD+C Residential BD+C: Single Family). Construction work is expected to begin in 2024.

*Outdoor areas*
At the same time, in 2023, the implementation of the international sustainable development certification SITES for the projects of the The Ellinikon Park is progressing:

- The Group proceeds with the completion of the design of The Ellinikon Park, the largest coastal park in Europe, which will dominate the heart of The Ellinikon. In an area larger than "Pedion tou Areos" (one of the largest public parks in Athens), there will be thematic areas, such as the Olympic Square which will be a point of promotion of the Olympic heritage, the amphitheater that will be able to host concerts and other events, the Saarinen building that will be designed as an exhibition center and cultural events space, and the reformed canoe-kayak lake of the Olympic Games Athens 2004. With 2,000,000 m² of greenery, The Ellinikon Park upgrades the coastal front of Athens and the quality of life of citizens. The park has been designed following the SITES sustainable certification system.

- The Experience Park, an integral part of The Ellinikon Park, opened its doors to the public in April 2022 and has become the new destination for relaxing moments in the southern suburbs. A new urban park, with an area of 75 acres and within walking distance from the center of Athens, aims at the international certification SITES as a model urban park that meets the principles of sustainable development, while its final certification is expected in 2024.

**Our performance**
The minimisation of the use of generators within The Ellinikon for the operation of the Experience Park, as well as the implementation of various energy consumption monitoring and mitigation initiatives, have contributed to the reduction of the total energy consumption for 2023.

| | 2023 | 2022 | 2021 |
|---|---|---|---|
| **Energy consumption from non-renewable energy sources within the Company (MJ)** | 240,144.0 | 1,823,000.0 | 6,205,656.1 |
| **Electricity consumption within the Company (MJ)** | 23,269,931.7 | 24,511,793.3 | 25,228.8 |
| | | | |
| **Total Energy Consumption within the Company (MJ)** | 23,510,075.7 | 26,334,793.3 | 6,230,884.9 |
| | | | |
| **Total Energy Consumption within the Company (MWh)** | 6,530.6 | 7,315.2 | 1,730.8 |
| | | | |
| **Percentage of electricity over the total energy consumption within the Company** | 99.0% | 93.1% | 0.4% |
| | | | |
| **Energy consumption outside the Company (MJ)** | 45,425,550.1 | 35,663,338.8 | Not available |

| Energy intensity within and outside the Company (2023) | | | |
|---|---|---|---|
| Built and outdoor surface under the Company's management (m²) | | Built and outdoor surface outside of the Company (tenants, contractors) (m²) | |
| **2023** | **2022** | **2023** | **2022** |
| 85,721.5 | | 2,355,208.0 | 1,895,559.0 |
| Energy intensity from energy consumption within the Company (MJ/m²) | | Energy intensity from energy consumption outside the Company (MJ/m²) | |
| **2023** | **2022** | **2023** | **2022** |
| 252.6 | 259.1 | 19.3 | 18.8 |

*Notes:*

- *The Company chose as an applicable denominator (Organisation-specific metric – "the denominator") for the calculation of energy intensity, the built and outdoor area) of its total portfolio, whether it is managed by the Company or managed by tenants.*
- *At The Ellinikon the built and outdoor surface under the management of the Company includes the office spaces, the Experience Centre, the Experience Park, and the common areas of the land zone of Agios Kosmas Marina, while the built and outdoor surface under the management of the tenants includes the constructional active development surface.*
- *The calculation of the Company's energy intensity includes the energy consumption inside and outside the Group from fuel and electricity use.*
- **The calculation of energy intensity has not included consumption of 4,124,501.9 MJ for 2022 and 1.858.212,5 MJ for 2023, as it concerns energy consumption in the surrounding area of "The Ellinikon" and does not contribute to the denominator.*
- *Any variations in totals are due to rounding.*

*Carbon footprint*

Recognising the impacts of its activities on the environment, in the context of the Green Deal[5] and the National Climate Law (L. 4936/2022 – Government Gazette 105/A` 27.5.2022)[6], which aim for a gradual transition to climate neutrality by 2050, the Group has assessed its carbon footprint for the second time.

The Group's carbon footprint measurement for 2023 was conducted in accordance with the guidelines of the ISO 14064-1:2018 standards and the GHG Protocol for direct and indirect emissions falling within Scopes 1, 2 and 3. These standards are used as guidelines, and calculations are based on available data, as they are recorded and considering the current available conversion factors at the time of report writing.

**Direct GHG emissions (Scope 1):**

The methodology for calculating emissions from the combustion of primary energy, from stationary equipment and corporate vehicles, is based on the combination of activity data with the corresponding conversion factors of consumed energy per form of fuel into greenhouse gas emissions in kg $CO_2e$, published within 2023 under the Climate Law. Similarly, for fugitive emissions from the use of refrigerants, the conversion factors from UK DEFRA for 2023[7] were used.

**Electricity indirect GHG emissions (Scope 2):**

They include the indirect GHG emissions that occur from the generation of purchased electricity consumed, accounting for every type of electrical load (lighting, heating, cooling), as well as the charging of electric vehicles belonging to the Group's fleet of vehicles. The methodology for calculating emissions is based on combining activity data with corresponding emission factors, provided from the NIR Greece (2023)[8] and DAPEEP (2022)[9] for specific electricity suppliers. Scope 2 emissions according to the market-based method of GHG Protocol (Scope 2 market-based) include emissions calculated based on the supplier's energy mix[10], while Scope 2 emissions according to the location-based method of GHG Protocol (Scope 2 location-based) refer to emissions arising from considering the country's grid energy mix[11].

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5 *European Green Deal: https://www.consilium.europa.eu/el/policies/green-deal/.*

6 *More information regarding the Greek Climate law can be found at https://ypen.gov.gr/perivallon/klimatiki-allagi/ethnikos-klimatikos-nomos/.*

7 Department for Environment, Food & Rural Affairs (https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023).

8 *2023 National Inventory Report (NIR) (https://unfccc.int/documents/627770).*

9 *Renewable Energy Sources Operator & Guarantees of Origin (DAPEEP S.A.) (https://www.dapeep.gr/dimosieuseis/eguiseis-proeleusis-energeiako/).*

10 *When information on the electricity supplier was not available (e.g., EV charging purposes), scope 2 emissions were calculated using the emission factor corresponding to the energy residual mix published from DAPEEP 2022.*

11 *GHG Protocol Scope 2 Guidance, WRI.*

**Other indirect GHG emissions (Scope 3):**

Scope 3 emissions include all indirect emissions in the Group's value chain, including upstream/downstream emissions from facilities/activities not directly owned or controlled by the Group, based on the categories of GHG Protocol:

- 1. Purchased goods and services
- 2. Capital goods
- 3. Indirect emissions from fuel and energy
- 6. Business travel
- 7. Employee commuting

**Carbon footprint analysis**

Below is presented the carbon footprint of The Ellinikon, comparing between 2023 and 2022 for Scope 1, Scope 2 and Scope 3 emissions.

| The Ellinikon's carbon footprint table ($tCO_2e$) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Scope 1 | Scope 2 (Market based) | Scope 2 (Location based) | Scope 3 | | | | | Total carbon footprint Scope 1 & 2 (tCO2e) |
| | | | | Cat. 1 | Cat. 2 | Cat. 3 | Cat. 6 | Cat. 7 | |
| 2023 | 190.0 | 2,618.6 | 2,408.1 | 7,961.9 | 5,251.8 | 1,394.7 | 83.9 | 140.9 | **2,808.6** |
| 2022 | 140.2 | 2,859.8 | N/A | N/A | | | | | **3,000.0** |

*Notes:*
- *The gases included in the calculations are $CO_2$, $CH_4$, $N_2O$.*
- *The conversion factors used to calculate Scope 1 & 2 emissions derived from the most recent National Emissions Inventory, from the reports of the Renewable Energy Sources Operator & Guarantees of Origin (DAPEEP S.A.) and from DEFRA UK (exclusively for refrigerants). $CH_4$ GWP = 25, $N_2O$ GWP = 265*
- *The conversion factors used to calculate Scope 3 emissions derived from DEFRA UK, from the most recent national emissions inventory, as well as from a model developed based on the most recent ELSTAT and EUROSTAT data on emissions by economic activity in Greece.*

**Pollution of air**

**Our approach**

The construction activity at The Ellinikon development projects has a direct influence on air quality and air pollution. The risk of air pollution is directly related to the increased concentrations of air pollutants and particulate matter emitted by vehicles, construction machinery and earthworks respectively.

The Group recognises these risks, associated with air pollution, and formulates different action plans for each pollution source it records. In compliance with the decisions approving Environmental Projects, the Group, and the contractors with whom it cooperates, take the necessary measures to prevent and reduce the environmental impact of air pollution in the projects in which they operate. At The Ellinikon construction sites, an Environmental Management and Monitoring Plan for construction projects is implemented, according to which specific air pollution indicators are monitored and impact mitigation measures are applied.

Indicatively, Best Management Practices (BMPs) are applied with the ultimate goal of optimal environmental operation of construction sites, with environmentally friendly and "ecological" driving at low traffic speeds on roads inside and outside the projects, project vehicles and machinery are CE certified (Conformité Européenne) and regularly maintained, while construction site roads are stabilised and along with stored materials are regularly wetted to retain dust.

**Our performance**
The Company, aiming at improving air quality, has recorded the current situation (Environmental Baseline Report, 2021) before the commencement of construction works, to compare possible changes due to construction projects. The recording confirmed that the major road axes within the boundaries of The Ellinikon Metropolitan Pole (Vouliagmeni Avenue and Poseidonos Avenue) are the main aggravating factors regarding air pollutants in the wider area.

Regarding the emissions of air pollutants, such as Nitrogen Oxides ($NO_x$), Sulfur Oxides ($SO_x$), etc., during the year 2023 The Ellinikon implemented the Environmental Monitoring Plans of the following projects:

- The 2nd Phase of Demolition
- Infrastructure projects
- The Building Complex for People with Disabilities
- The Sports Facilities Project
- The Riviera Tower
- The Cove Residences

The above included measurements of noise, vibration, air pollution and dust.

| | Total measurements of environmental parameters | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Noise | | Vibrations | | Air Pollution | | Dust | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| **The Building Complex for People with Disabilities** | 25 | 52 | 25 | 52 | - | 1 | 26 | 52 |
| **Demolitions** | 82 | 768 | 8 | 84 | 82 | 795 | 82 | 795 |
| **Infrastructure** | 730 | 62 | 39 | 62 | 730 | 62 | 730 | 62 |
| **Experience Park** | - | 53 | - | 11 | - | 61 | - | 61 |
| **Riviera Tower** | 148 | - | 281 | - | - | - | 529 | - |
| **Sports facilities** | 322 | - | 92 | - | 16 | - | 322 | - |
| **TCR 1.5-1.6** | 3 | - | - | - | - | - | 4 | - |
| **Σύνολο** | 1,310 | 935 | 445 | 209 | 828 | 919 | 1,693 | 970 |

Any exceedances that occurred are related to external factors and are not due to the operation of the projects, such as high background noise due to traffic on major roads on the perimeter and dust transport due to weather conditions (Saharan dust).

## Water resources


**Our approach**
The Company focuses on the rational management of water and wastewater and the protection of the marine environment, during the operation and development of new development projects.

In this context, the Company's approach to water and wastewater management has as its main axis the monitoring, optimisation, and reduction of drinking water use. Specific prevention and action measures to achieve the above objectives are the installation of water saving mechanisms and devices, the use of alternative sources and the proper management of urban wastewater.

It is important to note that the Company's business activity is not expected to have a significant impact on water resources, as recorded in the relevant environmental impact studies.

In the context of the development of The Ellinikon, in accordance with the Sustainable Development Policy and the Environmental Policy, commitments regarding the rational management of water are reflected. At The Ellinikon, water is supplied by the EYDAP network, while its consumption mainly concerns the interior and exterior of buildings, as well as construction works. During the construction and operation phase, a Water Management Plan is being implemented, which includes a Water Saving Programme and Water Quality Assurance Programme. In addition, the Group complies with the current legislative framework for the protection and assurance of water quality, while the possible effects on the quality of natural resources are analysed in the Environmental Impact Study. At the same time an EMS has been developed for the construction phase.

Within the framework of the international certification systems for sustainable development followed in the project, such as LEED, SITES, etc., specific targets are formulated to reduce water consumption inside buildings by installing hydrants with reduced consumption, but also outdoors through the installation of smart irrigation systems and the selection of plants with reduced irrigation needs, the reuse of treated water or rainwater, rainwater management and water quality assurance.

In the context of the circular economy, within The Ellinikon, a Wastewater Treatment Plant (WWTP) is planned to be designed, which will produce, with the appropriate treatment, recycled irrigation water to meet the needs of the Metropolitan Pole. For 2023, the Memorandum of Understanding (concluded in 2022 between the Group's subsidiary HELLINIKON S.M.S.A. and EYDAP) continued to be implemented, for the supervision of the construction of water supply, sewerage and treated water production facilities.

At the same time, within the framework of infrastructure projects, works have begun for the regeneration of the Trachones and the Airport streams, located within the Metropolitan Pole. This project includes stream bed protection and regulation works, in order to revitalise the local ecosystem. The regeneration of the streams also aims to maintain the existing culverts, in Poseidonos Avenue as well as to create new drainage ditches, creating wetland discharges and significantly improving the flood prevention and overall drainage strategy in the area. In 2023, approximately 70% of the excavations in the Trachones and the Airport streams were completed.

It is worth noting that due to the start of construction works located in the coastal zone and the projects involving deep excavations, groundwater pumping (dewatering) is carried out in order to ensure dry conditions in the area. The pumped water is led to tanks, for the sedimentation and retention of particles and the quality control of the water, before being disposed in the rainwater network. The process of pumping, treatment and disposal of groundwater is the subject of special plans (Dewatering Plans), which are submitted to the competent authorities for review and approval.

The implementation of the objectives, measures and Plans for the rational use of water and the management of wastewater is under the supervision of the Departments of Sustainable Development, Environmental Licensing and Environmental Compliance.

**Our performance**
The Company monitors water consumption and examines the implementation of additional measures, where necessary, in order to reduce water consumption.

| Withdrawal sources (ML) | 2023 | | 2022 | | 2021 | |
|---|---|---|---|---|---|---|
| | All areas | Areas with water stress | All areas | Areas with water stress | All areas | Areas with water stress |
| **The Ellinikon** | | | | | | |
| Withdrawal of surface, underground, seawater or produced water is not applicable. | | | | | | |
| Total groundwater | 77.3 | | Not applicable | | Not applicable | |
| Freshwater | Not applicable | | | | | |
| Other water | 77.3 | | Not applicable | | Not applicable | |
| Total third-party water (network) | 310 | | 211.1 | | 3.8 | |
| Freshwater | 309.8 | | 211.1 | | 3.8 | |
| Other water | 0.2 | | Not applicable | | | |
| Total third-party water withdrawal by source | | | | | | |
| Surface water | 310 | | 211,1 | | 3.8 | |
| Third-party water does not come from underground, seawater or produced water. | | | | | | |
| **Total water withdrawal** | **387.3** | | **211.1** | | **3.8** | |

*Notes:*
- *The areas in which the Company operates, are characterised as areas that are under increased pressure in terms of water resources according to the Aqueduct Water Risk Atlas of the World Resources Institute.*
- *According to GRI, freshwater is defined as: ≤1,000 mg/L total dissolved solids, other water >1,000 mg/L total dissolved solids.*
- *The above data were collected from invoices and direct measurements of the Group's water consumption from the local water supply networks and drilling facilities. No standard or methodology has been followed beyond direct recording and no relevant assumption has been made.*

| Effluent discharge ($m^3$) | | |
|---|---|---|
| **2023** | **2022** | **2021** |
| 1,338.4 | 110.0 | Not applicable |

*Note: Due to the inability to collect wastewater discharge data that ends to the sewerage network, the above table shows the quantities of wastewater disposed of to external partners using tanker trucks.*

**Biodiversity and ecosystems**

6 CLEAN WATER AND SANITATION 14 LIFE BELOW WATER 15 LIFE ON LAND

**Our approach**
Recognising the positive impact that the Company has on the protection and improvement of biodiversity, it is committed to the preservation and restoration of existing soils in the areas where it operates and mainly in the project and the wider area of the Elliniko Metropolitan Pole.

The implementation of the The Ellinikon Park, as well as the landscaping of the new developments, are expected to have a positive effect on the enhancement of The Ellinikon's biodiversity, which is currently characterised as degraded due to its previous use. In addition, The Ellinikon Park was designed to meet various requirements related to biodiversity, soil and water remediation and sustainable site conservation.

Already from the design of the project, targets are set for the conservation of existing natural areas (soils and plantings) and the environmental restoration and enrichment of the damaged areas in terms of biodiversity. In summary, the following are applied:

- Plantings and soil management plan.
- Specialised soil improvement studies.
- Biomass reinforcement.
- Use of native plants, suitable for the operational requirements and climatic conditions of the project, which at the same time enhance the development of fauna.
- Restriction of pesticides and fertilisers.
- Reduction of light pollution.

The operating Experience Park is an initial implemented section, a new urban park with an area of 75 acres within The Ellinikon, with 900 new trees and 80,000 new plants of low vegetation, as well as 80 olive trees transplanted from the wider area of the old airport. Basic principles were sustainable development and respect for the environment and the heritage of the place. The project aims to achieve SITES (Sustainable Sites Initiative) certification within 2024.

Transplanting – New plantings

The overall objective of The Ellinikon is the implementation of the "Biodiversity Net Gain" practice. Biodiversity Net Gain (BNG) is an approach whereby after developing and managing land and sea in a project, their biodiversity will be in measurably better condition than it was before the project.

In particular, at The Ellinikon Park, the planning includes the addition of more than 31,000 new trees of 59 species, of which more than 14,000 will be planted during the Phase A of the project (until 2026). A wide range of different species of trees and plants is included, so that the design enhances the biodiversity of the project and the ecosystem of the wider area of Elliniko and constitutes a potential fauna refuge.

At the same time, an effort is made for maintaining or transplanting existing healthy trees. In collaboration with specialised green engineering companies and Greek nurseries, temporary spaces have been created, hosting existing trees from the wider area of the Pole, with the prospect of reaching 3,000, which will be protected until they are gradually transplanted into The Ellinikon Park and public areas.

Soil remediation and restoration

In 2022, a consortium of companies was assigned the demolition and dismantling of the fuel facilities of the former eastern airport, as well as the works for the decontamination of soil and groundwater throughout the Elliniko Metropolitan Pole. The methods applied included "in-situ" sanitation methods to minimise the transportation of excavated products and to reuse the treated soils in subsequent phases of the projects. The dismantling of the old facilities and the cleaning up of contaminated soil were completed in 2023, while groundwater sanitation will continue in 2024.

**Our performance**

In the context of the Environmental Impact Studies that have been carried out for the development of The Ellinikon, none of the aforementioned areas are characterised as "protected areas", according to current legislation or as areas of high biodiversity value, in accordance with the United Nations Convention on Biological Diversity (1992).

It is also noted that in the areas in which the Company operates, there are no species included in the IUCN "Red List Species" or any other national list of protected species.

Regarding the Phase A of The Ellinikon, where buildings and transport infrastructure are developed on site, small quantities of hydrocarbon leaks (hydraulic oil, fuel, etc.) have been observed in small areas where construction works take place. It is noted that this effect is fully reversible, both through its small size and through immediate restoration actions and other measures taken towards the promotion and conservation of biodiversity (i.e.: plantings, transplanting, soil restoration).

The Ellinikon development ensures the Company's commitment to developing green spaces, the decontamination of the soil, the planting and transplanting of trees and plants throughout its area, while various biodiversity promoting actions will be ongoing throughout the construction works.

| **Size of habitats restored (The Ellinikon)** | | |
|---|---|---|
| **Area** | **Restoration measure** | **Size (approximate)** |
| The Building Complex for People with Disabilities | • Planting of 8,000 plants and 150 trees | 3,800 m$^2$ |
| The Experience Park | • Planting of 80,000 plants and 900 trees<br>• Transplantation of 80 olive trees | 30,000 m$^2$ |

## Circular economy


## Resource inflows

(including recource use)

**Our approach**

For the development of The Ellinikon project, the Company follows its commitments on resource efficiency and circularity, for the development of The Ellinikon in accordance with the Sustainable Development Strategy, the Sustainable Development Policy, the Environmental Policy and the EMS of the construction phase.

Regarding the resource and materials efficiency, the Company aims to design projects following international sustainable development certification schemes, such as LEED for buildings and SITES for landscape developments, which include special requirements for methods of selecting products, suppliers, and raw materials, aiming at achieving resource efficiency and a circular economy. Regarding the achievement of the above certifications, there are conditions and objectives regarding the appropriate selection and use of materials with environmentally friendly properties, while among other things, significant opportunities are created for the reuse of existing materials. The project prioritises materials with recycled content, that have been mined and produced locally. At the same time, materials for which there is a record of their environmental footprint are selected.

**Our performance**

In the context of saving resources, the Company aims to record the quantities of incoming raw materials used in The Ellinikon. These quantities for 2023 are shown below.

| Use of raw materials and materials within the Company (t) | | | | |
|---|---|---|---|---|
| Total non-renewable materials used (t) | Total renewable materials used (t) | Total materials used (t) | Total recycled input materials used (t) | Percentage of recycled input materials used (%) |
| 2023 | | | | |
| 303,337.9 | 0.0 | 303,337.9 | 16,832.9 | 5.5% |
| 2022 | | | | |
| 39,193.3 | Not available | 39,193.3 | 1,260.2 | 3.2% |

*Notes:*
- *The large increase observed in materials used compared to 2021 is due to the start of the construction works at The Ellinikon.*

## Waste

**Our approach**

In the context of the Group's commitment to environmental protection, the reduction and proper management of solid waste, the promotion of recycling, and the application of the principles of the circular economy, are a daily target for new projects at The Ellinikon.

For the development of The Ellinikon, the ISO 14001:2015 certified EMS that is followed, includes procedures for solid waste management, based on the principles of Sustainable Development and the obligations arising from the approved Environmental Terms. Recycling is a key priority for the Group aiming at the protection of the environment and the safeguarding of resources. This is achieved through the implementation of an integrated Solid Waste Management System with the goal to reduce, properly manage solid waste, recycle waste, and remediate contaminated areas.

The Excavation, Construction and Demolition Waste (ECDW) is managed in accordance with the current Legislation and the approved Environmental Terms. In addition, it is important to note that the Group sets the objectives and plans of The Ellinikon within the framework of international certification systems for Sustainable Development, such as LEED, which include the development and implementation of a Construction and Demolition Waste Management Plan, with the aim of recycling at least 75% of construction and demolition waste.

The fundamental principles of the waste management system of the project are:

- Segregation at source of waste streams (collection in 6 separate bins) during operations, which will be managed by the special Solid Waste Management Facility (SWMF), which will be created in The Ellinikon during the operation phase of the project.
- Minimisation of the percentage of waste disposed of in landfills both during construction and during the operation phase.
- Reuse, recycling, and recovery of construction waste, reducing the percentage that ends up in landfills and optimal use of demolition materials and methods.
- Management of hazardous waste, in cooperation with licensed bodies, in accordance with the legislation requirements.
- Recording of waste and their management, during the construction and operation phase.

More specifically, during the construction phase, solid waste management is carried out in accordance with the holistic Environmental Management Plan for construction (EMPc) and the Technical Environmental Studies (TEPEM) of each construction field, in compliance with the guidelines of the Environmental Impact Study and the commitments arising from the approved environmental terms.

In this context, the primary objective of the integrated management system of Excavation, Construction and Demolition Waste (ECDW) is to promote the on-site utilisation of the largest possible amount of demolition and recycling materials, as well as the reuse of excavation materials. The demolition materials are temporarily stored within the Metropolitan Pole, in order to be fully re-used in future works. At the same time, after their physical and chemical properties have been checked, the excavation products are separated and temporarily stored within the Metropolitan Pole, with the aim of incorporating them into future phases of the project.

The management of solid waste resulting from the construction and development works in The Ellinikon, is carried out in accordance with the provisions of the approved environmental terms and the applicable legislation. The ecological reuse of materials is a priority throughout the design of the project. Specifically, the excavation materials are kept and temporarily stored within the Metropolitan Pole, while the demolitions, after being treated by a demolition waste crusher, are temporarily stored, so that they can be used in future works inside the Metropolitan Pole. The above actions contribute to the strategic targets regarding reduction of waste and the efficient use of natural resources, thus reinforcing the overall strategy on circular economy.

The following quantities are temporarily stored in project sites for incorporation in future phases of The Ellinikon development.

| Material type to be reused | Total quantities 2023 (t) | Total quantities 2021-2022 (t) |
|---|---|---|
| Concrete | 3,490.9 | 43,039.9 |
| Mixtures of construction & demolition waste | 461,015 | 41,572.7 |
| Excavation material | 764,427 | |
| **Total** | **1,228,932.8** | **84,612.4** |

**Our performance**

The increase in the construction works of The Ellinikon implies an increase in waste generation, but due to the very high rates of reuse, recycling and recovery of waste generated within the construction site, their final disposal is prevented.

| Waste management | | | |
|---|---|---|---|
| | **2023** | **2022** | **2021** |
| Hazardous waste (t) | 363.6 | 12,441.1 | 93.4 |
| Non-hazardous waste (t) | 1,232,753,3 | 84,827,5 | 7,148.3 |
| Total waste generation (t) | 1,233,116,9 | 17,268,6 | 7,241.7 |
| Percentage of waste recycled/to be reused | 99.9% | 99.2% | N/A |

## 5. Social and labour topics

### Group employees and workers in the value chain

### Working conditions

**Our approach**

The Company recognises that its business success relies on its people and for this reason recognises and rewards their valuable contribution to its development and positive course. Therefore, it is of particular importance to improve the management of human resources in a sustainable way, in order to provide the best possible working environment for all employees. In this context, a specific strategy is implemented to attract, develop, and retain human resources, focusing on issues of working environment, remuneration, work-life balance, while providing equal opportunities to all.

| Employees | | |
|---|---|---|
| **Women** | **Men** | **Total** |
| **2023** | | |
| 176 (58.2%) | 126 (41.8%) | **302** |
| **2022** | | |
| 161 (53.5%) | 140 (46.5%) | **301** |

For 2023, there were 1,303 workers in the value chain marking a 30% increase over 2022. In particular it involves workers who:

- They are employed at The Ellinikon (the majority) and concern employees of the contractors who have undertaken the construction works.
- They are from consulting companies with which the Company has business relationships and are employed in its premises.
- They are from cleaning crews, security workers and waste management crews, at the offices in The Ellinikon.

| Workers in the value chain of the Company | | |
|---|---|---|
| **2023** | | |
| **Women** | **Men** | **Total** |
| **202** | **1,101** | **1,303** |
| **2022** | | |
| **N/A** | **N/A** | **908** |

### Employee training

The skills and dedication of the Company's employees are a key component of its achievements. Recognising the value of its people, the Company makes sure to provide them with an attractive environment, rich in opportunities for growth and development for all.

This environment has the potential to motivate employees to constantly evolve, enrich their knowledge and skills and achieve the personal goals they set. In this light, the Company implements target-setting, evaluation and development systems and implements developmental training programs, in which it invites all employees to participate. In this way, employees can meet their training needs, improve their skills and be more efficient and respond better to the fulfillment of the Company's goals.

| Average hours of training | | |
|---|---|---|
| **2023** | **2022** | **2021** |
| 11.5 | 7.0 | 10.9 |
| **Employee training expenditure (€) 2023** | | |
| 73,961 | | |

**Health and Sagety**

**Our approach**
The Company recognises its responsibility to ensure health and safety throughout its value chain, as well as to promote well-being and work-life balance. For this reason, is committed to developing and promoting a strong health and safety culture and carries out a set of actions related to health, safety, and well-being for all its employees, including workers who are not employees, but also for all those affected by its activities and operation. In this context, it voluntarily implements integrated Health and Safety Management Systems per investment property and aims at their continuous improvement. In 2023, 100% of employees and workers in the value chain were covered by a health and safety system, certified by an external body.

For The Ellinikon, an Integrated Health and Safety Management System has been developed, which holistically approaches all Health and Safety issues, and was designed based on international standards and certified according to ISO 45001:2018, while also implementing a variety of internal procedures for managing and controlling effectiveness.

The Security Management System describes the potential risks and the measures to be taken to ensure the physical protection of employees, in accordance with applicable law.

Compliance with all the requirements of the Health and Safety Management System, constitutes a contractual obligation for all parties involved in the development of The Ellinikon, even if the relevant requirements are stricter than those of national and European legislation. The Company ensures that suppliers are informed on health and safety standards during the tendering phase, which are notified and incorporated into the relevant contracts.

At The Ellinikon, the Company implements a Health, Safety and Wellbeing Policy, as well as all the procedures of the Health and Safety Management System that are given to contractors from the tender phase. Following the award, it is informed through the kick-off meetings that the contractor has acquired knowledge and understanding of the relevant requirements. In addition, it is documented information that the Policy and procedures are made available to all subcontractors of the Project.

Moreover, at The Ellinikon, there is a specific programme of exercises for responding to emergencies. Emergency teams receive similar training on first aid and defibrillator use. Regarding the work carried out in the construction areas of commercial developments, all safety standards are met, which are contracted with each supplier.

It is worth noting that the Compliance Report, prepared quarterly by the Regulatory Compliance Unit and submitted to the Audit Committee, includes the health and safety issues for The Ellinikon and the actions taken to comply with the relevant legislation.

**Our performance**
As part of the systematic monitoring of performance with the aim of improving the management of health, safety and well-being issues, the following preventive measures are recorded. At the Ellinikon, works at height have been identified since the beginning of the project as the main risk with the highest risk and this is reflected in the individual risk assessments of the projects (through contractors). In 2023, trainings continued to be provided by certified bodies. Work at height cannot be avoided, but the aim is to effectively control the process by which this work is carried out. In addition, the inspection of all projects under construction has progressed, defining the basic safety levels to be observed, which allow focusing on each area of work and identifying areas for improvement. Through the audits carried out, the Company receives information to further improve the management of the areas where the construction works take place.

Through the effective management and continuous improvement of the level of health and safety in its activities and facilities, the Company monitors, minimises or eliminates the potential risks of accidents and diseases, without excluding any category of employees.

| Health and Safety performance | | | |
|---|---|---|---|
| | **2023** | **2022** | **2021** |
| **Employees** | | | |
| **Total working hours** | 642,720 | 498,880 | 0 |
| **Number of fatalities as a result of work-related injury** | 0 | 0 | 0 |
| **Rate of fatalities as a result of work-related injury** | 0 | 0 | 0 |
| **Number of high-consequence work-related injuries (excluding fatalities)** | 0 | 0 | 0 |
| **Number of recordable work-related injuries** | 1 | 1 | 0 |
| **Rate of recordable work-related injuries** | 0.31 | 0.4 | 0 |
| **Accident frequency rate** | 0.4 | 5.9 | 0 |
| **Accident severity rate** | 0 | 0 | Not available |
| **Number of fatalities as a result of work-related ill health** | 0 | 0 | |
| **Workers in the value chain** | | | |
| **Total working hours** | 2,282,298 | 682,021 | 179,273 |
| **Number of fatalities as a result of work-related injury** | 0 | 0 | 0 |
| **Rate of fatalities as a result of work-related injury** | 0 | 0 | 0 |
| **Number of high-consequence work-related injuries (excluding fatalities)** | 0 | 0 | 0 |
| **Rate of high-consequence work-related injuries (excluding fatalities)** | 18 | 4 | 0 |
| **Number of recordable work-related injuries[2]** | 1.58 | 1.17 | 0 |
| **Rate of recordable work-related injuries** | 2.69 | 11.44 | 0 |
| **Number of fatalities as a result of work-related ill health** | 0 | 0 | Not available |
| **The number of cases of recordable work-related ill health** | 1 | 0 | |

**Affected communities**

**Our approach**

The Company recognises the importance of developing critical infrastructure based on an integrated and sustainable perspective that improves the quality of life for societies. With emphasis on long-term sustainability, innovative and modern design techniques are used, aiming at optimising energy efficiency, reducing environmental impacts, and enhancing the well-being of local communities.

More specific, in The Ellinikon which is currently under-development, best planning practices have been adopted, that contribute both to the sustainable and economic development of the wider region, as well as the strengthening of recreation, tourism, and the cultural heritage of the local and wider society.

**The vision for the development of The Ellinikon's project and its contribution to society**

The basic design principles follow the theory of integrated design, contributing positively to the overall development process of Attica and to the production of a truly sustainable space, attractive both as a place of residence and for investments.

The Ellinikon is being developed as a single property and as an area of multiple functions of metropolitan dimension and international reference. The aim is to enhance Athens as a tourist destination, as a business center and recreation area. At the same time, The Ellinikon aims at:

- The creation of jobs.
- The creation of a metropolitan green park with recreation uses and other destination points.
- The allocation of green and recreational areas to the wider metropolitan complex of the capital.
- The regeneration and promotion of the seafront.

A city is being developed based on modern international practices, where everyone will be able to find what he/she requires on daily basis, and at a very close distance: schools and sports facilities, health, and welfare services, as well as entertainment and recreation areas.

- **Urban Development:** Standards and innovative urban development and reconstruction programmes are implemented and attributed to the wider metropolitan complex of the capital, including high-quality tourist, cultural, sports, educational, and social infrastructure. Through this combination of land uses the following benefits are promoted:
    - the social, economic, and territorial cohesion of the wider region,
    - mobility, flows, and accessibility without discrimination through the connection and compatibility of the existing urban fabric with the new infrastructure and the permitted uses,
    - the transformation of the existing urban gap into a destination with a focus on The Ellinikon Park and the high and non-high buildings of special architectural design that function as landmarks for the whole area,
    - the penetration of green spaces within the residential fabric of neighboring urban areas,
    - the residential diversity,
    - the polycentrism and multifunctionality,
    - the organised urban development.

- **The Ellinikon Park:** With a size greater than 2 million sqm., it will be the "green lung" of the development. It will be one of the largest parks in the world and a landmark for the project ofThe Ellinikon. The Ellinikon Park will be an oasis of green, a park open to all, which changes the image of the urban landscape and becomes the focus of interest. The Ellinikon Park will consist of 7 areas, with easy access to each other, offering unique experiences for residents and visitors.

- **Tourism:** The project of The Ellinikon will offer a unique opportunity to upgrade the image of Athens and become one of the most important tourist destinations in the world. A destination that will include a significant number of new tourist accommodations, architectural landmarks, and thematic tourism uses, which is estimated to attract 1 million new tourists by significantly extending the tourist season - while reducing seasonality - and increasing their average stay and money spent in Athens.

- **Cultural heritage:** The Ellinikon project aspires to highlight the history of the region, "A glorious past, a very promising future". Many of the buildings that have been characterised as "preserved" will be preserved, restored, and given a new identity, highlighting their historical significance.

- **Educational Center:** The Ellinikon project will be a Center for Education, Research and Entrepreneurship. It will include multiple academic activities, through the creation of educational institutions and student dormitories. The Ellinikon aspires to promote both Scientific Research in Greece, with the establishment of internationally recognised Medical and Research Institutions as well as entrepreneurship, domestic and international, through a model business park.

In addition, important infrastructure and upgrading projects of the local and broader community are:

- Upgrading and delivery of a new 3.5 km long coastal front and a 1 km long beach.
- Modernisation and enhancement of the existing marina.
- Modernisation and installation of new sports facilities.
- Creation of welfare and health facilities.
- Creation of high-quality social infrastructure.
- Design and construction of emblematic footbridge connecting the park with the coastal front.
- Increase of the surface of unobstructed access to the coastal front with the undergrounding of Poseidonos Avenue.
- Configuration of a safe and modern road network.
- Design of a complete series of flood protection works.
- Design of an extensive network of bicycle paths and sidewalks.
- Design of a complex underground project of rainwater management system.
- Creation of a building complex for People with Disabilities.

- Business center development.
- Development of recreational areas.
- Construction and operation of a Sewage Treatment Plant (WWTP).
- Construction and operation of a Solid Waste Management Facility (SWMF) which includes a Recycling Material Sorting Center (RMSC) and a Composting Unit.

**Projects in operation:**

**The Building complex for People with Disabilities:** In 2023, The Building Complex for People with Disabilities was completed, hosting 4 associations for children and adults with disability and special skills. The new building complex houses the services of Day Care Centers (DCC) and Lifelong Learning Centers (LLC) of the associations:

- AMIMONI Association
- ERMIS Association
- NIKI Association
- Association of Individuals with Multiple Sclerosis SAmSKP

The building ensures the independent operation and access of all, and at the same time the shared use of facilities aimed at all associations, through modern infrastructures.

**The Experience Park:** The Experience Park is a popular visitor destination for both the local community and the wider region having already attracted over 1,800,000 visitors by the end of 2023. Offering a wealth of activities and experiences for all ages, it has created a new green oasis for citizens, while it is a model of sustainable living and recreation.

| | 2023 | 2022 |
|---|---|---|
| Number of visitors | 876,408 | 951,955 |

Innovation & Technology

The Ellinikon will be a state-of-the-art, "smart" city that will reflect the future of housing, work, and entertainment, utilising technologies to offer sustainable services and serve future generations.

The Ellinikon goal is to offer a digitally empowered everyday life to residents and employees, as well as an unforgettable experience to visitors. These are user-centric technologies – with a view to prosperity, security, and privacy – and provide the necessary digital background for the economy of the future.

The Ellinikon is designed to be equipped with all the physical infrastructure and information systems that will make it a model Smart City. Telecommunication networks (fiber optics, WiFi, 5G and IoT) will allow a variety of sensors and devices to communicate and collaborate, to minimise resource consumption and environmental footprint and to offer unique digital services to residents, visitors, and businesses within The Ellinikon. Indicatively, applications include:

- Public network & public WiFi Fiber to the Premise (FTTP) throughout The Ellinikon.
- Full range of solutions for "smart" home and "smart" office.
- "Smart" measurement, lighting, waste management, parking, traffic, and Augmented Reality (AR) navigation systems – for the optimal operation and efficiency of all outdoor equipment and networks.
- Solutions for the environment and safety – to safeguard nature and well-being.
- Dedicated mobile apps (The Ellinikon resident app and The Ellinikon visitor app) – for easy-to-use and unified access to all digital services for residents and visitors.

Sustainable Development

The Ellinikon will be a model of integrated, sustainable living for the 21st century. Its objectives include:

- LEED certifications for all commercial and for a plethora of residential buildings, SITES certification for The Ellinikon Park.
- Increase efficiency and reduce energy consumption to minimise carbon dioxide emissions.
- Installation of photovoltaic systems.
- Water saving practices for the restoration of natural water resources.
- Use of sustainable building materials to conserve natural water resources.
- Shielding the project against climate change.
- Creation of promenades, bicycle paths and facilities for electric vehicles throughout the project.
- Extensive plantings and enhancement of biodiversity.

**Our performance**

**Construction developments**

Infrastructure projects

The infrastructure projects of Phase A will be delivered gradually and include, among others, the provision of an extensive road network. The road network includes the underground and interchange of Poseidonos Avenue, as well as the construction of utility networks to serve all planned buildings. Among them are the buildings of the residential and commercial developments and the sports complex, The Ellinikon Park and the other developments foreseen during the Phase A of the project. In 2023, the works of the infrastructure works related to the anti-flood works and the revival and demarcation of the streams of Trachones and Airport, as well as the infrastructure works related to the residential and commercial development projects, started.

Building projects

Alongside the infrastructure projects, in 2023 the preliminary construction works of The Cove Residences, the Sports Park, as well as the Riviera Tower began.

**Economic impact assessment**

Since 2016, the Company has made available data for the preparation of a study by the Foundation for Economic and Industrial Research (IOBE), entitled "Economic impacts from the development of the Elliniko area", in order to determine the economic impact of the project both on neighboring areas (microeconomic level) and on the Greek economy as a whole (macroeconomic level).

The Ellinikon is expected to have a positive impact on the wider area during construction and subsequently with the operation of the planned facilities, enhancing demand for products and services and generating fiscal revenues and new jobs.

The microeconomic effects shall be considered per category of activities developed in the area under regeneration and shall include:

- Investment expenditure.
- Economic activity (turnover of developments).
- Employment and tax revenues arising per category of activities (construction of projects, transfer and ownership of houses, activity of shops and offices, tourism, leisure activities, health & education services, and operation of support structures).

The expected macroeconomic effects from the overall investment activity and the synergies that will arise from The Ellinikon, include:

- Strengthening infrastructure and building activity.
- General stimulation of the services sector – incomes – at many levels by the operation of multiple activities, resulting in endogenous but autonomous permanent growth of private consumption.
- Strengthening the supply and productive capacities of the economy.
- Positive impact on the balance of payments from the corresponding inflow of private capital.

In addition, the income and know-how generated by the project have an impact on the entire Greek economy, as it is a project with a particularly high budget.

More information is included in the study "Economic impacts from the development of the Elliniko area" of IOBE and is available on the website http://iobe.gr.

## 6. Respect of human rights
## Equal treatment and opportunities


### Our approach

The Company aspires to create an excellent working environment that ensures dignity, equality and provides equal opportunities to all. Building such an environment is rooted in the impartial attraction of young workers regardless of gender, age, etc. and extends to the fair evaluation of employees.

The Company expresses its zero tolerance to discrimination, violence and harassment that may occur during work, whether related to it or resulting from it, while at the same time it is committed to addressing and eliminating any such incidents, to ensure a working environment where respect for human dignity prevails. Furthermore, the Company selects, assigns, evaluates, rewards, and compensates based on formal and substantive qualifications for the needs of their work, without discrimination based on race, color, national origin, nationality, religious or other beliefs, disability or chronic disease, age, marital or social status, identity or gender, citizenship, sexual orientation or any other personal characteristics.

### Human Rights Policy

In this context, in 2023, the Group adopted a Human Rights Policy, approved by the BoD, which establishes a framework for respecting and observing internationally recognised human rights within the Group's operations, as well as in its entire value chain, as a fundamental element of responsible business conduct and contribution to sustainable development.

The development of the Human Rights Policy was based on internationally recognised standards and guidelines for the protection of human rights, including but not limited to:

- The ILO Declaration on Fundamental Principles and Rights at Work.
- The Universal Declaration of Human Rights (UDHR).
- The International Covenant on Civil and Political Rights (ICCPR).
- The Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

The Policy identifies human rights by stakeholder group, focusing on:

1. Employees.
2. Customers, end-users and visitors of its investment properties.
3. Local communities within which the Group operates.

More information on human rights is available in the Human Rights Policy, available on the website https://www.lamdadev.com.

### Non-Discrimination, Anti-Harassment, and Violence Prevention at Work Policy

In parallel, the Group implements a Non-Discrimination, Anti-Harassment, and Violence Prevention at Work Policy. The aim of this policy is to prevent and combat every form of discrimination based on personal characteristics and choices and every form of violence and harassment occurring in the course of, linked with, or arising out of, work. The Group is committed to combating and eliminating discrimination, violence and harassment in the workplace, with a view to ensuring a work environment that fosters respect for human dignity and bans discrimination on the basis of personal characteristics and choices. It is expressly and unequivocally stated that any form of discrimination, violence and harassment occurring in the course of, linked with, or arising out of, work, is strictly prohibited.

The Group is committed to receive, investigate, and manage any relevant complaint, demonstrating zero tolerance to discrimination, violence, and harassment, with confidentiality and respect for human dignity. It also undertakes not to impede the receipt, investigation, and handling of such complaints. The Group makes a commitment to provide assistance to every competent public, administrative or judicial authority during the investigation of each incident of violence and harassment. Appropriate and proportionate measures shall be taken on a case-by-case basis for those employees and parties related to the Group in any manner that breach the obligations under this Policy, in order to prevent any similar incident or conduct from happening again.

More information is available in the Non-Discrimination, Anti-Harassment, and Violence Prevention at Work Policy, on the website https://www.lamdadev.com.

For 2023, there were no recorded incidents of discrimination against either internal stakeholders (employees) or external stakeholders (e.g. suppliers, contractors).

## 7. Corporate governance

### Our approach

The Group fully complies with the applicable corporate governance legislation. In this context, and in accordance with the provisions of article 17 of Law 4706/2020 and article 4 of Decision 2/905/3.3.2021 of the Hellenic Capital Market Commission's BoD, the Company, following the 16.7.2021 decision of its BoD, has adopted, and implements, the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council, with any deviations that will be explicitly referred in the Corporate Governance Declaration, as included in the Annual Financial Report.

To achieve its business objectives, a specific corporate governance system is implemented, through which command and control matters are managed.

More information is included in LAMDA Development's Corporate Governance Statement and Non-Financial Information on the website LAMDA NFR 2023.

## 8. Supply chain issues

### Our approach

The Company strives for constructive and long-term relationships with suppliers, partners and contractors, to ensure both a smooth cooperation and the business continuity of its operation. The cooperation proposals submitted by the potential suppliers, partners, contractors are evaluated based on specific criteria, in order to ensure that those who will be selected have the necessary know-how as well as the ability to carry out the respective cooperation, with priority given to integrity, quality and reliability.

In the context of strengthening due diligence in matters of sustainable development, the Company has initiated the implementation of initiatives aimed at expanding responsible practices in its supply chain.

The Group implements a Procurement Policy that determines, through the provision of basic guidelines and rules, the operating framework with respect to the procurement operation, during the exercise of the Company's activities. It aims at covering the needs in materials, equipment, services, and projects, of adequate quality, in a timely manner, and under the best possible terms (quality, price, payment method, guarantees, etc.) to:

- Strike a balance between technical adequacy, quality, and price of offers, as well as the quality and acceptance of the supplier, in order to maximise the overall benefit.
- Ensure transparency, objectivity, impartiality, and equal opportunities.
- Minimise operational and credit risks, arising from partnerships with suppliers.
- Increase credibility towards third parties.

In addition, since September 2023, the SAP ARIBA platform will be used for all tenders conducted by the Procurement department for the selection of companies that will meet the current needs in materials, equipment, and services.

At the same time, the Group has developed the Supplier Code of Conduct, which defines the ethical principles that must be followed by suppliers, contractors, service providers and consultants who have a contractual relationship with the Group, in order to ensure responsible practices in the value chain (see section "Working conditions in the value chain"). The purpose of the Suppliers' Code of Ethics is, among others, to promote safe and fair working conditions, as well as the responsible management of social, ethical, and environmental issues along the Group's supply chain.

## H. BRANCHES

Branches of the Company in the area of Ellinikon region of Attica, where the Agios Kosmas Marina and the Experience Center/Park operate.

**Maroussi, 30 May 2023**

**Board of Directors**

| | |
|---|---|
| **Odyssefs E. Athanasiou** | **Charalampos Ch. Goritsas** |
| **Chairman of the BoD &<br>Chief Executive Officer** | **Member of the BoD** |

## II. INDEPENDENT AUDITOR'S REPORT

**[Translation from the original text in Greek]**

**Independent auditor's report**

**To the Shareholders of "HELLINIKON S.M.S.A."**

**Report on the audit of the financial statements**

**Our opinion**

We have audited the accompanying financial statements of "HELLINIKON S.M.S.A." (Company) which comprise the statement of financial position as of 31 December 2023, the statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, comprising material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2023, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

During our audit we remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017, that are relevant to the audit of the financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, and the requirements of the IESBA Code.

**Other Information**

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Board of Directors Report, we considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Board of Directors Report for the year ended at 31 December 2023 is consistent with the financial statements,

- The Board of Directors Report has been prepared in accordance with the legal requirements of article 150 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors Report. We have nothing to report in this respect.

**Responsibilities of Board of Directors and those charged with governance for the financial statements**

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's responsibilities for the audit of the financial statements**

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

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

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

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on other legal and regulatory requirements**

With respect to the Board of Directors Report, the procedures we performed are described in the "Other Information" section of our report.

Athens, 31 May 2024

The Certified Auditor Accountant

PricewaterhouseCoopers

260 Kifissias Avenue

152 32 Chalandri

SOEL Reg. No 113

**Socrates Leptos-Bourgi**

SOEL Reg. No 41541

# III. ANNUAL FINANCIAL STATEMENTS
## FOR THE YEAR ENDED ON DECEMBER 31, 2023

### Statement of Financial Position

| *Amounts in € thousand* | Note | 31.12.2023 | 31.12.2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Investment property | 6 | 624.956 | 616.477 |
| Tangible assets | 7 | 36.350 | 39.137 |
| Intangible assets | 8 | 722 | 636 |
| Inventories | 9 | 880.020 | 909.796 |
| Right-of-use assets | 10 | 76.883 | 76.835 |
| Restricted cash | 13 | 105 | - |
| Derivative financial instruments | 18 | 743 | - |
| Other receivables | 11 | 134 | 159 |
| | | **1.619.913** | **1.643.040** |
| **Current assets** | | | |
| Inventories | 9 | 184.537 | 117.055 |
| Trade and other receivables | 11 | 161.149 | 124.127 |
| Current tax assets | 28 | 3.287 | 1 |
| Restricted cash | 13 | 11.788 | - |
| Cash and cash equivalents | 12 | 118.671 | 164.925 |
| | | **479.432** | **406.108** |
| **Total assets** | | **2.099.345** | **2.049.148** |
| | | | |
| **EQUITY** | | | |
| **Equity attributable to equity holders** | | | |
| Share capital | 15 | 713.757 | 915.000 |
| Other reserves | 16 | 5.174 | 2.315 |
| Retained earnings | | 189.929 | 160.000 |
| **Total equity** | | **908.860** | **1.077.315** |
| | | | |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Borrowings | 17 | 230.000 | - |
| Deferred tax liabilities | 22 | 29.878 | 23.666 |
| Lease liabilities | 10 | 4.353 | 4.878 |
| Net employee defined benefit liabilities | 19 | 301 | 222 |
| Provisions for infrastructure investments | 21 | 502.541 | 507.354 |
| Other non-current liabilities | 20 | 580 | 765 |
| | | **767.653** | **536.885** |
| **Current liabilities** | | | |
| Borrowings | 17 | 790 | 83.710 |
| Trade and other payables | 20 | 251.332 | 203.967 |
| Lease liabilities | 10 | 1.203 | 820 |
| Provisions for infrastructure investments | 21 | 169.507 | 121.260 |
| Current tax liabilities | 28 | - | 25.191 |
| | | **422.832** | **434.948** |
| **Total liabilities** | | **1.190.485** | **971.833** |
| **Total equity and liabilities** | | **2.099.345** | **2.049.148** |

Notes on pages 49 to 100 form an integral part of these financial statements

## Statement of Profit or Loss

| *Amounts in € thousand* | **Note** | **01.01.2023 to 31.12.2023** | **01.01.2022 to 31.12.2022** |
|---|---|---|---|
| Revenue | 23 | 332.039 | 276.243 |
| Cost of sales of inventory | 9,10 | (125.455) | (122.916) |
| Net gain/(loss) from fair value adjustment on investment property | 6 | 23.350 | 93.683 |
| Loss from inventory impairment | 9 | (38.945) | - |
| Employee benefits expense | 24 | (20.006) | (12.508) |
| Depreciation | 7,8,10 | (3.193) | (1.090) |
| Services and recharges of various preliminary expenses | 25 | (13.998) | (12.626) |
| Other operating income/(expenses) - net | 26 | (66.283) | (53.083) |
| **Operating profit/(loss)** | | **87.509** | **167.703** |
| Finance income | 27 | 2.038 | 1 |
| Finance cost | 27 | (46.036) | (25.887) |
| **Profit/(loss) before tax** | | **43.511** | **141.817** |
| Income tax expense | 28 | (11.148) | (22.613) |
| **Profit/(loss) for the year** | | **32.363** | **119.204** |
| | | | |
| **Operating result (EBITDA)** | 5 | **90.702** | **168.793** |

## Statement of Comprehensive Income

| *Amounts in € thousand* | **Note** | **01.01.2023 to 31.12.2023** | **01.01.2022 to 31.12.2022** |
|---|---|---|---|
| **Profit/(loss) for the year** | | **32.363** | **119.204** |
| Actuarial gain/(loss), net of tax | 19 | (12) | 15 |
| **Other Comprehensive Income for the year** | | **(12)** | **15** |
| **Total Comprehensive Income for the year** | | **32.351** | **119.219** |

Notes on pages 49 to 100 form an integral part of these financial statements

## Statement of Changes in Equity

| *Amounts in € thousand* | Note | Share capital | Other reserves | Retained earnings | Total equity |
|---|---|---|---|---|---|
| **1 January 2022** | | **915.000** | **423** | **42.673** | **958.096** |
| **Total income:** | | | | | |
| Profit for the period | | - | - | 119.204 | 119.204 |
| Other comprehensive income for the year: | | | | | |
| Actuarial gain, net of tax | 19 | - | 15 | - | 15 |
| **Total comprehensive income for the year** | | **-** | **15** | **119.204** | **119.219** |
| **Transactions with the shareholders:** | | | | | |
| Formation of legal reserve | 16 | - | 1.877 | (1.877) | - |
| **Total transactions with the shareholders for the year** | | **-** | **1.877** | **(1.877)** | **-** |
| **31 December 2022** | | **915.000** | **2.315** | **160.000** | **1.077.315** |
| **1 January 2023** | | **915.000** | **2.315** | **160.000** | **1.077.315** |
| **Total income:** | | | | | |
| Profit for the period | | - | - | 32.363 | 32.363 |
| Other comprehensive income for the year: | | | | | |
| Actuarial loss, net of tax | 19 | - | (12) | - | (12) |
| **Total comprehensive income for the year** | | **-** | **(12)** | **32.363** | **32.351** |
| **Transactions with the shareholders:** | | | | | |
| Formation of legal reserve | 16 | - | 2.305 | (2.305) | - |
| Increase of share capital | 15 | 43.000 | - | - | 43.000 |
| Decrease in share capital | 15 | (244.243) | - | - | (244.243) |
| Incremental costs to share capital increases | | - | - | (129) | (129) |
| Parent's contribution from the distribution of shares | 16 | - | 566 | - | 566 |
| **Total transactions with the shareholders for the year** | | **(201.243)** | **2.871** | **(2.434)** | **(200.806)** |
| **31 December 2023** | | **713.757** | **5.174** | **189.929** | **908.860** |

Notes on pages 49 to 100 form an integral part of these financial statements

## Statement of Cash Flows

| *Amounts in € thousand* | Note | 01.01.2023 to 31.12.2023 | 01.01.2022 to 31.12.2022 |
|---|---|---|---|
| **Profit/(loss) for the year** | | **32.363** | **119.204** |
| Adjustments for: | | | |
| Income tax expense | 28 | 11.148 | 22.613 |
| Net gain/(loss) from fair value adjustment on investment property | 6 | (23.350) | (93.683) |
| Depreciation | 7,8,10 | 3.193 | 1.090 |
| Impairment of receivables | 11 | (2) | (73) |
| Finance cost | 27 | 46.023 | 25.883 |
| Finance income | 27 | (2.038) | (1) |
| Loss from inventory impairment | 9 | 38.945 | - |
| Provision for retirement benefit obligations | 19 | 64 | 73 |
| Currency translation differences | 27 | 13 | 4 |
| | | **106.359** | **75.110** |
| **Changes in working capital:** | | | |
| (Increase)/decrease in inventories | 9 | (26.547) | 78.288 |
| (Increase)/decrease in receivables | 11 | (44.985) | (108.703) |
| Increase/(decrease) in payables | 20 | 47.180 | 119.493 |
| (Restriction)/release of cash and cash equivalents | 13 | (11.893) | - |
| | | **(36.245)** | **89.078** |
| Income tax paid | | (33.031) | - |
| **Net cash (outflow) / inflow from operating activities** | | **37.083** | **164.187** |
| **Cash flows from investing activities** | | | |
| Purchase of tangible assets and investment property | 6,7,10 | (24.213) | (39.322) |
| Purchase of intangible assets | 8 | (272) | (554) |
| Interest received | | 1.194 | 1 |
| (Increase) in the share capital of participations | 15 | (12.960) | - |
| **Net cash (outflow) / inflow from investing activities** | | **(36.251)** | **(39.875)** |
| **Cash flows from financing activities** | | | |
| Increase/(decrease) in the share capital | 15 | (188.300) | - |
| Share capital decrease expenses | | (43) | - |
| Interest paid and related expenses | 17 | (6.458) | (1.582) |
| Loans received from related parties | 17 | 230.000 | - |
| Repayment of loans from related parties | 17 | (80.000) | - |
| Repayment of lease liabilities | 10 | (2.050) | (843) |
| Interest paid related to lease liabilities | | (234) | (197) |
| **Net cash (outflow) / inflow from financing activities** | | **(47.085)** | **(2.622)** |
| **Net increase / (decrease) in cash and cash equivalents** | | (46.254) | 121.690 |
| Cash and cash equivalents at the beginning of the year | 12 | 164.925 | 43.235 |
| **Cash and cash equivalents at end of the year** | 12 | **118.671** | **164.925** |

Notes on pages 49 to 100 form an integral part of these financial statements

## Notes to the financial statements

### 1. General information

These financial statements include the standalone financial statements of the HELLINIKON S.M.S.A. (the "Company") for the fiscal year ended 31 December 2023, in accordance with International Financial Reporting Standards (IFRS).

The main activities of the Company are the metropolitan redevelopment of Hellinikon Airport area, where the Company will develop residencies, hotels, shopping centers, offices, cultural and training centers, information and health centers, other infrastructure, a metropolitan park of 2 million sq.m., as well as the redevelopment of the 3,5 km long coastline, including the exploitation of Marina of Agios Kosmas.

The Company was incorporated in accordance with article 42 of Law 3943/2011 under the name "HELLINIKON - HELLENIC AIRPORT PROPERTY MANAGEMENT AND DEVELOPMENT COMPANY, STOCK COMPANY" and with the distinctive title "HELLINIKON S.A.". According to no. 3 par. 3b of the above law, with the passage of one month from the first formation of the Board of Directors of "HELLINIKON S.A.", the administration, management and exploitation of the property and the buildings and facilities on it of the former Ellinikon Airport, with its annexes and components, automatically belonged to the Company. According to the no. Joint Ministerial Decisions 187/6.9.2011 (Government Gazette 2061Β΄/16.9.2011), 206/25.4.2012 (Government Gazette 1363Β΄/26.4.2012) and 227/28.1.2013 (Government Gazette 136Β΄/29.1.2013), issued by the Interministerial Committee for Restructuring and Privatizations (ICRP), the entire share capital of the Company was transferred to the Hellenic Republic Asset Development Fund (HRADF S.A.).

Until 25.06.2021, all of the Company's shares were owned by HRADF and therefore the Company operated for the sake of the public interest according to the rules of the private economy. In addition, they were exclusively governed by the provisions of Law 3943/2011, and for matters not expressly regulated by this law by the provisions of Law 4548/2018, while they were excluded from the provisions of the public sector. Subsequent to the founding law, the Company was classified by the Hellenic Statistical Service as a General Government Body. This inclusion does not negate the provisions of the founding law.

On 14 November 2014, a "share sale and purchase agreement" (the "SPA") was signed between a) the Hellenic Republic Asset Development Fund – (the "HRADF") (as the Seller), b) HELLINIKON GLOBAL I S.A., a wholly owned (100%) subsidiary of the Company (as the Purchaser) and c) the Company (as the Guarantor of the Purchaser) for the acquisition of 100% of the shares of HELLINIKON S.M.S.A. On 19 July 2016, an "amendment agreement" (the "Amendment Agreement") was signed by the same parties. On 26 September 2016, by Law 4422/2016 (Government Gazette A' 181/27.09.2016), the SPA and the Amendment Agreement (together the "Agreement") were ratified by the Hellenic Parliament. On 15 June 2021, the SPA and the Amendment Agreement were also signed by the Hellenic Republic (as a third party undertaking certain obligations). Finally, on 25 June 2021, following the fulfillment of certain conditions precedent that were provided in the SPA, HRADF and HELLINIKON GLOBAL I S.A. signed the Share Transfer Agreement for the acquisition of 100% of the share capital of HELLINIKON S.M.S.A., in accordance with the respective provisions of the SPA. On that date, i.e. on 25 June 2021, which represents the date of acquisition of HELLINIKON S.M.S.A. by the LAMDA Development Group, the shares of HELLINIKON S.M.S.A. were also transferred to HELLINIKON GLOBAL I S.A..

Under the Agreement, the HELLINIKON GLOBAL I S.A. is committed (a) to procure the development of the Metropolitan Pole of Ellinikon – Agios Kosmas (the "Site") by the Company in compliance with the Business Plan and the Integrated Development Plan (as these are defined in the SPA) and that HELLINIKON S.M.S.A. incurs capital expenditures, for development and infrastructure works and the implementation of the Integrated Development Plan, amounting to €4,6bn within a 15-year period and (b) to ensure i) funding of HELLINIKON S.M.S.A. in accordance with the Business Plan and the SPA for the purposes of implementing the entirety of the Integrated Development Plan ii) that its debt to shareholders contribution ratio does not exceed 3:1 and iii) the provision of bank guarantees for the deferred amount of the consideration paid.

The Company is registered in the General Electronic Commercial Registry under the number 115936901000, is domiciled in Greece, 37A Kifissias Ave., 15123, Maroussi, and maintains a branch office at Agios Kosmas Marina in the Ellinikon region of Attica. The Company's website address is www.hellinikon.com. The Company HELLINIKON GLOBAL I S.A. is the direct 100% owner. The HELLINIKON GLOBAL I S.A. is a 100% subsidiary of LAMDA DEVELOPMENT S.A. The entity Consolidated Lamda Holdings S.A., which is domiciled in Luxembourg, holding 43,76% of Company's shares of LAMDA DEVELOPMENT S.A. The financial statements of the Company are included in the consolidated financial statements of LAMDA DEVELOPMENT S.A.

These annual standalone financial statements have been approved for release by the Company's Board of Directors on 30th of May 2024 and are subject to the approval of the ordinary General Meeting of Shareholders.

## 2. Summary of material accounting policies

### 2.1 Basis of preparation of annual financial statements of preparation

These standalone and consolidated financial statements have been prepared by the Management in accordance with International Financial Reporting Standards (IFRS) and Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union, and present the financial position, the operating results and the cash flows based on the going concern assumption which assumes that the Company has plans in place to avoid material disruptions to its operations and available financial resources to meet its operating requirements. In this respect, the Management has concluded that a) the basis of the going concern assumption of these financial statements is appropriate and b) all assets and liabilities have been presented properly in accordance with the Company accounting policies.

The Management decision to apply the going concern assumption is based on the estimations related to the possible impact from energy crisis and inflationary pressures. This decision is based on the forecasts of future cash flows, the current cash position of the Company, the recent developments regarding the financing of the property development in Ellinikon within 2022 and 2023, the issuance of Green Common Bond Loan, as well as the receipts for sales of residential and hotel property developments in Ellinikon.

The financial statements are presented in euros, and all values are rounded to the nearest thousand (€'000), unless otherwise stated.

**Impact from inflationary pressures, energy crisis, increasing interest rates and geopolitical instability**

Regarding the inflationary pressures observed in international markets and in Greece, the Company's revenues from leasing and berthing services contracts are adjustment based on the Consumer Price Index (CPI).

The significantly increased costs observed in the international markets in 2022, due to the energy crisis, burdened the Company's operating expenses in 2022, however, after the de-escalation of international electricity and natural gas prices in 2023, the burden on operating expenses was reduced compared to the corresponding period last year.

The LAMDA Development Group constantly monitors the developments in the energy market in order to react immediately and take advantage of possible market variations. Finally, the LAMDA Development Group will intensify its efforts to implement its "green" energy investments in eligible properties, to reduce future energy costs, by limiting dependence on traditional energy sources.

The Company has not agreed or contracted final selling prices for the larger part of the projects and developments included in The Ellinikon. This enables the Company to pass on to its counterparties all or part of the increase in raw material prices and energy costs, observed recently in the market, while maintaining selling prices at competitive levels based on the broader market conditions. Worth noting that, in accordance with international practices related to the preparation of future estimates-budgets for projects of similar size and complexity, the Company has included contingencies in the cost estimates for all projects and developments included in The Ellinikon.

Regarding the exposure to the risk of increases in interest rates, it is pointed it is noted that as at 31 December 2023 the Company is exposed to the risk of interest rate changes as its total borrowings consist of two loan series for a total amount of €230 million, which have been drawn by LAMDA FINANCE S.A. (a wholly owned subsidiary of LAMDA Development Group) and provide for a fixed interest rate of 4,24% plus 12-month EURIBOR. Therefore, according to the relevant sensitivity analyses, a change of +/- 1 percentage point in the benchmark interest rates (EURIBOR) would have an impact of approximately €2,3 million on the Company's annual finance cost (respectively in the pre-tax consolidated results).

Regarding the war in Ukraine and the conflict in Middle East and the current geopolitical developments, it is worth highlighting the following: (a) the Company does not own subsidiaries and/or other investments in Russia/Ukraine, or other neighboring areas directly affected from war conflicts (b) in the Marina of Ag. Kosmas Marina, there are no long-term customers from these countries and (c) there are no customers from said countries who have submitted deposits for the future purchase of both apartments and land in the Ellinikon project.

The Company's Management closely monitors and evaluates developments regarding geopolitical situation as well as the current energy crisis, in order to take the necessary measures and adjust its business plans (if required) with the aim of ensuring business continuity and limiting any negative effects on its activities. At this stage, it is not possible to predict the general impact that a prolonged energy crisis and price increase in general may have on the financial situation of the Company's customers. Based on its current assessment, it has concluded that no additional impairment provisions are required for the Company's financial and non-financial assets as of December 31, 2023.

The Management of the Company has carried out all the necessary analyses in order to confirm its cash adequacy. The Company's cash flow and cash equivalents and the signed bank loan agreements are sufficient to ensure the coverage of its outstanding obligations taking into account the recent developments regarding the financing of the development of the Ellinikon project (note17).

In note 3 "Financial risk factors" of the financial statements, there is information on the approach of the total risk management of the Company, as well as on the general financial risks that the Company faces regarding the going concern principle.

Financial statements have been prepared under the historical cost principle, except for the investment property and the derivative financial instruments which are presented at fair value.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. In addition, the use of certain estimates and assumptions is required that affect the balances of the assets and liabilities, the disclosure of contingent assets and liabilities as at date of preparation of the financial information and the amounts of income and expense during the reporting period. Although these calculations are based on Management's best knowledge of current conditions and actions, actual results may ultimately differ from these calculations. Areas involving complex transactions and involving a high degree of subjectivity, or assumptions and estimates that are significant to the financial statements are disclosed in note 4.

## 2.2 New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1st January 2023. The Company's assessment of the effect of these new standards, amendments to standards and interpretations is presented below.

**Standards and Interpretations effective for the financial year 2023**

**IAS 1 "Presentation of Financial Statements" (Amendment) - "Accounting policy disclosures"**
(COMMISSION REGULATION (EU) No. 2022/357 of 2nd March 2022, L 68/1 -3.3.2022)

This applies to annual accounting periods starting on or after 1st January 2023.

In February 2021 the IASB issued amendments to IAS 1 "Presentation of Financial Statements" and IFRS Practice Statement 2 "Making Materiality Judgements". The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The amendment had no impact on the Company's financial statements, as the existing disclosures of accounting policies are consistent with the amendments.

**IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" (Amendment) - "Definition of accounting estimates"**
(COMMISSION REGULATION (EU) No. 2022/357 of 2nd March 2022, L 68/1 -3.3.2022)

This applies to annual accounting periods starting on or after 1st January 2023.

In February 2021 the IASB issued amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The amendments to IAS 8 clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

The amendment had no impact on the Company's financial statements, as the existing disclosures of accounting policies are consistent with the amendments.

**IAS 12 "Income Taxes" (Amendment) – "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"**
(COMMISSION REGULATION (EU) No. 2022/1392 of 11th August 2022, L 211/78 -12.8.2022)

This applies to annual accounting periods starting on or after 1st January 2023.

In May 2021 the IASB issued amendments to IAS 12 "Income Taxes". The amendments to IAS 12 specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. IAS 12 "Income Taxes" specifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations—transactions for which companies recognize both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

These amendments had no impact on the Company's financial statements, only on the disclosures (presentation format) of deferred tax from leases.

**IAS 12 "Income Taxes" (Amendment) – "International Tax Reform and Pillar II Model Rules"**
(COMMISSION REGULATION (EU) No. 2023/2468 of 8th November 2023, L 9.11.2023)

In May 2023, the IASB issued amendments to IAS 12 "Income Taxes", which introduce a mandatory exemption in IAS 12 from the recognition and disclosure of deferred tax assets and liabilities related to income taxes of the "Pillar 2" model.

The amendments clarify that IAS 12 applies to income taxes arising from tax legislation enacted to implement the Pillar II model rules published by the Organization for Economic Co-operation and Development (OECD), including tax legislation applying specific domestic minimums additional taxes, to ensure that large multinationals are subject to a minimum tax rate of 15%. This tax legislation, and the income taxes arising therefrom, are referred to as "Pillar II Legislation" and "Pillar II Income Taxes", respectively.

The amendments require an entity to disclose that it has applied the exemption for the recognition and disclosure of information about deferred tax assets and liabilities related to Pillar II Income Taxes and to disclose separately its current tax expense or income, related with Pillar II Income Taxes, in the periods in which the legislation applies.

Also, the amendments require, for periods in which Pillar Two legislation is (substantively) enacted but not yet effective, disclosure of known or reasonably estimable information that helps users of financial statements understand the entity's exposure arising from Pillar Two income taxes, at the end of each reporting period.

Disclosure of current tax expense relating to Pillar II Income Taxes and disclosures in respect of periods prior to the commencement of the legislation are required for annual reporting periods beginning on or after 1 January 2023, but are not required for any interim period ending on or before 31 December 2023.

The Company did not have any impact on its financial statements from the amendments.

**IFRS 17 "Insurance Contracts"**
(COMMISSION REGULATION (EU) No. 2022/1491 of 8th September 2022, L 234/10 - 9.9.2022)

IFRS 17 "Insurance Contracts" became effective for annual periods beginning on or after 1 January 2023 and replaces IFRS 4 "Insurance Contracts".

The object of the standard is the recognition, measurement, presentation and necessary disclosures of all types of insurance contracts, as well as certain guarantees and financial instruments with optional participation characteristics, regardless of the nature of the activities of the entities that issue them.

This standard does not apply to the Company and therefore did not affect its financial statements.

**Standards and Interpretations effective after 31st December 2023**

The following new standards, amendments and IFRICs have been published but are in effect for the annual fiscal period beginning the 1st of January 2024 or subsequently and have not been adopted from the Company earlier.

**IAS 1 "Presentation of Financial Statements" (Amendments) - "Classification of Liabilities as Current or Non-current" and "information about long-term debt with covenants"**
(COMMISSION REGULATION (EU) No. 2023/2822 of 19th December 2023, L 20.12.2023)

This applies to annual accounting periods starting on or after 1st January 2024. Earlier application is permitted.

In January 2020 the IASB issued amendment to IAS 1 "Presentation of Financial Statements" 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.

Also, in October 2022 the IASB issued amendment to IAS 1 "Presentation of Financial Statements" that aim to improve the information companies provide about long-term debt with covenants. IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company's ability to do so is often subject to complying with covenants. For example, a company might have long-term debt that could become repayable within 12 months if the company fails to comply with covenants in that 12-month period. The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements. The IASB expects the amendments to improve the information a company provides about long-term debt with covenants by enabling investors to understand the risk that such debt could become repayable early.

The Company expects no impact on financial statements since the existing accounting policies are consistent with the proposed amendments.

**IFRS 16 "Leases" (Amendment) - "Sale and leaseback transactions"**
(COMMISSION REGULATION (EU) No. 2023/2579 of 20th November 2023, L 21.11.2023)

This applies to annual accounting periods starting on or after 1st January 2024. Earlier application is permitted.

In September 2022 the IASB issued amendment to IFRS 16 "Leases", which add to requirements explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases that same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The amendments issued add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the Accounting Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction.

The Company will assess the impact of the amendment on its financial statements. However, based on initial assessment, these amendments are not expected to affect the Company.

**IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosure" – "Supplier Finance Arrangements" (Amendments)**

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted.

In May 2023 the IASB issued amendments in IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures" to supplement requirements already in IFRS and require an entity to disclose the terms and conditions of supplier finance arrangements. Additionally, entities are required to disclose at the beginning and end of reporting period the carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented as well as the carrying amounts of financial liabilities and line items, for which the finance providers have already settled the corresponding trade payables. Entities should also disclose the type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable. Furthermore, the amendments require an entity to disclose as at the beginning and end of the reporting period the range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements.

The amendments have not yet been endorsed by the European Union. The Company will assess the impact of the amendments on its financial statements.

**IAS 21 "The Effects of Changes in Foreign Exchange Rates" – "Amendments in Lack of Exchangeability".**

The amendments are effective for annual reporting periods beginning on or after January 2025, with earlier application permitted.

In August 2023 the IASB issued amendments that require companies to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.
The amendments have not yet been endorsed by the European Union.

The Company will assess the impact of the amendment on its financial statements.

There are no other new standards or amendments to standards, which are mandatory for periods beginning during the current period and subsequent periods that may have a significant impact on the Company's financial statements.

**IFRS 18 (New Standard): Presentation and Disclosure in Financial Statements**

This applies for annual periods beginning on or after 1 January 2027.

In April 2024 the IASB issued IAS 18. The new standard sets out the requirements for presentation and disclosures in financial statements and replaces IAS 1. Its aim is to make it easier for investors to compare the performance and future prospects of companies, amending the requirements for the presentation of information in the primary financial statements, particularly in Statement of Profit or Loss. The new standard:

- requires the presentation of two new defined subtotals in the Statement of Profit or Loss - operating profit and profit before financing and income taxes.
- requires disclosure of performance measures determined by a company's management - non-IFRS-specified subtotals of income and expenses included in public communications to communicate management's view of a company's financial performance. To promote transparency, a company should provide consistency between these measures and the totals or subtotals defined by IFRS.
- enhances the requirements for gathering and disaggregating information to help a company provide useful information.
- requires limited changes in the statement of cash flows to improve comparability by establishing a consistent starting point for the indirect method of presenting cash flows from operating activities and removing options for classification of cash flows related to interest and dividends.

The new standard has retroactive application. The standard has not been endorsed by the EU. The Company will assess the the impact of the amendment on its financial statements.

There are no other new standards or amendments to standards, which are mandatory for periods beginning during the current period and subsequent periods that may have a significant impact on the Company's financial statements.

## 2.3 Reclassifications

Amounts have been reclassified in the comparative financial statements in order to make them comparable with the presentation of the corresponding accounts in the financial statements of the current period.

These reclassifications had no impact on the Company's in equity or results of operations.

## 2.4 Foreign currency translation

### (a) Functional and presentation currency

The financial statements are presented in Euro (€), which is the Company's operations and financial statements presentation currency.

### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange differences (gains and losses) resulting from the settlement of such transactions in foreign currency and from the translation of monetary items from foreign to functional currency according to the exchange rates of at reporting date, are recognised in the Statement of Profit or Loss.

## 2.5 Investment property

Property that is held for either long-term rentals or for capital appreciation or both, and that is not owner-occupied by the Company, is classified as investment property.

Investment property comprises freehold properties as well as with surface right, like land, buildings, land and buildings held under lease, properties under construction to be developed for future use as investment property, as well as properties for which the Company has not yet identified a specific use.

Investment property is measured initially at its cost, including related direct transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Company uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are performed semi-annually by independent external valuers in accordance with the guidance issued by the International Valuation Standards Committee.

Fair value measurement on property under construction is only applied if the fair value is considered to be reliably measured. Otherwise, it is recognized at cost and remain at cost (less any impairment) until (a) the fair value can be reliably measured or (b) the construction is completed.

Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases, income from concession arrangements and assumptions about rental income from future leases in the light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of leasehold land classified as investment property. Other outflows, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the property's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are expensed in Statement of Profit or Loss when incurred.

Changes in fair values are recognized in the Statement of Profit or Loss. Investment properties are derecognised when they have been disposed or its use has been terminated and no cash flow is expected from its disposal.

If an investment property becomes owner-occupied, it is reclassified as tangible asset, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognized in equity as a revaluation of tangible under IAS 16. However, any fair value revaluation gain is recognized in Statement of Profit or Loss to the extent that it reverses a previous impairment loss. Any remaining gain is recognised in other comprehensive income and increasing assets revaluation reserve within equity.

If the use of an inventory changes and the property is classified as an investment property, any difference between the carrying amount and its fair value at the date of transfer is recognized in the Statement of Profit or Loss.

In general, reclassifications from and to investment properties take place when there is a use change that is evidenced as follows:

(a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property;

(b) commencement of development with a view to subsequent sale, for a transfer from investment property to inventory;

(c) the expiration of owner-occupied property, for a transfer from owner-occupied property to investment property;

(d) commencement of an operating lease to a third party, for a transfer from inventories to investment property.

## 2.6 Tangible assets

Tangible assets include: Buildings and facilities in third party buildings, transportation equipment and machinery, furniture and other equipment, as well assets under construction.

All tangible assets are shown at cost less subsequent depreciation and any impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are accounted by increasing the tangible assets carrying amount or recognised as a separate asset, only when it is probable that future economic benefits will flow to the Company and under the assumption that their cost can be measured reliably.

Repairs and maintenance costs are expensed in Statement of Profit or Loss when incurred.

Depreciation on tangible assets is calculated using the straight-line method with equal annual allocations over the item's estimated useful life, in order to write down the cost in its residual value. The expected useful life of tangible assets is as follows:

| | |
|---|---|
| - Buildings and facilities in third party buildings | 10-25 years |
| - Transportation equipment and machinery | 5-10 years |
| - Furniture and other equipment | 5-10 years |

The 'tangible assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

When tangible assets carrying amounts are greater than their recoverable amount, the difference (impairment loss) is recognized immediately in Statement of Profit or Loss. In case of write-off of assets that are fully obsolete, the net book value is recognised as loss in Statement of Profit or Loss.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the Statement of Profit or Loss.

## 2.7 Intangible assets

The software mainly concerns software licenses used for the administrative operations of the Company. Expenses that improve or extend the operation of software programs beyond their original specifications are capitalized and added to their original acquisition value. Software is valued at acquisition cost less depreciation and any impairment losses. Depreciation is charged on a straight-line basis over the estimated useful lives of the assets up to 5 years.

## 2.8 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization but are tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Assets that are subject to amortisation as well as investments in subsidiaries, joint ventures and associates are tested for impairment whenever there are indications that their carrying amount may not be recoverable.

The recoverable amount is the higher of the assets' net realisable value, less costs to sell, and value in use. For the purposes of the impairment's estimation, the assets are categorized at the lower level for which the cash flows can be determined separately.

Impairment losses are recognised as an expense to the Statement of Profit or Loss, when they occur.

## 2.9 Financial assets

**(a) Recognition and measurement of financial assets**

The Company recognizes a financial asset in its Statement of Financial Position when, and only when, it becomes a party to the contractual provisions of the instrument. The Company initially recognizes trade and other receivables on the date of transaction. At initial recognition, under IFRS 9, all financial assets, except for certain trade receivables, are recognized initially at their fair value plus transaction costs (except financial assets measured at Fair Value through Profit or Loss, where transaction costs are expensed).

**(b) Classification of non-derivative financial assets**

**i) Debt financial instruments**

Debt financial instruments within the scope of IFRS 9 are classified according to: (i) the Company's business model for managing the assets, that is, if the objective is to hold for the purpose of collecting contractual cash flows or collecting contractual cash flows as well as the sale of financial assets; and (ii) whether the instruments' contractual cash flows on specified dates represent "solely payments of principal and interest" on the principal amount outstanding (the "SPPI criterion"), in the below three categories:

- Debt instruments at amortized cost,
- Debt instruments at Fair Value through Other Comprehensive Income ("FVOCI"), and
- Debt instruments at Fair Value through Profit or Loss ("FVPL").

The subsequent measurement of debt financial instruments depends on their classification as follows:

**Debt instruments at amortized cost:**

Include financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. After initial measurement these debt instruments are measured at amortized cost using the effective interest method. Gains or losses arising from derecognition and impairment recognized in the Statement of Profit or Loss as finance costs or income, as well as the EIR income through the amortization process. This category includes Company's debt financial instruments, except for investments in mutual funds and bonds that are measured at fair value through Profit or Loss.

The financial assets that are classified in this category mainly include the following assets:

- Cash and cash equivalents
- Restricted cash
- Trade receivables

Trade receivables:

Trade receivables are amounts owned by customers for the sale of products or the provision of services within the ordinary course of business. If the receivables are collected inside the normal business cycle of the business, which is not more than one year, they are recorded as current assets, if not, they are presented as non-current assets. Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less the provision for impairment.

**Debt instruments at FVOCI:**

Include financial assets that are held within a business model with the objective both to collect contractual cash flows and to sell the financial assets and meet the SPPI criterion. After initial measurement these debt instruments are measured at fair value with unrealized gains or losses recognized as other comprehensive income in revaluation reserve. When the assets are sold, derecognized or impaired the cumulative gains or losses are transferred from the relative reserve to the Statement of Profit or Loss of the period. Interest income calculated using the effective interest method, foreign exchange gains or losses and impairment losses are recognized in Statement of Profit or Loss.

The Company did not hold on 31.12.2023 Debt instruments at FVOCI.

**Debt instruments at FVPL:**

Include financial assets that are not classified to the two above categories because cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. After initial measurement these debt instruments are measured at fair value with unrealized gains or losses, including any interest income, recognized in Statement of Profit or Loss in the account "Other operating income / (expenses) – net". In this category are included the Company's investments in mutual funds and bonds, that are presented in line "Other financial instruments". Of Statement of Financial Position.

The Company did not hold on 31.12.2023 Debt instruments at FVPL.

**ii) Equity financial instruments**

Equity financial instruments within the scope of IFRS 9 are classified according to the Company's intention to hold or not for the foreseeable future and its election at initial recognition to classify at FVOCI or not, in the below two categories:

- Equity instruments at FVOCI, and
- Equity instruments at FVPL.

The subsequent measurement of equity financial instruments depends on their classification as follows:

**Equity instruments at FVOCI:**

Include financial assets, which the Company intends to hold for the foreseeable future ("Not held for sale") and which the Company has irrevocably elected at initial recognition to classify at FVOCI. This election is made on an investment-by-investment basis. After initial measurement these financial assets are measured at fair value with unrealized gains or losses recognized as other comprehensive income in revaluation reserve. When the assets are sold or derecognized the cumulative gains or losses are transferred from the relative reserve to retained earnings (no recycling to Statement of Profit or Loss of the period). Equity instruments at FVOCI are not subject to an impairment assessment under IFRS 9. Dividends are recognized as "dividends income" in Statement of Profit or Loss, unless the dividend clearly represents a recovery part of the cost of the investment.

The Company did not hold on 31.12.2023 Equity instruments at FVOCI.

**Equity instruments at FVPL:**

Include financial assets, which the Company has not irrevocably elected at initial recognition to classify at FVOCI. After initial measurement these equity instruments are measured at fair value with unrealized gains or losses, including any interest or dividend income, recognized in Statement of Profit or Loss as finance income or cost respectively.

The Company did not hold on 31.12.2023 Equity instruments at FVPL.

**(c) Derecognition of financial assets**

The Company ceases recognizing a financial asset when and only when:

- the contractual rights to the cash flows from the financial asset expire or
- has transferred its contractual right to receive cash flows from an asset, or retains this right to receive cash flows from an asset but has assumed a contractual obligation to pay the cash flows to a third or more parties, or has transferred substantially all risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred the control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has assumed a contractual obligation to pay the cash flows to a third or more parties, but in parallel has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. When the Company's continuing involvement takes the form of a guarantee over the transferred asset, the extent of continuing involvement is measured at the lower of the carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay ("the guaranteed amount"). When the entity's continuing involvement takes the form of a written or purchased option (or both) on the transferred asset (including cash-settled options), the extent of the entity's continuing involvement is the amount of the transferred asset that the Company may repurchase. However, in case of a written put option on an asset that is measured at fair value, the extent of the continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise.

**(d) Impairment of financial assets**

IFRS 9 requires the Company to recognize loss allowance for Expected Credit Losses ("ECLs") on:

- Debt instruments at amortized cost,
- Debt instruments at FVOCI, and
- Contract assets (as defined in IFRS 15).

The Company has trade and other receivables (including those arising from operating leases) that are measured at amortized cost and are subject to the model of expected credit losses in accordance with IFRS 9.

Cash and cash equivalents, as well as restricted cash, are also subject to IFRS 9 impairment requirements.

IFRS 9 requires the Company to adopt the expected credit loss model for each of the above asset categories.

**Trade and other receivables**

The Company applies the simplified approach of IFRS 9 for the calculation of expected credit losses. The provision for impairment is always measured in an amount equal to the expected credit losses over the lifetime of receivable. For the purposes of determining the expected credit losses in relation to trade and other receivables (including those deriving by operating leases), the Company uses a credit loss provisioning table based on the maturity of the outstanding balances. Credit loss projections are based on historical data taking into account future factors in relation to debtors and the economic environment. All assumptions, accounting policies and calculation techniques applied for the calculation of expected credit losses will continue to be subject of review and improvement, subject to the conditions of the trade and economic environment.

## 2.10 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

## 2.11 Derivative financial instruments and hedging activities

The Company uses derivative financial instruments to hedge the risks related to future rate fluctuation. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognizing the gain or loss resulting by the above valuation depends on whether the derivative is designated as a hedging instrument, and if so, by the nature of the item being hedged.

For the purpose of hedge accounting, derivative financial instruments are classified as:

• fair value hedge: hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment

• cash flow hedge: hedging the exposure to variability in cash flows that is either attributable to particular risk associated with a recognized asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

**Hedge accounting**

Fair value hedge:

Gains or losses from subsequent measurement of the hedging instrument at fair value are recognized in the Statement of Profit or Loss as "Finance costs – net" (or other comprehensive income, if the hedging instrument hedges an equity instrument for which the Company has elected to present changes in FVOCI).

Cash flow hedge:

The effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the Statement of Profit or Loss as "Other operating income / (expenses) – net".

Amounts recognized as other comprehensive income are transferred to the Statement of Profit or Loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss (such as in the periods when the hedged financial income or financial expense is recognized or when a forecast sale occurs).

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to Statement of Profit or Loss in the same period or periods as the hedged expected future cash flows affect Statement of Profit or Loss.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognized in other comprehensive income are transferred to the Statement of Profit or Loss.

Certain derivative instruments that are not qualify as hedging instruments and no longer meet the criteria for hedge accounting, are classified as derivatives available for sale and accounted for at fair value through profit or loss. Changes in the fair value of any of these derivative instruments are recognized immediately in the Statement of Profit or Loss within "Other operating income / (expenses) – net".

At 31.12.2023 the Company does not own instruments for fair value hedging. At the same date the Company owned instruments of cash flow hedging for which did not apply risk hedge accounting, hence the changes of the fair value were recorded in Statement of Profit or Loss (note 27).

The full fair value of hedging derivatives is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months. It is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

## 2.12 Inventories

Inventories mainly include land and buildings for sale, as well as land under development for the purpose of future sale within the ordinary course of business. Inventories are initially accounted at acquisition cost or their deemed cost, being their fair value at the reclassification date from investment property. They are subsequently carried at the lower of cost and net realisable value.

Property under development

Properties under development are land held for the purpose of their development and subsequent sale. At the reporting date they are presented at the lower of cost and net realisable value.

The cost consists of the cost of acquiring the assets, as well as the development cost (construction costs, fees of designers and other professionals during the development phase).

Net realisable value of each property is the estimated selling price in the ordinary course of business, less costs to complete redevelopment and related selling expenses.

The properties under development are transferred upon their completion to the land and buildings for sale.

Land and buildings for sale

Land and buildings for sale are complete properties that were not sold up to the reporting date and are presented at the lower of cost and net realisable value.

The cost consists of the cost of acquiring the assets, the cost of development as described above, and the relevant costs of preparing to sell them.

Net realisable value of each property is the estimated selling price in the ordinary course of business, less related selling expenses.

Impairment provisions

To calculate the net realisable value of each property, as described above, the Company's Management estimates both the sale values and the completion cost as an area with increased appraisal uncertainty, as such estimates take into account market conditions affecting each property, as well as its sales strategy.

At each reporting date it is estimated whether an impairment provision should be made if the conditions are such that the cost exceeds the net realizable value of the property. Write-offs and impairment losses are recognized in profit or loss when they arise.

Time classification of real estate under development

Inventories relating to properties under development are classified as current assets when their sale is expected to occur within the normal operating cycle of the Company. Especially in the case of inventories of Ellinikon area, the first phase of the investment period (2021-2026) is defined as a normal operating cycle. Land held for further development purposes on which no development or development activities have been commenced, and which are not expected to be completed within the normal operating cycle, are classified as non-current assets.

Inventories with surface right

For the real estate inventories for which the Company does not have full ownership but holds land with a surface right for 99 years, the portion of cost that refers to the land is presented in the Statement of Financial Position in the "Right-of-use assets". Correspondingly, the buildings constructed on the land held with a surface right are presented in the Statement of Financial Position under "Inventories".

A surface right is a real right that can be transferred and is subject to encumbrances.

## 2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks, time deposits and other short-term highly liquid investments with original maturities of three months or less and low risk.

Bank overdrafts are shown within current loans in Statement of Financial Position and Statement of Cash Flows.

Restricted Cash

Restricted cash refer to amounts that cannot be used by the Company until the occurrence of a specific time point or event in the future and are not cash equivalents. In cases where restricted cash are expected to be used within one year from the reporting date they are classified as current assets. However, if they are not expected to be used within one year from the reporting date, they are classified as non-current assets.

## 2.14 Share Capital

The share capital divided into common shares is recorded in Equity. Expenses related to the issue of new shares are deducted from Equity.

## 2.15 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer).

Trade payables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method.

## 2.16 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently valued at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Profit or Loss over the period of the loans using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

## 2.17 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, are capitalized as part of the cost of this asset, for the time required until the asset is ready for use or sale. Qualifying asset is an asset that necessarily take a substantial period of time to get ready for its intended use or sale. Borrowing costs deriving during the development of investment properties are not capitalized since these assets are stated at their fair value.

Income earned on the temporary investment of specific borrowings that have been drawn for the acquisition, construction or development of an asset is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the Statement of Profit or Loss for the period in which they are incurred. Borrowing costs include interest and other costs incurred in connection with borrowing funds.

## 2.18 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Profit or Loss, except for the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated using the financial statements of each company included in the consolidated financial statements, along with the applicable tax law in the respective countries where these companies operate. Management periodically evaluates position in relation to the tax authorities and recognizes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

HRADF owned until 25.06.2021 100% of the Company's share capital and according to POL.1044/10.2.2015 "Notification of the provisions of articles 44, 45 and 46 of the new K.F.D. (L.4172/2013)" exempt from income tax the companies whose share capital belongs entirely, directly or indirectly to HRADF, in accordance with the provisions of par. 13 of article 2 of L.3986/2011. The provisions of articles 44 to 46 of Law 4172/2013 apply to the income acquired and the expenses incurred, as the case may be, in the tax years starting from January 1, 2014 onwards. It should be noted that for the first fiscal year, which was over-twelve months period, and ended on 31.12.2013, according to protocol number Δ12Β 1080391 Εξ2014 – 22/5/2014 document of the Ministry of Finance, General Secretariat of Public Revenues, the Company was exempt from income taxation for any form of income arising from its activity according to the express wording of both the provisions of par. 6, article 42, of L.3943/2011, and those of par. 13, article 2, of L.3986/2011 as far as its share capital belonged entirely to HRADF. In addition, as stated in the same document, the Company enjoyed a subjective exemption from stamp duty, in accordance with the provisions of paragraph 13 of article 2 of Law 3986/2011 and consequently the fee for the Company's operations and transactions was paid under the other contracting party. It is pointed out that the Company is subject to the taxation of the provisions of the ENFIA but was not required to pay taxes as it did not hold real rights on 01.01.2021. Consequently, the Company had not recognized deferred taxation up to 2020, since its declarations are exempt from income taxation. After the acquisition of 100% of the Company's shares on 25.06.2021 by HELLINIKON GLOBAL I S.A. the Company's income from the fiscal year 2021 onwards is subject to taxation and consequently the Company proceeded with the recognition of deferred taxation for all temporary differences between the tax and accounting basis.

## 2.19 Employee benefits

**(a) Short-term benefits**

Short-term employee benefits in cash and in kind are recognized as an expense when they become accrued.

**(b) Right of leave**

Employees' annual leave and long-term leave entitlements are recognized when they arise. Provision is made for the estimated annual leave and long-term service obligation as a result of services offered up to the reporting date.

**(c) Retirement benefits**

The Company participates in retirement schemes in accordance with the Greek legislation by paying into publicly administered social security funds on a mandatory basis. Benefits after retirement include both defined contribution plans and defined benefits plans.

Defined contribution plans include payments of fixed contributions into State Funds. The obligation of the employer is limited to the payment of the employer contributions to the Funds, as a result of which no further obligation of the Company arises in case the State Fund is unable to pay a pension to the insured. The accrued cost of defined contribution plans is recorded as an expense in the year that arises and is included in staff costs.

Defined benefit plans comprise retirement benefit plans according to which the Company pays to the employee an amount upon retirement that is based on the employee's period of service, age and salary.

The liability recognized in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The current service cost of the defined benefit plan is recognized in the Statement of Profit or Loss, unless it is included in the cost of an asset. The current service cost reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments or settlements.

Actuarial gains and losses arising from adjustments based on historical data are recognized in equity in other comprehensive income in the period in which they arise.

Past-service costs are recognized immediately in the Statement of Profit or Loss.

The cost of interest is calculated by applying the discount rate to the net defined benefit liability for the defined benefits plan. The net interest is included in employee benefit expense in the Statement of Profit or Loss.

**(d) Termination benefits**

Termination benefits are payable whenever an employee's employment is terminated by the Company, before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes these benefits earlier than: a) when the Company cannot withdraw the offer of these benefits any longer and b) when the Company recognizes expenses from reorganization that is included in the scope of IAS 37 where the payment from termination benefits is included. In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

**(e) Share-based compensation**

The LAMDA Development Group implements a number of stock option plans in which the Company receives services from its employees in exchange for equity securities of the parent Company, LAMDA DEVELOPMENT S.A. The fair value of employee services received in exchange for equity securities is recognized as an expense with a corresponding increase in equity. The total amount to be recognized as an expense is determined in relation to the fair value of the rights granted:

- including any market performance conditions (e.g. the entity's share price)

- excluding the impact of any non-market performance vesting conditions (e.g. profitability, sales growth targets and stay of the employee in the Company for a specified period), and

- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each period, the ultimate parent company revises its estimates regarding the number of options that are expected to vest based on the non-market vesting, as well as the service conditions, and recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. In addition, in some cases employees may provide the service before the option grant date and therefore the fair value is calculated at the option grant date, so that the entity can recognize the expense during the period in which the provision of the service started and the option grant date.

Depending on the program, employees acquire equity securities of the parent Company either by paying cash (participation in a share capital increase by issuing new equity securities), or by receiving parent Company's treasury shares free of charge.

### 2.20 Grants

Government grants are recognised at fair value when it is virtually certain that the grant will be collected and the Company will comply with anticipated conditions.

Government grants relating to expenses are deferred and recognized in the Statement of Profit or Loss over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to the purchase of tangible assets are included in non-current liabilities as deferred government grants and are credited to the Statement of Profit or Loss on a straight-line basis over the expected lives of the related assets.

At reporting date, there were no government grants.

### 2.21 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when the amount can be reliably estimated.

In case there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of similar obligations. In this case, a provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditure required, according to management’s best estimate, to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments regarding the time value of money and the risks related to the specific liability.

The most significant provision of the Company refers to infrastructure concerning the unavoidable obligation of the Company as defined in the shares purchase agreement for the acquisition of 100% of the shares of HELLENIKON S.M.S.A. from the Group, and for a specific period of time, for the implementation of public benefit projects such as roads, utility networks, undergrounding and pedestrian bridges etc. which will be delivered to the Greek State upon their completion free of charge.

The provision is recognized at the present value of the estimated cash flows that will be required to complete the projects and is remeasured based on the revised estimates. The unwinding is recognized in the Statement of Profit or Loss in the line "Finance cost".

Upon initial recognition of the provision, the Company recognized the related expense as part of the cost of the related assets recognized during the acquisition, as the related commitment was necessary for the acquisition. Therefore, the related costs are considered an integral part of the related assets acquired.

The changes resulting from the remeasurement of the provision based on the revised estimates in each reporting period, in the part that concerns assets that have not yet been sold, are recognized as part of the cost of these items.

### 2.22 Revenue recognition

Revenue comprises the fair value of revenues from property leases, provision of services and management of real estate, as well as real estate purchases and sales, net of value added tax (VAT), and discounts. Revenue is recognised as follows:

**(a) Revenue from investment property**

The revenue from investment properties includes revenue from leases, revenue from concession rights and commercial cooperation agreements.

The revenue from leases is recognized in the Statement of Profit or Loss using the straight-line method over the duration of the lease.

The revenue from concessions and commercial cooperation agreements is recognized during the period for which the concession and commercial cooperation services are provided.

**(b) Berthing services**

Berthing services are recognized in the Statement of Profit or Loss at the year that the services offered with reference to the completion of the specific transaction calculated based on the services offered, as a proportion of the total services to be offered.

**(c) Sale of real estate**

Revenues from sales of real estate are recognized in the Financial Statements only when a definitive contract is signed.

When the outcome of a contract cannot be reliably estimated, revenue is recognized only to the extent that corresponding costs have been incurred and are expected to be collected. Contract costs are recognized when incurred.

Contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In these cases, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost-plus margin. The revenue from sale of real estate is measured at the fixed transaction price agreed under the sale and purchase agreement.

Revenue from sale of real estate is recognized as and when the control of the asset is transferred to the customer and it is probable that the Company will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. In calculating the revenue, the possible existence of a variable price, compensation obligations (penalties), as well as whether there is a significant financing component is taken into account.

Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time.

Control of the asset is transferred over time if the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

This is generally established when:

- the promised properties are specifically identified by its plot, floor/apartment number, as well as their attributes (such as their size and location) in the sale and purchase agreements and the attached layout plan and the purchasers could enforce its rights to the promised properties if the Company seeks to sell the unit to another purchaser. The contractual restriction on the Company's ability to direct the promised property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Cpmapny, and

- the Company has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognized over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains control of the asset.

The Company recognizes revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

The Company recognizes revenue at a point in time for the sale of plots and completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Company will collect the considerations to which it will be entitled to in exchange for the assets sold.

Costs to obtain revenue contracts (e.g. agency commissions) are recognized as expenses in the Statement of Profit or Loss when incurred.

**Contract assets and contract liabilities**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. In the case of real estate sale contracts, contract asset is the excess of cumulative revenue earned over the billings to date. A contract asset is stated at cost less accumulated impairment. Contract assets are subject to impairment in accordance IFRS 9 "Financial Instruments". A contract liability is the obligation to transfer goods and services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. In the case of real estate sale contracts, contract liability is the excess of the billings to date over the cumulative revenue earned. Contract liabilities are recognized as revenue when the Company performs its obligation under the contracts.

**(d) Interest income**

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate. Afterwards, interests are calculated by using the same rate on the impaired value (new carrying amount).

**(e) Dividend income**

Dividend income is recognized when the right to receive payment is established.

## 2.23 Leases

### (a) Company as the lessee

Assets and liabilities arising from leases are initially measured at the present value of future leases. Lease liabilities contain the present value of the following payments:

• Fixed amount payments deducting any claims related to lease incentives
• Variable amount payments based on an index or percentage
• Payments that are expected to be made by the lessee as guaranteed residual values
• Payments related to the price of exercising the right of purchase, when the exercise of the right by the lessee is almost certain
• Payments for penalties for early termination of the lease, if it is considered reasonable that the lessee will proceed to the termination of the contract

Rent payments are discounted using the imputed rental rate. If this interest rate cannot be determined, then the lessee uses the incremental borrowing rate, which is the rate at which the lessee would borrow funds to purchase an asset of similar value in a similar economic environment and under the same trading terms and conditions.

The right to use an asset is measured at cost and includes the following items:

• The amount of the initial measurement of the lease liability
• Rent payments made before or at the start of the lease deducting any lease incentives received
• Any initial costs directly related to the lease
• Costs related to the restoration of the leased asset

Each rent payment is divided between the liability and the finance expense. The finance expense is charged to the Statement of Profit or Loss during the term of the lease and is calculated at a fixed interest rate on the balance of the liability for each period. The value of the right of use is amortized using the straight-line method with equal charges either during the useful life of the asset with a right of use or during the term of the contract depending on which period is shorter. In the case that the right of use concerns an investment property, then the value of the right of use is depreciated through the Statement of Profit or Loss as a change in the fair value of investment property.

Payments related to short-term leases, as well as contracts where the value of the asset is of small value are recognized as an expense in the Statement of Profit or Loss during the term of the lease. Leases with a duration of up to 12 months are defined as short-term contracts. Low value assets include mainly office and IT equipment.

**(b) Company as the lessor**

Assets leased to third parties are included in investment properties and measured at fair value (note 2.5). Also, note 2.22 describes the accounting policy of revenue recognition from leases.

### 2.24 Dividend distribution

Dividends to the Company's shareholders are recognized as a liability in the financial statements when the distribution is approved by the regular General Meeting of shareholders. Interim dividends are recognized as receivables during the period in which their distribution is decided by the Company's Board of Directors, and are recognized as deductions from equity when their distribution is approved by the General Meeting of shareholders.

## 3. Risks management and fair value estimation

### 3.1 Financial risk factors

The Company is exposed to financial risks, such as market risk (fluctuations in exchange rates, interest rates and market prices), credit risk and liquidity risk. The Company's overall risk management plan focuses on the unpredictability of financial markets and seeks to minimize potential adverse impact on the Company's financial performance.

Financial risks management is carried out by the central financial department of the ultimate parent company LAMDA DEVELOPMENT S.A., that operates under specific policies approved by the Board of Directors. The Board of Directors provides instructions and directions for overall risk management, as well as specific instructions regarding the management of specific risks, such as foreign exchange risk, interest rate risk and credit risk.

Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so to ensure that all necessary actions and measures are taken in order to minimize any impact on the Company's operations in Greece. Despite the aforementioned uncertainties, the Company's operations continue without any disruption. However, Management is not able to accurately predict the likely developments in the Greek economy and its impact on the Company activities. Further information regarding the impact and uncertainties arising from energy crisis, geopolitical instability, inflationary pressures and problems observed in logistics are presented in note 2.1.

**(a) Market risk**

**i) Foreign exchange risk**

The Company operates in Greece and is not exposed to foreign exchange risk arising from various currency exposures. The major part of the Company's transactions is denominated in Euro. Foreign exchange risk arises from few commercial transactions in foreign currency.

The Company's stable policy is to avoid purchasing foreign currency in advance and contracting foreign exchange future contracts with external counterparties, as well as foreign exchange hedging.

Therefore, the Company is not exposed to a significant exchange rate risk during December 31, 2023 and 2022.

**ii) Inflation risk**

The Company is exposed to fluctuations in demand and offer of real estate in the domestic market which are affected by the macroeconomic developments in the country and the developments in the domestic real estate market (including inventories). Any extreme negative fluctuations of the above may have a corresponding negative impact on business activity, operating cash flows, fair value of the Company's investment property, and therefore also in equity. However, the demand for the properties that have been placed on the market by the Company is particularly high, so it is not expected to be directly affected by the current macroeconomic environment and the conditions prevailing in it.

The Company is also exposed to price risk related to the fluctuation of the rental prices of its properties and mainly the inflation risk, which is minimal, as the Company's revenues from leases and berthing contracts are adjusted on an annual basis in relation to the change in consumer price index (CPI).

**iii) Interest rate risk**

Interest risk mainly derives from risk of fluctuations in cash flows related to the Company's loans with floating interest rates based on Euribor. The Company examines its exposure to the risk of changes in interest rates and manages this risk considering the possibility of refinancing, renewal of existing loans, alternative financing and risk hedging.

The Company's exposure to the risk of changes in market interest rates mainly concerns the long-term borrowings of the Company which is an intra-group financing from LAMDA FINANCE S.A. (a 100% subsidiary of the Group) and is subject to a variable interest rate based on Euribor 12-month, plus a fixed interest rate of 4,24%.

The sensitivity analysis below is based on change in a variable keeping all other variables constant. Such a scenario is not probable to happen, and changes in variables can be related for example to change in interest rate and change in market prices. Therefore, according to the relevant sensitivity analyses, a change of +/- 1 percentage point in the reference interest rates (EURIBOR) will have an impact of approximately €2,3 million on the Company's annual financial expenses (respectively on results before tax of the year).

In addition to the above, the Company has entered into a €100 million interest rate swap agreement regarding the bank loan for the financing of the development of the property in Ellinikon area, which has not yet been disbursed, as the Company has the necessary liquidity for the implementation of the project.

**(b) Credit risk**

Credit risk is managed on Company level. Credit risk arises from credit exposure to customers, cash and cash equivalents, as well as restricted cash.

Regarding Company revenue, these are mainly deriving by customers with an assessed credit history and credit limits, while certain sale and collection terms are applied.

Revenue will be significantly affected in case customers are unable to fulfill their contractual obligations due to either downsizing of their financial activities or weakness of the local banking system.

However, the Company on 31.12.2023 has a well-diversified customers mix consisting mainly of well-known companies in a stable basis. The customers' financial condition is monitored on a recurring basis. The Company Management considers that there is no substantial risk for doubtful debts, other than those for which sufficient provisions have already been recognized. In addition, customers' credit risk is significantly reduced due to the Company's policy of receiving bank letters of guarantee from customers.

The maximum exposure to credit risk at the reporting date is the carrying value of the trade and other receivables.

As for the bank deposits of the Company, they are placed in banks that are classified in the external credit rating of Moody's. The credit risk of total cash ("Cash and cash equivalents" and "Restricted cash") that were placed in banks is classified in the table below according to the level of credit risk as follows:

| (Moody's Rating) | 31.12.2023 | 31.12.2022 |
|---|---|---|
| **Baa3** | 129.959 | **-** |
| **Ba1** | 604 | **-** |
| **Ba2** | - | 164.698 |
| **Ba3** | - | 225 |
| | **130.563** | **164.293** |

The balance of the account "Cash and cash equivalents" refers to cash on hand and bank deposits. As at 31.12.2023, the bank assets of the Company were concentrated in mainly 2 banking organizations in Greece at a rate of more than 10%, which is a significant concentration of credit risk. No significant losses are expected due to the creditworthiness of the banks in which the Company maintains its various bank accounts. Credit risk of bank deposits reduced within 2023, as this was reflected also in international credit rating agencies' reports.

### (c) Liquidity risk

Existing or future risk for profits and working capital arising from the Company's inability to either collect overdue debts without incurring significant losses or to meet its obligations when payable, since cash outflows may not be fully covered by cash inflows. The Company ensures the required liquidity in time to meet its obligations in a timely manner, through the regular monitoring of liquidity needs and debt collection from tenants, maintaining overdraft accounts with systemic banking institutions and the prudent management of cash.

The liquidity of the Company is monitored by the Management at regular intervals. Table presented below containing the analysis of the maturity of financial liabilities for which future cash outflows will be required:

*Amounts in € thousand*

| **31 December 2023** | **0-1 year** | **1-2 years** | **2-5 years** | **> 5 years** | **Total** |
|---|---|---|---|---|---|
| Borrowings [1] | 18.648 | 18.635 | 273.345 | - | 310.628 |
| Lease liabilities [2] | 1.393 | 1.030 | 3.005 | 733 | 6.161 |
| Trade and other payables [3] | 84.707 | - | - | - | 84.707 |
| | **104.748** | **19.665** | **276.350** | **733** | **401.496** |

| **31 December 2022** | **0-1 year** | **1-2 years** | **2-5 years** | **> 5 years** | **Total** |
|---|---|---|---|---|---|
| Borrowings [1] | 86.478 | - | - | - | 86.478 |
| Lease liabilities [2] | 1.032 | 1.218 | 2.781 | 1.676 | 6.707 |
| Trade and other payables [3] | 63.699 | - | - | - | 63.699 |
| | **151.209** | **1.218** | **2.781** | **1.676** | **156.884** |

*[1] "Borrowings" includes the balances of borrowings (outstanding capital), including future interest up to maturity, at unpaid values, which differ from the corresponding accounting book values in the Statement of Financial Position valued at amortized cost under IFRS 9. Since the amount of contractual non-discounted cash flows is related to both floating and non-fixed interest rate loans, the amount presented is determined by the conditions prevailing at the reporting date - hence, for the determination of the actual discounted cash flows, actual interest rates valid on 31 December 2023 and 31 December 2022 were used, respectively.*
*[2] "Lease liabilities" include future contractual leases at nominal values, which differ from the corresponding carrying amounts in the Statement of Financial Position which are valued at present value under IFRS 16.*
*[3] Those relate to liabilities as at 31.12.2023 and 31.12.2022 as recognized in the respective Statement of Financial Position valued at amortized cost. The item "Trade and other payables" does not include the "Unearned income (contract liabilities)", the "Unearned income (contract liabilities)", the "Unearned income (contract liabilities) – related parties", the "Pre-sales property" and the "Social security costs and other taxes/charges" of note 20.*

### Financing for the development of the Property of Ellinikon

LAMDA Development S.A., on 27.01.2020 signed with "Eurobank S.A." and "Piraeus Bank S.A." the "Head of Terms" regarding the bank financing intended to cover part of the capital to be invested by the LAMDA Development Group during the first five years of the Ellinikon project development.

On 07.04.2021, LAMDA Development S.A. signed with the aforementioned banks an agreement for the update of the "Head of Terms". This update emanated from the gradual evolution and maturity of the LAMDA Development Group's plans regarding the envisaged projects and investments during the first five years of the Project. The aforementioned bank financing agreement includes:

(a) the financing of infrastructure and other developments' works during the first five years of the Project (Phase A), as well as the financing of V.A.T., with a bond loan of up to €442m to be issued by HELLINIKON S.M.S.A. (plus an amount of up to €100m for financing of recoverable V.A.T. cost), with a duration of 10 years from the Transfer Date,

(b) the financing of the commercial development on Vouliagmenis Avenue (The Ellinikon Mall), as well as the financing of V.A.T., with a bond loan of up to €415m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an amount of up to €86m for financing recoverable V.A.T. cost), with a duration of 6 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 5 years, reaching 11 years in total from first loan drawdown),

(c) the financing of the commercial development within the Aghios Kosmas Marina (Riviera Galleria), as well as the financing of V.A.T., with the issuance of a bond loan of up to €102m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an additional amount of up to €19m for financing of recoverable V.A.T. cost), with a duration of 5 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 6 years, reaching 11 years in total from the loan first drawdown) and in conjunction with the financing mentioned in points (a) and (b) above,

(d) the issuance of a letter of guarantee of €175m, to secure the fulfillment of LAMDA DEVELOPMENT S.A. obligations to cover any cost overruns of Phase A of the Project, as well as to cover any shortfall in sales and/or assets exploitation intended to finance Phase A of the Project budget l. Following the written agreement dated 29.06.2022 with the Representative of the Bondholders, the amount of the aforementioned Letter of Guarantee was reduced from €175m to €160m.

Regarding the (a) above, the Company signed on 06.04.2022 with the banks "Eurobank S.A." and "Piraeus Bank S.A." the bond program and subscription agreement for the financing of infrastructure and other developments' works of Phase A of up to €394m, as well as for the financing of V.A.T. (additional amount up to €100m), with a duration until the completion of 10 years from the Date of Transfer, a fact that covers its revised needs. Regarding, (d) above, LAMDA DEVELOPMENT S.A. signed on 06.04.2022 the relevant contractual documents.

In addition, LAMDA DEVELOPMENT S.A. on 23.06.2023 signed with the banks "Eurobank S.A.", "Piraeus Bank S.A.", and "Alpha Bank S.A." agreement to update the basic business terms for the syndicated bank loans to be provided to the company and/or the LAMDA Development Group's subsidiaries for the purposes of financing the Ellinikon Project.

In respect with the above agreement, to (a) above, the amount of the syndicated bank loan for the financing of infrastructure projects and other developments related to Phase A of the Project is modified, among other things, which amounts to €120m, as well as for the financing of V.A.T. (plus an amount of up to €112m), which covers its revised needs.

Furthermore, (d) was repealed, as there is no longer a need to issuance of a letter of guarantee to cover any overruns of the budgeted costs of Phase A of the Project, as well as to cover any shortfall in sales and/or assets exploitation of assets intended for the financing of the budget of Phase A of the Project.

As part of the agreement dated June 23, 2023, regarding the Ellinikon Project, on December 8, 2023, LAMDA DEVELOPMENT S.A. and its subsidiaries signed final contracts with the banks Eurobank S.A., Piraeus Bank S.A., and Alpha Bank S.A..

With reference to (b) above, the amount of the bank loan for the commercial development on Vouliagmenis Avenue (The Ellinikon Mall, which amounts up to €440m (plus an amount for the V.A.T. financing which now amounts up to €105m), while the duration of the financing is set until 30.09.2027 (with the option of the issuer for an extension until 30.09.2033).

With reference to (c) above, the amount of the bond loan for the commercial development within the Aghios Kosmas Marina (Riviera Galleria), which now amounts up to €137m (and the additional amount for V.A.T. cost, which now amounts up to €33m) while the duration of the financing is set until 30.09.2026 (with possibility of the issuing company for extension until 30.09.2033).

| **Syndicated Banking Financing for Phase A'** | | |
|---|---|---|
| *(amounts in € millions)* | **New Financing** | **Old Financing** |
| Residential developments, infrastructure projects & other developments | €120 | €394 |
| Covering VAT costs | €112 | €100 |
| **Total borrowings** | **€232** | **€494** |

The total approved financing arrangement mentioned above, for the development of the property in Ellinikon, has not been disbursed.

**Collections from sales of plots of land and apartments in Ellinikon**

| Total cash collections[1] from sales & leases of properties/land | | |
|---|---|---|
| *(amounts in € millions)* | **Up to 31.03.2024** | **Up to 31.12.2023** |
| **Residential developments** | 537 | 413 |
| **Sales/Leasing of Land** [2] | 291 | 253 |
| **Total** | **828** | **666** |

[1] *Overall available data from the inception of the Project. It includes (a) receipts from sales/leases of properties through a notarial deed and (b) deposits made for future acquisition/lease of properties.*

[2] *The intercompany transaction for the sale of land to the subsidiary Ellinikon Malls (€187 million) is not included.*

**Issuance of Green Common Bond Loan**

In July 2022, in the midst of adverse market conditions (intense inflationary pressures and rising interest rates, geopolitical and energy crisis), LAMDA Development S.A. completed, through a Public Offer, the issuance of the first Green Common Bond Loan (CBL) amount of €230 million (7-year duration with interest rate 4.70%), with the participation of more than 14.000 Greek investors, recording a new record of investor participation in a bond issue and with a significant over-coverage (3,12 times). The raised funds of the Green Bond will be allocated exclusively to eligible Green investment categories such as the development of Sustainable Buildings and sustainable urban outdoor spaces, Green Energy and Smart Cities. On 13.07.2022 the trading of the 230.000 bonds in the Fixed Income Securities category of Athens Stock Exchange began (trading code: "LAMDAO2"/"LAMDAB2").

The aforementioned developments regarding loans and receipts from sales of residential and hotel developments in Elliniko significantly strengthen the Company's liquidity.

The Management, based on the existing levels of cash and forecasts for future cash flows, is convinced that the Company will generate sufficient cash flows from their ongoing activities as well as from their financing activities to adequately meet future working capital and other cash needs. The LAMDA Development Group and the Company have a good reputation, creditworthiness, and an excellent and constructive relationship with financial institutions and the investment community that finance them, facilitating negotiations regarding refinancing and securing additional capital to smoothly fulfill their investment plan, as evidenced by recent developments regarding the financing of the development of the investment in Ellinikon and the issuance of a Green Bond (note 17).

Surplus cash held by the Company over and above balance required for working capital needs, are managed by the Company's Treasury Department. This department invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. Cash and cash equivalents are considered assets with high credit risk since the current macroeconomic environment in Greece significantly affects the domestic banks. No losses are expected due to the creditworthiness of the banks in which the Company maintains the various bank accounts.

Further to the above, the Company have contingencies in respect of guarantees and other matters arising in the ordinary course of business, for which no significant additional burdens are expected to arise as described in note 30.

### 3.2 Capital risk management

The Company objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide satisfactory returns to shareholders and benefits to other stakeholders, as well as maintaining an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the dividends' amounts paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with industry practices, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as Total Debt divided by Total Equity plus Total Debt. Total Debt is calculated as total "Borrowings" (non-current and current portion), plus "Lease liabilities" (non-current and current portion). Total equity as shown in the Statement of Financial Position.

In 2023, as well as in 2022, the Company's strategy was to maintain the gearing ratio at optimum level.

**Gearing ratio:**

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Borrowings | 230.790 | 83.710 |
| Lease liabilities | 5.556 | 5.698 |
| **Total debt (a)** | **236.346** | **89.408** |
| **Total equity (b)** | **908.860** | **1.077.315** |
| **Total debt & Total equity (c)** | **1.145.206** | **1.166.723** |
| **Gearing ratio (a/c)** | **20,6%** | **7,7%** |

## 3.3 Fair value measurement

The Company in the notes of financial statements provides the required disclosures regarding the fair value measurement through a three-level hierarchy, as follows:

- Level 1: Financial instruments that are traded in active markets and their fair value is determined based on the published quoted prices valid at the reporting date for similar assets and liabilities.

- Level 2: Financial instruments that are not traded in active markets whose fair value is determined using valuation techniques and assumptions based either directly or indirectly on market data at the reporting date.

- Level 3: Financial instruments that are not traded in active markets whose fair value is determined using valuation techniques and assumptions that are not substantially based on market data.

The items in the Statement of Financial Position that are measured and presented at fair value are Investment Property (note 6), Derivative financial instruments (note 18).

# 4. Significant accounting estimates and Management judgements

Estimates and judgements of the Management are continually evaluated and are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances.

## 4.1 Significant accounting estimates and assumptions

The Company makes estimates and assumptions concerning the development of future events. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months concern the following.

### (a) Estimate of fair value of investment property

The best evidence of fair value is current prices in an active market for similar lease and other contracts. When there is absence of such information, the Company determines the amount within a range of reasonable fair value estimates. In making its judgement, the Company considers information from a variety of sources including:

i) Current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts terms), adjusted to reflect those differences,

ii) Recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices and

iii) Discounted cash flow projections based on reliable estimates of future cash flows, deriving from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The disclosures for the fair value estimations of the investment property are presented in note 6.

**(b) Provisions related to contingent liabilities and legal cases**

The Company's are currently involved in various disputes and legal cases, for which the Management periodically review the status of each significant case and assess probability of financial outflow, based in part on the advice of legal counsels. In case the contingent financial outflow from any dispute or legal case is considered probable and the amount can be reliably estimated, the Company companies recognize a provision in financial statements. Significant Management judgment is required in both the determination of probability and the determination as to whether the amount can be estimated reliably. As additional information becomes available, the Management reassess the potential liability and may revise assessments of the probability of an unfavorable outcome as well as the related estimate of potential outflow. Such revisions in the estimates may have a material impact on the Company's financial position and results of operations. In note 30 all significant disputes and legal cases are disclosed in detail, as well as the Management's estimation over them.

**(c) Estimation of net realizable value of inventories – property under development**

The Management of the Company at each reporting date estimates the carrying amount of inventories for sale and those held for development and subsequent sale based on their net realizable value. The net realizable value of each property is based on the estimated by the Management selling price within the normal operating cycle, reduced by the estimated completion costs and the costs associated with the eventual sale. The estimates of the Management of the Company for both future sales values and the cost of completion constitute an area with increased estimation uncertainty, since such kind of estimates take into account the market conditions that affect each property as well as its sale strategy. The Company according to the estimates of the Management (including valuations by external independent valuators) proceeded to an impairment test of the inventories held on 31 December 2023 and there was need to reduce the carrying amount of the inventories – property under development to their net realizable value. As at 31 December 2023, impairment losses were recognized amounting to €38.945 thousand (2022: €- thousand).

**(d) Estimation for the provision of infrastructure investments**

Regarding the determination of the provision for the Company's contractual unavoidable obligation for the implementation of infrastructure investments, as described in note 21, significant judgment is required by the Management due to the complexity, size (budget cost) and long-term duration (implementation timing) of the investment. Also, significant judgment is required to determine the appropriate discount rate for calculating the present value of the liability.

**(e) Estimation for revenue recognition from sales of real estate**

For sales of real estate if control of the asset transfers over time, revenue is recognized over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The Company recognizes revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects. Regarding the determination of the budgeted cost, significant judgment is required by the Management due to the complexity, size (budget cost) and long-term duration (implementation timing) of the development projects.

## 4.2 Decisive judgements of the management for the application of the accounting principles

There are no areas that require management estimates in applying the accounting policies.

## 5. Operating Result (EBITDA)

The Operating result (EBITDA): Profit/(loss) before tax, plus net finance costs, plus depreciation of tangible assets, intangible assets and right-of-use assets.

The reconciliation of the EBITDA results with the overall results after taxes of the Company is as follows:

| | 1.1.2023 to 31.12.2023 | 1.1.2022 to 31.12.2022 |
|---|---|---|
| **EBITDA** | **90.702** | **168.793** |
| Depreciation | (3.193) | (1.090) |
| Finance income | 2.038 | 1 |
| Finance cost | (46.036) | (25.887) |
| **Profit/(loss) before tax** | **43.511** | **141.817** |
| Income tax expense | (10.724) | (22.613) |
| **Profit/(loss) for the year** | **32.787** | **119.204** |

## 6. Investment property

On 31.12.2023, according to the valuation of the Company's properties carried out by independent external appraisers, the fair value of the investment properties under development amounted to €625,0 million.

| *Amounts in € thousand* | 31.12.2023 | 31.12.2022 |
|---|---|---|
| **Opening balance 1 January** | **616.477** | **622.061** |
| Net gain/(loss) from fair value adjustment | 23.350 | 93.683 |
| Transfers to inventories – at fair value (note 9) | (48.218) | (114.249) |
| Transfers from inventories – at cost (note 9) | 8.161 | 12.460 |
| Transfers to right-of-use assets – at fair value (note 10) | (4.269) | (17.944) |
| Transfers from right-of-use assets – at cost (note 10) | 384 | 5.638 |
| Tranfers from tangible assets – at cost (note 7) | 3.968 | - |
| Capital expenditures on investment properties | 9.323 | 15.286 |
| Changes in infrastructure costs (note 21) | 15.780 | (458) |
| **Closing balance 31 December** | **624.956** | **616.477** |

Investment properties under development relate to projects under construction with ownership status as well as with a surface right of 99 years, intended for the following mentioned uses according to the Integrated Development Plan of the Metropolitan Pole of Hellinikon - Agios Kosmas, in accordance with the provisions of article 2 of law 4062/2012 as amended:

a) Retail and service shops, as well as parking lots.

b) Tourist and hotel facilities as well as recreation areas, resorts and sports facilities.

c) Education and research offices and facilities, such as schools, universities, research centers and other related facilities.

d) Areas of recreation and greenery, catering and refreshments, sports facilities and other cultural activities, public services and standard urban infrastructure.

At the reporting date, based on the estimated fair values of investment properties, profits of a fair value of €23,4m arose (31.12.2022: €93,7m), taking into account the revised budget of Ellinikon project which was recently approved by the Company's Board of Directors, as well as maturation of individual projects. However, the above favorable factors were partially offset by higher construction costs.

Briefly, the discount rates and exit yields from the latest valuations as of the reporting date are summarized in the table below:

| | Discount rates | | Exit yields | |
|---|---|---|---|---|
| | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| Investment properties | 6,55%-11,54% | 6,50%-11,84% | 4,25%-8,50% | 4,25%-8,00% |

The discount rates and exit yields have been slightly adjusted as of December 31, 2022, due to the maturity of the individual projects, resulting in a reduction of business development risk.

Additionally, it is noted that for these estimations, consideration is given to the fact that according to the development business plans, the majority of developments will be state-of-the-art, with a low carbon footprint and certified according to international standards promoting sustainability, resilience, and circularity.

**Sensitivity analysis**

The most important valuation variables of investment properties are the assumptions regarding a) discount rates by +/- 50 basis points (+/- 0,50%), b) exit yields by +/- 50 basis points (+/- 0,50%), c) the impact of timing by 12 months delay and d) change in construction costs by 15% (including infrastructure costs). Therefore, the following table presents the basic scenarios regarding the impact that the above variables will have on the valuations:

| *Amounts in € thousand* | Discount rates | | Exit yields | | Timing Impact[1] | Change in construction costs[2] | |
|---|---|---|---|---|---|---|---|
| | -0,50% | +0,50% | -0,50% | +0,50% | +12 months[1] | -15% | +15% |
| Fair Value Impact | 60,6 | (55,6) | 46,2 | (39,6) | (24,8) | 104,3 | (109,4) |

[1] Timing impact is mainly related to the possible delay in the scheduled time of issuance of building permits for the investment properties of Phase A, which includes majority of these properties.

[2] Based on the report of the independent appraiser, the construction costs that have been supported by the above impact from the change of +/- 15% are based on the business plan, which incorporates specific assumptions of construction costs and inflation assumptions, as the latter were disclosed to the independent appraiser.

The valuations of investment properties have taken into account the economic situation in Greece as described in Note 2.1, and the resulting outcome of investment properties' valuation represents the best estimation of the Company, based on prevailing conditions and circumstances. Changes in the fair value of investment properties, compared to the comparative period, differ as they incorporate changes in the estimation due to prevailing conditions related to the spread of the COVID-19 coronavirus, geopolitical risks arising from the war in Ukraine and the conflict in Middle East, disruptions in the supply chain, the energy crisis, as well as inflationary pressures. The economic environment remains unstable due to geopolitical risks arising from the conflict in Ukraine and the war in Middle East, which constitute a new source of regional upheaval. Additionally, the supply chain issue, which has led to increases in the costs of goods, energy and services, affects global markets, and creates inflationary pressures that have resulted in an unprecedented environment of high interest rates affecting almost all business sectors. However, the situation continues to evolve in the international economic environment, and concerns have begun to diminish regarding the maintenance of the high inflationary environment. Therefore, as central banks are no longer expected to continue their policy of raising interest rates, the turmoil due to the conflicts in Ukraine and Middle East and the presidential elections in the USA currently being monitored by financial analysts and investors, remain. Finally, specific mention should also be made of climate change, the impact of which will become increasingly apparent due to the intensity of phenomena such as floods and fires, posing serious risks to the real estate market and bringing new challenges.

The Company's total property portfolio was valued by external valuers at fair value, according to RICS Valuation - Global Standards (Red Book) issued by the Royal Institution of Chartered Surveyors (RICS), which are effective from 31 January 2022, incorporating International Valuation Standards (IVS).

As of the valuation date, external appraisers note that real estate markets are largely operating with transaction volumes and other relevant indicators at levels where there is sufficient market evidence to support their opinion for valuation of each appraisal task. It is also evident that the Greek real estate market is following a positive trajectory, unlike other mature markets in the Eurozone that have been affected by high interest rates. The cost of government debt is improving but still remains higher than in other Eurozone economies, with the exception of Italy. Yields on Greek government bonds (GGBs) have begun to compress as a result of Greece receiving investment grade ratings from international rating agencies. This, along with political stability, will lead to further stabilization of the macroeconomic environment and bolster efforts for sustainable economic growth. The only constraint in this situation is the stable inflationary environment that undermines consumer confidence due to persistent structural inflation, creating a vicious cycle regarding wages and prices of goods. On the other hand, Greek banks continue their efforts to strengthen their financial position, and for this purpose, they have largely addressed issues related to Non-Performing Loans (NPLs) that until recently posed significant risks to their operations.

In this context, given these conditions, external appraisers state that they have formulated the best possible appraisal approach. However, as the situation continues to change in the international economic environment, they indicate that they will continue to monitor global trends that will develop over the coming months and how these may impact the local economic scene, with particular attention to the real estate market.

Therefore, and for the avoidance of doubt, their valuation is not stated to be subject to "valuation uncertainty" as defined in VPS 3: Valuation reports and VPGA 10: Valuations in markets susceptible to change: certainty and uncertainty, issued by the British Royal Institute of Chartered Accountants (RICS).

This explanatory note has been included to ensure transparency and to provide information about the market context on which the valuation process was based. Recognizing the potential for market conditions to move quickly in response to changes due to geopolitical risks described above, the energy crisis and inflationary pressures, external appraisers point to the importance of the valuation date.

There was no change in the valuation methodology used for investment properties. Management and external appraisers are of the opinion that discount rates and exit yields are reasonable and fair based on current market conditions.

Information provided to the valuers, the assumptions and valuation models used by appraisers are reviewed by the investment property management team, the investment property manager, and the Chief Financial Officer. The appraisers discuss and are present directly to the Group’s Audit Committee for an overview of the interim and annual results.

In determining fair value measurement, the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets in financial statements has been considered. Especially, for investment properties, the Company considers the impact of physical and transition risks, as well as whether investors would consider those risks in their estimations. The Company has assessed whether its investment properties are exposed to physical risks, such as flooding and increasing wildfires, but believes that this is currently not the case.

Management will observe the trends that will be formed in the market of investment properties in the next few months since the complete impact of the consequences of the economic situation in Greece may affect the value of the Company’s investment properties in the future. In this context, the Management is also closely monitoring developments related to geopolitical risks arising from the war in Ukraine, disruptions in the supply chain, and the impacts of inflationary pressures and the energy crisis, as the short-term impact on the values of the Company's investment properties directly linked to Company’s net asset value, remain uncertain.

On part of the Company's investment properties, there are encumbrances and liens on 31.12.2023.

## 7. Tangible assets

| *Amounts in € thousand* | **Buildings** | **Motor vehicles and machinery** | **Furniture, fittings and other equipment** | **Assets under construction [1]** | **Total** |
|---|---|---|---|---|---|
| **Acquisition cost** | | | | | |
| **1 January 2022** | **-** | **293** | **514** | **21.828** | **22.635** |
| Additions | - | 43 | 653 | 17.008 | 17.704 |
| Changes in infrastructure costs (note 21) | - | - | - | (12) | (12) |
| Transfers to inventories (note 9) | - | - | - | (710) | (710) |
| **31 December 2022** | **-** | **336** | **1.167** | **38.114** | **39.617** |
| **1 January 2023** | **-** | **336** | **1.167** | **38.114** | **39.617** |
| Additions | | 16 | 604 | 1.371 | **1.991** |
| Changes in infrastructure costs (note 21) | - | - | - | 437 | **437** |
| Transfers [1] | 31.368 | - | - | (31.368) | **-** |
| Transfers to investment properties (note 6) | - | - | - | (3.968) | **(3.968)** |
| **31 December 2023** | **31.368** | **352** | **1.771** | **4.586** | **38.077** |
| **Accumulated depreciation** | | | | | |
| **1 January 2022** | **-** | **(159)** | **(199)** | **-** | **(358)** |
| Depreciation for the year | - | (29) | (93) | - | (122) |
| **31 December 2022** | **-** | **(188)** | **(292)** | **-** | **(480)** |
| **1 January 2023** | **-** | **(188)** | **(292)** | **-** | **(480)** |
| Depreciation for the year | (1.063) | (34) | (150) | - | **(1.247)** |
| Disposals / Write-offs | - | (11) | 11 | - | **-** |
| **31 December 2023** | **(1.063)** | **(233)** | **(431)** | **-** | **(1.727)** |
| **Net book value as at 31 December 2022** | **-** | **148** | **875** | **38.114** | **39.137** |
| **Net book value as at 31 December 2023** | **30.305** | **119** | **1.340** | **4.586** | **36.350** |

*[1] Transfers from assets under construction to buildings concern Experience Center, as its construction was completed during 2023.*

Tangible assets are not secured by liens and pre-notices on 31.12.2023.

## 8. Intangible assets

| *Amounts in € thousand* | **Software** | **Total** |
|---|---|---|
| **Acquisition cost** | | |
| **1 January 2022** | **252** | **252** |
| Additions | 554 | 554 |
| **31 December 2022** | **806** | **806** |
| **1 January 2023** | **806** | **806** |
| Additions | 272 | 272 |
| **31 December 2023** | **1.078** | **1.078** |
| **Accumulated depreciation** | | |
| **1 January 2022** | **(62)** | **(62)** |
| Depreciation for the year | (108) | (108) |
| **31 December 2022** | **(170)** | **(170)** |
| **1 January 2023** | **(170)** | **(170)** |
| Depreciation for the year | (186) | (186) |
| **31 December 2023** | **(356)** | **(356)** |
| **Net book value as at 31 December 2022** | **636** | **636** |

| | | |
|---|---|---|
| **Net book value as at 31 December 2023** | **722** | **722** |

## 9. Inventories

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Property under development | 1.064.557 | 1.026.851 |
| **Total** | **1.064.557** | **1.026.851** |
| | | |
| Non-current assets | 880.020 | 909.796 |
| Current assets | 184.537 | 117.055 |
| **Total** | **1.064.557** | **1.026.851** |

At the reporting date, inventory include plots of land for subsequent sale and are being measured at the lower of cost and net realizable value (NRV).

**Property under development**

| *Amounts in € thousand* | |
|---|---|
| **Opening balance 01.01.2022** | **1.009.795** |
| Cost of development | 25.826 |
| Transfers from investment properties – at fair value (note 6) | 114.249 |
| Transfers to investment properties – at cost (note 6) | (12.460) |
| Transfers from tangible assets (note 7) | 710 |
| Inventories sales | (109.899) |
| Changes in infrastructure costs (note 21) | (1.370) |
| **Closing balance 31.12.2022** | **1.026.851** |
| Cost of development | 105.738 |
| Transfers from investment properties – at fair value (note 6) | 48.218 |
| Transfers to investment properties – at cost (note 6) | (8.161) |
| Inventories impairment | (38.945) |
| Inventories sales | (116.880) |
| Changes in infrastructure costs (note 21) | 47.736 |
| **Closing balance 31.12.2023** | **1.064.557** |

Inventories that have been classified as current assets as at 31.12.2023, include land under development, amounting to €184,5m (31.12.2022: €117,1m), which relate to plots of land in Ellinikon, that are expected to be sold directly to third parties within the normal operating cycle of the Company at Phase A' (2021-2026) of investment period.

Inventories that have been classified as non-current assets as at 31.12.2023, amounting to €880,0m (31.12.2022: €909,8m) relate to land and property of the area in Ellinikon, which the Company intends to keep for their development and sale beyond the usual operating cycle and during the rest of the investment period.

Part of the Company's inventory has encumbrances and pre-notations on 31.12.2023.

## 10. Leases

In "Properties under development", the leases refer to land areas with surface rights for 99 years in the amount of €71.337 thousand, of which an amount of €2.319 thousand refers to tangible assets and €69.018 thousand to inventories under development with a view to the subsequent sale. The part of the leases related to Investment properties has already been included in "Investment properties" in accordance with IAS 40. For "Properties under development" no relevant lease liability has been recognized as they were contributed during the 2021 share capital increase.

The movement of the right-of-use assets of the Company is presented below:

| *Amounts in € thousand* | **Properties under development** | | **Motor vehicles** | **Office buildings** | **Total** |
|---|---|---|---|---|---|
| | **Tangible assets** | **Inventories** | | | |
| **Right-of-use assets - 1 January 2022** | **12.350** | **59.712** | **-** | **20** | **72.082** |
| Additions | - | - | 537 | 5.787 | 6.324 |
| Depreciation | (91) | - | (125) | (644) | (860) |
| Cost of sales of land with surface rights | - | (13.017) | - | - | (13.017) |
| Transfers to investment properties (note 6) | (3.392) | (2.246) | - | - | (5.638) |
| Transfers from investment properties (note 6) | - | 17.944 | - | - | 17.944 |
| **Right-of-use assets - 31 December 2022** | **8.867** | **62.393** | **412** | **5.163** | **76.835** |
| **Right-of-use assets - 1 January 2023** | **8.867** | **62.393** | **412** | **5.163** | **76.835** |
| Additions | - | - | 367 | 1.228 | 1.595 |
| Additions due to remeasurement of leases | - | - | - | 78 | 78 |
| Depreciation | (59) | - | (211) | (1.491) | (1.761) |
| Cost of sales of land with surface rights | - | (3.749) | - | - | (3.749) |
| Transfers to investment properties (note 6) | (6.489) | 6.105 | - | - | (384) |
| Transfers from investment properties (note 6) | - | 4.269 | - | - | 4.269 |
| **Right-of-use assets - 31 December 2023** | **2.319** | **69.018** | **568** | **4.978** | **76.883** |

The movement of the lease liabilities of the Company is presented below:

| *Amounts in € thousand* | **Motor vehicles** | **Office buildings** | **Total** |
|---|---|---|---|
| **Lease liabilities - 1 January 2022** | **-** | **20** | **20** |
| Additions | 537 | 5.787 | 6.324 |
| Interest | 13 | 184 | 197 |
| Lease payments | (134) | (709) | (843) |
| **Lease liabilities - 31 December 2022** | **416** | **5.282** | **5.698** |
| Current lease liabilities | | | 820 |
| Non-current lease liabilities | | | 4.878 |
| **Total** | | | **5.698** |

| | **Motor vehicles** | **Office buildings** | **Total** |
|---|---|---|---|
| **Lease liabilities - 1 January 2023** | **416** | **5.282** | **5.698** |
| Additions | 367 | 1.228 | 1.595 |
| Additions due to remeasurement of lease liabilities | - | 78 | 78 |
| Interest | 20 | 214 | 234 |
| Lease payments | (226) | (1.824) | (2.050) |
| **Lease liabilities - 31 December 2023** | **577** | **4.979** | **5.556** |
| Current lease liabilities | | | 1.203 |
| Non-current lease liabilities | | | 4.353 |
| **Total** | | | **5.556** |

The lease liabilities as at 31.12.2023 are payable as follows:

| *Amounts in € thousand* | **31.12.2023** |
|---|---|
| No later than 1 year | 1.203 |
| Between 1 and 2 years | 880 |

| | |
|---|---|
| Between 3 and 5 years | 2.753 |
| Over than 5 years | 720 |
| **Total** | **5.556** |

The Company is not facing any significant liquidity risk regarding lease liabilities while there are no significant lease commitments that have not entered into force until the end of the reporting period.

## 11. Trade and other receivables

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Trade receivables | 81.379 | 71.113 |
| Minus: provision for impairment | (58.963) | (58.963) |
| **Trade receivables – net** | **22.416** | **12.150** |
| Various debtors and other receivables | 670 | 695 |
| Undisbursed loan issuance costs [1] | 1.480 | 9.405 |
| VAT receivable | 7.084 | 13.191 |
| Receivables from related parties [2] (note 31) | 76.488 | 65.992 |
| Advances to suppliers [3] | 45.642 | 19.142 |
| Deferred expenses | 7.892 | 4.204 |
| Accrued income | 102 | - |
| Minus: provision for impairment of other receivables | (491) | (493) |
| **Total** | **161.283** | **124.286** |
| | | |
| **Receivables analysis:** | | |
| Non-current assets | 134 | 159 |
| Current assets | 161.149 | 124.127 |
| **Total** | **161.283** | **124.286** |

[1] Undisbursed loan issuance costs

The decrease in the undisbursed loan issuance costs of the Company as of 31.12.2023, is due to the Company's bank loan agreement, involving an amount of €11,1 million expensed in the Statement of Profit or Loss during 2023 (issuance expenses until December 31, 2022, amounting to €9,4 million and an additional amount of €1,7 million for the year 2023) in accordance with IFRS 9 due to the modification of the basic business terms made in December 2023 with the signing of the final contracts (note 17). The amount of €11,1 million is included in the line item 'Finance cost', specifically in 'Other expenses and commissions' (note 27). As of 31.12.2023, the remaining amount of €1,5 million relates to issuance expenses incurred in 2023 in connection with the signing of the final contracts. The Company did not utilize this bank loan as of 31.12.2023.

[2] Receivables from related parties

The increase in receivables from related parties as of 31.12.2023, compared to 31.12.2022, is primarily related to sales of inventories and similar provided services (note 23).

[3] Advances to suppliers

The increase in advances to suppliers of the Company as of 31.12.2023, compared to 31.12.2022, is primarily due to the advance payment of €31,2 million made in August 2023 to the joint venture "Bouygues Batiment International & INTRAKAT" as part of the contract for the construction of Riviera Tower.

Movement for impairment provision of trade and other receivables is as follows:

| *Amounts in thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Opening balance** | **59.456** | **59.529** |
| Charged/(credited) in Statement of Profit or Loss | (2) | (73) |
| **Closing balance** | **59.454** | **59.456** |

The classification of the item "Trade and Other Receivables" of the Company to financial and non-financial assets and the expected credit loss (ECL) allowance for financial assets as at 31 December 2023 and 31 December 2022 is presented below:

| | Simplified approach | General approach | Total |
|---|---|---|---|
| **Financial assets** | | | |
| Gross carrying amount 31.12.2023 | 205.761 | - | 205.761 |
| ECL (Expected Credit Loss) allowance | (59.454) | - | (59.454) |
| **Net carrying amount 31.12.2023** | **146.307** | **-** | **146.307** |
| | | | |
| Non-financial assets 31.12.2023 | 14.976 | - | 14.976 |
| **Total trade and other receivables 31.12.2023** | **161.283** | **-** | **161.283** |

| | Simplified approach | General approach | Total |
|---|---|---|---|
| **Financial assets** | | | |
| Gross carrying amount 31.12.2022 | 166.347 | - | 166.347 |
| ECL (Expected Credit Loss) allowance | (59.456) | - | (59.456) |
| **Net carrying amount 31.12.2022** | **106.891** | **-** | **106.891** |
| | | | |
| Non-financial assets 31.12.2022 | 17.395 | - | 17.395 |
| **Total trade and other receivables 31.12.2022** | **124.286** | **-** | **124.286** |

Expected credit loss (ECL) allowance - Simplified approach

The Company applies the simplified approach mainly to bank deposits, advances to third parties and other contractual receivables. In particular, the Company applies the simplified approach using a credit loss forecast table based on the maturity of the remaining receivables from property leasing and berthing services.

During 2023 the Company, pursuant to IFRS 9, did not recognize provisions for expected credit losses (2022: €2 thousand) while it reversed provisions amounting to €2 thousand (2022: €75 thousand) related to commercial and other receivables, as well as cash and cash equivalents.

VAT receivable

Regarding the VAT receivable, the amount has not been discounted. The VAT receivable can either appear as a claim to offset up to 5 years and can be offset with VAT payable, or be refunded by the Greek State upon request. For this receivable, no expected credit loss provision has been formed.

## 12. Cash and cash equivalents

| *Amounts in € thousand* | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Cash at banks | 46.670 | 154.923 |
| Short-term deposits | 72.000 | 10.000 |
| Cash in hand | 1 | 2 |
| **Total** | **118.671** | **164.925** |

Taking into account the credit status of the banks that the Company keeps its current accounts, no significant credit losses are anticipated. Credit risk of bank deposits reduced within 2023, as this was reflected also in international credit rating agencies' reports.

The above comprise the cash and cash equivalents used for the purposes of the Statement of Cash Flows. Regarding the credit risk of bank balances refer also to note 3.

## 13. Restricted cash

| *Amounts in € thousand* | 31.12.2023 | 31.12.2022 |
|---|---|---|
| Cash at banks | 11.893 | - |
| **Total** | **11.893** | **-** |
| | | |
| Non-current assets | 105 | - |
| Current assets | 11.788 | - |
| **Total** | **11.893** | **-** |

The restricted cash refers to collateral for the issuance of bank letters of guarantee for various tax and commercial purposes of the Company.

## 14. Financial instruments by category

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Financial assets** | | |
| **Debt instruments at amortized cost:** | | |
| Trade receivables | 22.416 | 12.150 |
| Receivables from related parties | 76.488 | 65.992 |
| Undrawn loan issuance costs | 1.480 | 9.405 |
| Advance payments to suppliers | 45.642 | 19.142 |
| Other financial assets | 179 | 202 |
| Cash and cash equivalents | 118.671 | 164.925 |

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Financial liabilities** | | |
| **Financial liabilities at amortized cost:** | | |
| Trade payables | 53.084 | 37.019 |
| Liabilities to related parties | 7.473 | 9.966 |
| Property presales | 34.407 | 43.051 |
| Other financial liabilities | 591 | 772 |
| Borrowings | 230.790 | 83.710 |
| **Derivatives identified as risk hedging instruments:** | | |
| Derivatives for cash flow hedging (IRS) | 743 | - |

## 15. Share capital

| *Amounts in € thousand* | **Number of shares** | **Share Capital** |
|---|---|---|
| **1 January 2022** | **9.150.000** | **915.000** |
| Changes of share capital | - | - |
| **31 December 2022** | **9.150.000** | **915.000** |
| **1 January 2023** | **9.150.000** | **915.000** |
| Decrease of share capital | (2.442.429) | (244.243) |
| Increase of share capital | 430.000 | 43.000 |
| **31 December 2023** | **7.137.571** | **713.757** |

The Company's share capital on 31.12.2023 amounts to €713.757 thousand, divided into 7.157.570 common registered shares, with a nominal value of €100,00 each.

Within 2023, the Company carried out a share capital increase with a cash payment of €43.000.000 with the issuance of new 430.000 shares with a nominal value of €100,00 each.

Also, the Company carried out the following decreases in share capital:

- In September and October 2023, it carried out share capital decrease with a cash payment of a total amount of €231.300.000 with the cancellation of 2.313.000 shares with a nominal value of €100,00 each.

- On June 20, 2023, it carried out a share capital decrease of a total amount of €12.942.900 by canceling 129.429 shares with a nominal value of €100,00 each. The share capital reduction was implemented (a) partially by payment in kind, i.e. by transferring the Company's participation to the company ELLINIKON HOSPITALITY INVESTMENTS S.M.S.A. of which the Company was the sole shareholder and its fair value was valued by an independent appraiser at €12.942.885, in HELLINIKON GLOBAL I S.A. which is the Company's sole shareholder and (b) by paying in cash, for rounding purposes, the amount of €15 from the Company to its sole shareholder.

In February 2023, the related parties MALT Riviera S.A. and BELT Riviera S.A. were established. in which TEMES S.A. participated by 70%. and the Company by 30%. The company MALT Riviera S.A. will undertake the development, according to the original plan, of a 5-star hotel with 200 rooms as well as a residential complex of 49 branded luxury homes/apartments (branded residences) with unobstructed views of the sea and Marina Ag. Kosmas. The company BELT Riviera S.A. will undertake the development, according to the original plan, of a 5-star hotel with 160 rooms as well as a residential complex of 17 branded luxury homes/apartments (Branded Residences) with unobstructed sea views. The Company paid the total amount of €12.960.000 as a partial payment of share capital during the establishment of the above related parties.

On June 13, 2023, the Company established the 100% subsidiary of ELLINIKON HOSPITALITY INVESTMENTS S.M.S.A. with a contribution in kind, i.e. a contribution of the shares held by the Company in the related companies MALT Riviera SA and BELT Riviera SA, the fair value of which was valued by an independent appraiser at €12.957.923.

## 16. Other reserves

| *Amounts in € thousand* | **Legal reserve** | **Cumulative actuarial gain/(loss)** | **Contribution from ultimate parent for distribution of shares to employees** | **Total** |
|---|---|---|---|---|
| **1 January 2022** | **433** | **(10)** | **-** | **423** |
| Formation of legal reserve | 1.877 | - | - | 1.877 |
| Changes during the year | - | 15 | - | 15 |
| **31 December 2022** | **2.310** | **5** | **-** | **2.315** |
| | | | | |
| **1 January 2023** | **2.310** | **5** | **-** | **2.315** |
| Formation of legal reserve | 2.305 | - | - | 2.305 |
| Changes during the year | - | (12) | 566 | 554 |
| **31 December 2023** | **4.615** | **(7)** | **566** | **5.174** |

### Statutory legal reserve

A legal reserve is created under the provisions of Greek law (Law 4548/2018, article 158) according to which, an amount of at least 5% of the profit (after tax) for the year must be transferred to the reserve until it reaches one third of the paid share capital. The legal reserve can only be used, after approval of the Annual General meeting of the shareholders, to offset retained losses and therefore cannot be used for any other purpose.

In 2023, the Company proceeded with the formation of a legal reserve amount of €2.305 thousand on the realized profits of the fiscal year 2023.

In 2022, the Company proceeded with the formation of a legal reserve amount of €1.877 thousand on the realized profits of the fiscal year 2022.

## 17. Borrowings

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Non-current borrowings** | | |
| Bond loans from related parties (note 31) | 230.000 | - |
| **Total non-current borrowings** | **230.000** | **-** |
| | | |
| **Current borrowings** | | |
| Bond loans from related parties (note 31) | 790 | 83.710 |

| | | |
|---|---|---|
| **Total current borrowings** | **790** | **83.710** |
| | | |
| **Total borrowings** | **230.790** | **83.710** |

Movement in borrowings is as per below:

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Balance as of 1 January** | **83.710** | **80.360** |
| Proceeds from borrowings | 230.000 | - |
| Repayment of borrowings | (80.000) | - |
| Withheld tax | (744) | - |
| Interest paid | (4.362) | - |
| Interest charged | 2.186 | 3.350 |
| **Balance as of 31 December** | **230.790** | **83.710** |

On 31.12.2022, Bond loans from related parties was financing from LAMDA DEVELOPMENT S.A. with principal amount of €80,0 million, with four distinct series of €20,0 each, and a fixed interest rate of 3,95%. The loan in question was repaid in full on 08.06.2023.

In December 2023, the Company entered into a loan agreement with LAMDA FINANCE S.A. (100% subsidiary of LAMDA Development Group) with a principal amount of €230,0 million consisting of two distinct series of €115,0 million each. The reference interest rate is floating and calculated based on 12-month EURIBOR and a margin of 4,24%. The maximum repayment date of both series is 20.05.2028. In order to ensure the repayment of the above financing, the provision of security rights is foreseen, such as indicatively, the establishment of a mortgage on the properties of the Company, restrictions on the distribution of dividends to the shareholders, the pledging of the shares, as well as the pledging of the receivables from the Share Purchase Agreement.

**Financing for the development of the Property of Ellinikon**

LAMDA Development S.A., on 27.01.2020 signed with "Eurobank S.A." and "Piraeus Bank S.A." the "Head of Terms" regarding the bank financing intended to cover part of the capital to be invested by the LAMDA Development Group during the first five years of the Ellinikon project development.

On 07.04.2021, LAMDA Development S.A. signed with the aforementioned banks an agreement for the update of the "Head of Terms". This update emanated from the gradual evolution and maturity of the LAMDA Development Group's plans regarding the envisaged projects and investments during the first five years of the Project. The aforementioned bank financing agreement includes:

(a) the financing of infrastructure and other developments' works during the first five years of the Project (Phase A), as well as the financing of V.A.T., with a bond loan of up to €442m to be issued by HELLINIKON S.M.S.A. (plus an amount of up to €100m for financing of recoverable V.A.T. cost), with a duration of 10 years from the Transfer Date,

(b) the financing of the commercial development on Vouliagmenis Avenue (The Ellinikon Mall), as well as the financing of V.A.T., with a bond loan of up to €415m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an amount of up to €86m for financing recoverable V.A.T. cost), with a duration of 6 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 5 years, reaching 11 years in total from first loan drawdown),

(c) the financing of the commercial development within the Aghios Kosmas Marina (Riviera Galleria), as well as the financing of V.A.T., with the issuance of a bond loan of up to €102m to be issued by a special purpose vehicle controlled by LAMDA DEVELOPMENT S.A. (plus an additional amount of up to €19m for financing of recoverable V.A.T. cost), with a duration of 5 years from the first drawdown (with the possibility of the issuing company to extend the maturity for an additional 6 years, reaching 11 years in total from the loan first drawdown) and in conjunction with the financing mentioned in points (a) and (b) above,

(d) the issuance of a letter of guarantee of €175m, to secure the fulfillment of LAMDA DEVELOPMENT S.A. obligations to cover any cost overruns of Phase A of the Project, as well as to cover any shortfall in sales and/or assets exploitation intended to finance Phase A of the Project budget l. Following the written agreement dated 29.06.2022 with the Representative of the Bondholders, the amount of the aforementioned Letter of Guarantee was reduced from €175m to €160m.

Regarding the (a) above, the Company signed on 06.04.2022 with the banks "Eurobank S.A." and "Piraeus Bank S.A." the bond program and subscription agreement for the financing of infrastructure and other developments' works of Phase A of up to €394m, as well as for the financing of V.A.T. (additional amount up to €100m), with a duration until the completion of 10 years from the Date of Transfer, a fact that covers its revised needs. Regarding, (d) above, LAMDA DEVELOPMENT S.A. signed on 06.04.2022 the relevant contractual documents.

In addition, LAMDA DEVELOPMENT S.A. on 23.06.2023 signed with the banks "Eurobank S.A.", "Piraeus Bank S.A.", and "Alpha Bank S.A." agreement to update the basic business terms for the syndicated bank loans to be provided to the company and/or the LAMDA Development Group's subsidiaries for the purposes of financing the Ellinikon Project.

In respect with the above agreement, to (a) above, the amount of the syndicated bank loan for the financing of infrastructure projects and other developments related to Phase A of the Project is modified, among other things, which amounts to €120m, as well as for the financing of V.A.T. (plus an amount of up to €112m), which covers its revised needs.

Furthermore, (d) was repealed, as there is no longer a need to issuance of a letter of guarantee to cover any overruns of the budgeted costs of Phase A of the Project, as well as to cover any shortfall in sales and/or assets exploitation of assets intended for the financing of the budget of Phase A of the Project.

As part of the agreement dated June 23, 2023, regarding the Ellinikon Project, on December 8, 2023, LAMDA DEVELOPMENT S.A. and its subsidiaries signed final contracts with the banks Eurobank S.A., Piraeus Bank S.A., and Alpha Bank S.A..

With reference to (b) above, the amount of the bank loan for the commercial development on Vouliagmenis Avenue (The Ellinikon Mall, which amounts up to €440m (plus an amount for the V.A.T. financing which now amounts up to €105m), while the duration of the financing is set until 30.09.2027 (with the option of the issuer for an extension until 30.09.2033).

With reference to (c) above, the amount of the bond loan for the commercial development within the Aghios Kosmas Marina (Riviera Galleria), which now amounts up to €137m (and the additional amount for V.A.T. cost, which now amounts up to €33m) while the duration of the financing is set until 30.09.2026 (with possibility of the issuing company for extension until 30.09.2033).

| **Syndicated Banking Financing for Phase A'** | | |
|---|---|---|
| *(Amount in € millions)* | **New Financing** | **Old Financing** |
| Residential developments, infrastructure projects & other developments | €120 | €394 |
| Covering VAT costs | €112 | €100 |
| **Total borrowings** | **€232** | **€494** |

It is noted that the interest rate of all financing is floating, and the expected margin has been determined on standard market terms. In the context of the Financings, which are foreseen to be governed by Greek law, and to secure their repayment, the provision of collateral rights is provided, which is common in such project finance as, for example, establishment of mortgage on assets (of the Company and of the above-mentioned special purpose vehicles, which will carry out the commercial developments The Ellinikon Mall and Marina Galleria), restrictions on distributions to shareholders pertaining to each loan, pledge of the shares of the subsidiaries involved in borrowings and pledge of part of the receivables and sources of revenue from the operation of the Project, as well as on the receivables from the Share Purchase Agreement.

The syndicated secured bond loan of the Company which was signed on 06.04.2022 with Eurobank and Piraeus Bank, remains undrawn till the date of approval of these financial statements, as the Company has the necessary liquidity for the implementation of Ellinikon project.

## 18. Derivative financial instruments

| *Amounts in € thousand* | 31.12.2023 | |
|---|---|---|
| | **Assets** | **Liabilities** |
| Interest rate swaps – cash flow hedges (IRS) | 743 | - |
| **Total** | **743** | **-** |
| | | |
| Non-current | 743 | - |
| Current | - | - |
| **Total** | **743** | **-** |

During 2023 the Company has entered into an interest rate swap contract for the conversion of floating interest rates into fixed, regarding its future bank borrowings for an amount of up to €100,0m with maturity in June 2031. Until 31.12.2023 the Company had not made use of the above bank loan agreements. The above interest rate swap has been valued at fair value and the change (gains €743 thousand) was recorded in 2023 in the Statement of Profit or Loss (line "Finance income" – "Gains/(losses) from sale/valuation on derivative instruments at fair value through Profit or Loss" note 27), as no hedge accounting is applied.

The total fair value of the derivative financial instruments, (which is described under hierarchy 2 in note 3.3), is presented as non-current asset or liability in the Statement of Financial Position, when the remaining duration of the loan agreement (hedged item) exceeds 12 months.

## 19. Net employee defined benefit liabilities

The amounts recognized in the Statement of Financial Position are as follows:

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Amounts recognized in the Statement of Financial Position** | | |
| Present value of liabilities | 301 | 222 |
| Fair value of plan assets | - | - |
| **Net liability recognized in the Statement of Financial Position** | **301** | **222** |

The amounts recognized in the Statement of Profit or Loss are as follows:

| *Amounts in € thousand* | **01.01.2023 to 31.12.2023** | **01.01.2022 to 31.12.2022** |
|---|---|---|
| **Amounts recognized in the Statement of Profit or Loss** | | |
| Service cost | 67 | 51 |
| Interest cost | 7 | 1 |
| **Regular impact in the Statement of Profit or Loss** | **74** | **52** |
| Recognition of past service cost | - | - |
| Settlement / Curtailment / Termination loss/(gain) | 162 | 6 |
| Intragroup personnel transfer | - | 25 |
| **Total effect in the Statement of Profit or Loss** | **236** | **83** |

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

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Remeasurements** | | |
| Actuarial gain/(loss) due to changes in assumptions | - | 49 |
| Actuarial gain/(loss) due to experience | (15) | (29) |
| **Total effect in Other Comprehensive Income** | **(15)** | **20** |

Movement of liability the Statement of Financial Position:

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Defined Benefit Obligation - start of the year** | **222** | **169** |
| Service cost | 67 | 51 |
| Interest cost | 7 | 1 |
| Benefits paid | (172) | (10) |
| Settlement / Curtailment / Termination loss/(gain) | 162 | 6 |
| Recognition of past service cost | - | - |
| Intragroup personnel transfer | - | 25 |
| Actuarial (gain)/loss | 15 | (20) |
| **Defined Benefit Obligation - end of the year** | **301** | **222** |

The principal actuarial assumptions that were used for accounting purposes are as follows:

| | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Discount rate | 3,20% | 3,82% |
| Inflation rate | 2,10% | 2,70% |
| Salaries increase percentage | 2,10% | 2,70% |
| Weighted plan duration | 8 | 7 |

In case that the discount rate changes by -0,5%, the impact to the Company defined benefit pension plans would increase by +€11,2 thousand. In case that the salaries change by +0,5%, the change to the defined benefit pension plans of the Company would increase by +€11,3 thousand.

The estimated undiscounted future contributions that derive by the defined benefit pension plans until the retirement of the last employee of the Company are as follows:

| *Amounts in € thousand* | **31.12.2023** |
|---|---|
| No later than 1 year | 59 |
| Between 1 and 2 years | 4 |
| Between 2 and 5 years | 17 |
| More than 5 years | 305 |
| | **385** |

As of 31.12.2023, the Company employed staff with fixed-term contracts, with the consequence that there are no conditions for the obligation to provide benefits to the staff in the event of their departure.

## 20. Trade and other payables

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Trade payables | 53.084 | 37.019 |
| Liabilities to related parties | 7.473 | 9.966 |
| Unearned income (contract liabilities) | 99.638 | 96.571 |
| Unearned income (contract liabilities) – related parties (note 31) | 30.255 | - |
| Accrued expenses | 23.559 | 15.943 |
| Social security cost and other taxes/duties | 2.905 | 1.410 |
| Properties presales | 34.407 | 43.051 |
| Customer guarantees | 580 | 765 |
| Other liabilities | 11 | 7 |
| **Total** | **251.912** | **204.732** |
| | | |
| Non-current | 580 | 765 |
| Current | 251.332 | 203.967 |
| **Total** | **251.912** | **204.732** |

The unearned income (contract liabilities) of the Company is mainly related to the recognition of revenue over time or at a later point in time of its sales of properties, which results from the fulfillment of the relevant performance obligations based on IFRS 15. Unearned income (contract liabilities) with related parties are related to revenue recognition in the context of the sale of plots of land to the related parties BELT RIVIERA S.A. and MALT RIVIERA S.A. which were carried out in 2023, for the development of residential and hotel complexes in the Ellinikon area.

The increase in the Company's trade payables and accrued expenses compared to 31.12.2022 is mainly due to the increased activity in the Ellinikon area, as actions are intensified to implement the planned works during the maturation of the investment phases.

Finally, the advances received by the Company for reservations from prospective real estate buyers on 31.12.2023 amount to €34.407 thousand (2022: €43.051 thousand).

The carrying amounts of trade and other payables approximate their fair values which have been calculated in accordance with hierarchy level 3 as explained in note 3.3.

## 21. Provisions for infrastructure investments

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Provisions for infrastructure investments | 672.048 | 628.614 |
| | | |
| Non-current | 502.541 | 507.354 |
| Current | 169.507 | 121.260 |
| **Total** | **672.048** | **628.614** |

Estimated cost of infrastructure projects

As at 31.12.2023, the estimated cost of the infrastructure projects concerns the unavoidable obligation of the Company, as defined in the share purchase agreement for the acquisition of 100% of the shares of the Company and for a specific time period, for the implementation of public benefit projects such as roads, utility networks, underground and footbridges, etc. which will be transferred to the ownership of the Greek State upon their completion free of charge. The amount of €672,0m relates to the present value of provisions. The nominal value of the estimated and unrealized up to 31.12.2023 cost of infrastructure projects is approximately €827 million.

*Amounts in € thousand*

| | |
|---|---|
| **Balance 31.12.2021** | **635.008** |
| Utilization during the period | (25.285) |
| Finance cost (note 27) | 20.731 |
| Additions during the period due to revised budget | 58.555 |
| Impact from change in discount rate [1] | (60.395) |
| **Balance 31.12.2022** | **628.614** |
| Utilization during the period | (54.338) |
| Finance cost (note 27) | 28.993 |
| Additions during the period due to revised budget [2] | 68.779 |
| **Balance 31.12.2023** | **672.048** |

[1] It concerns the impact of the increase in the discount rate on 31.12.2022 which reflects current market conditions based on IAS 37.

[2] Part of the additions amount of €4.826 thousand were recognized directly in the Statement of Profit or Loss (line "Cost of sales of inventory" as they concern a proportion of projects/properties that have already been sold.

Below, a table is presented with the analysis of the maturity of the provisions (at present value) for infrastructure investments which will require future cash outflows:

*Amounts in € thousand*

| **31 December 2023** | **Less than 1 year** | **Between 1 and 2 years** | **Between 2 and 5 years** | **Over 5 years** | **Total** |
|---|---|---|---|---|---|
| Provisions for infrastructure investments | 169.507 | 141.092 | 133.428 | 228.021 | **672.048** |

## 22. Deferred tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

HRADF owned until 25.06.2021 100% of the Company's share capital and according to POL.1044/10.2.2015 "Notification of the provisions of articles 44, 45 and 46 of the new K.F.D. (L.4172/2013)" exempt from income tax the companies whose share capital belongs entirely, directly or indirectly to HRADF, in accordance with the provisions of par. 13 of article 2 of L.3986/2011. The provisions of articles 44 to 46 of Law 4172/2013 apply to the income acquired and the expenses incurred, as the case may be, in the tax years starting from January 1, 2014 onwards. It should be noted that for the first fiscal year, which was over-twelve months period, and ended on 31.12.2013, according to protocol number Δ12B 1080391 Εξ2014 – 22/5/2014 document of the Ministry of Finance, General Secretariat of Public Revenues, the Company was exempt from income taxation for any form of income arising from its activity according to the express wording of both the provisions of par. 6, article 42, of L.3943/2011, and those of par. 13, article 2, of L.3986/2011 as far as its share capital belonged entirely to HRADF. Consequently, the Company had not recognized deferred taxation up to 2020, since its declarations are exempt from income taxation. After the acquisition of 100% of the Company's shares on 25.06.2021 by HELLINIKON GLOBAL I S.A. the Company's income from the fiscal year 2021 onwards is subject to taxation and consequently the Company proceeded with the recognition of deferred taxation for all temporary differences between the tax and accounting basis.

The amounts which have not been offset are as follows:

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Deferred tax liabilities** | (179.148) | (179.828) |
| **Deferred tax assets** | 149.270 | 156.162 |
| **Net deferred tax assets/(liabilities)** | **(29.878)** | **(23.666)** |

Most of the deferred tax assets are recoverable after 12 months.

The total movement of the deferred tax is as follows:

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Opening balance** | **(23.666)** | **(26.240)** |
| Charged/(credited) in the statement of profit or loss | (6.215) | 2.578 |
| Charged/(credited) directly in equity | 3 | (4) |
| **Closing balance** | **(29.878)** | **(23.666)** |

Changes in deferred tax assets and liabilities during the year without offsetting outstanding balances within the same tax jurisdiction are presented below.

**Deferred Tax Liabilities:**

| *Amounts in € thousand* | Investment properties | Revenue recognition | Tangible assets | Right-of-use assets | Inventories | Derivative financial insturments | Intangible assets | Total |
|---|---|---|---|---|---|---|---|---|
| **1 January 2022** | **28.455** | **-** | **45** | **4** | **-** | **-** | **-** | **28.500** |
| Charged / (credited) in the statement of profit or loss | 49.996 | - | (45) | 16.899 | 84.474 | - | - | 151.324 |
| **31 December 2022** | **78.451** | **-** | **-** | **16.903** | **84.474** | **-** | **-** | **179.828** |
| **1 January 2023** | **78.451** | **-** | **-** | **16.903** | **84.474** | **-** | **-** | **179.828** |
| Charged / (credited) in the statement of profit or loss | 3.603 | 2.941 | - | 25 | (7.414) | 163 | 2 | (680) |
| **31 December 2023** | **82.054** | **2.941** | **-** | **16.928** | **77.060** | **163** | **2** | **179.148** |

**Deferred Tax Assets:**

| *Amounts in € thousand* | Retirement benefit obligations | Tangible assets | Provisions for infrastructure investments | Revenue recognition | Lease liabilities | Total |
|---|---|---|---|---|---|---|
| **1 January 2022** | **37** | **-** | **2.223** | **-** | **4** | **2.264** |
| (Charged) / credited in the statement of profit or loss | 16 | -- | 136.072 | 16.418 | 1.249 | 153.902 |
| (Charged) / credited directly in equity | (4) | | - | - | - | (4) |
| **31 December 2022** | **49** | **-** | **138.295** | **16.418** | **1.253** | **156.162** |
| **1 January 2023** | **49** | **147** | **138.295** | **16.418** | **1.253** | **156.162** |
| (Charged) / credited in the statement of profit or loss | 14 | (16) | 9.556 | (16.418) | (31) | (6.895) |
| (Charged) / credited directly in equity | 3 | - | - | - | - | 3 |
| **31 December 2023** | **66** | **131** | **147.851** | **-** | **1.222** | **149.270** |

## 23. Revenue

| *Amounts in € thousand* | **01.01.2023 to 31.12.2023** | **01.01.2022 to 31.12.2022** |
|---|---|---|
| Revenue from sales of inventories – third parties [1] | 276.606 | 21.917 |
| Revenue from sales of inventories – related parties [1] (note 31) | - | 192.904 |
| Revenue from project management and supervision of construction – third parties [2] | 6.394 | 862 |
| Revenue from contracts for proportional transfer of infrastructure costs to customers [3] | 14.150 | - |
| Revenue from contracts for proportional transfer of infrastructure costs to customers – related parties [3] (note 31) | - | 50.455 |
| Revenue from intragroup recharge of preliminary expenses regarding the development of Ellinikon Property [4] (note 31) | 10.488 | - |
| Revenue from property leasing – third parties [5] | 15.687 | 2.577 |
| Revenue from property leasing – related parties (note 31) | 8 | - |
| Real estate management – third parties | 575 | 215 |
| Berthing services | 7.784 | 7.283 |
| Other activities | 347 | 30 |
| **Total** | **332.039** | **276.243** |

[1] Revenues from sales of inventories – third parties includes recognition of revenues from sales of inventories (residential properties) over time amounting to €95.976 thousand (2022: €21.917 thousand) and from sales of inventories (plots) at a given point in time in the amount of €180.630 (2022: €0), based on IFRS 15. For the year 2022, the revenues from sales of inventories – related parties includes an amount of €192.904 thousand that concerns sales of plots of land to subsidiaries of the LAMDA Development Group (Lamda Vouliagmenis S.M.S.A. and Lamda Riviera S.M.S.A.) for the construction of The Ellinikon Mall and Riviera Galleria commercial developments, respectively.

[2] Revenues from project management and supervision of construction – third parties concern services provided to the Company's customers and are recognized as over time revenues in the context of inventories (plot) sales.

[3] Revenues from the transfer of infrastructure costs refer to the transfer of costs carried out by the Company for the contractual obligation to implement infrastructure investments and are recognized as revenue at a given point in time in the context of contracts for the participation of customers in the corresponding infrastructure costs and relate to the sale of inventories (plots). For the year 2022, revenues from customer participation contracts in the corresponding infrastructure cost – related parties includes an amount of €50.455 thousand regarding related contracts with subsidiaries of the LAMDA Development Group (Lamda Vouliagmenis S.M.S.A. and Lamda Riviera S.M.S.A.).

[4] Revenue from intragroup recharge of preliminary expenses regarding the development of Ellinikon Property includes an amount of €10.488 thousand that concerns agreements with the subsidiaries of the LAMDA Development Group (Lamda Vouliagmenis S.M.S.A. and Lamda Riviera S.M.S.A.) regarding the transfer of costs incurred primarily by the Company and are apportioned proportionally to them and refer indicatively to the fees of technicians, studies, architects and staff employed with the specific projects under development.

[5] Revenue from property leasing - third parties mainly includes rental income from the leasing of the space where the Integrated Resort Complex (IRC) of the partnership of Hard Rock International and GEK TERNA will be built. The relevant agreement was signed during the last quarter of 2022, which justifies the significant increase in revenue recognized in 2023 compared to the corresponding period last year.

On 31.12.2023 the Company had definitively signed contracts for the sale of plots of land and residential properties, contracts for the participation of customers in the corresponding infrastructure costs, as well as contracts for the management and supervision of construction projects on sold plots of land for a total amount of €931.347 thousand (2022: €445.402 thousand), of which the revenue recognition for the year 2023 was €297.150 thousand (2022: €22.779 thousand). The remaining amount of revenues of €611.418 thousand is expected to be recognized in the following periods either over time or at a given point in time based on IFRS 15.

## 24.Employee benefits expense

| *Amounts in € thousand* | **01.01.2023 to 31.12.2023** | **01.01.2022 to 31.12.2022** |
|---|---|---|
| Wages and salaries | (15.054) | (9.830) |
| Social security costs | (2.261) | (1.350) |
| Cost of defined benefit plan (note 19) | (236) | (73) |
| Employees share option plan | (566) | - |
| Other benefits | (1.889) | (1.255) |
| **Total** | **(20.006)** | **(12.508)** |
| | | |
| **Total number of employeed staff at period end** | **302** | **281** |

Employees share option plan include a proportion of the fair value of the granted rights for free shares of the ultimate parent company LAMDA Development S.A. (Restricted Stock Units) to employees of the Company within the framework of a new plan which was approved by the Ordinary General Meeting of the shareholders of LAMDA Development S.A. on June 21, 2023. According to the Company's accounting policy, the provision of these benefits is accounted for as a capital contribution with an equal credit of the Company's net position in a special reserve (note 16).

## 25.Services and recharges of various preliminary expenses

The services and recharges of various preliminary expenses from related parties in 2023 amounting to €13.998 thousand (2022: €12.626 thousand) (note 31) concern fees of third parties (indicative of designers, civil engineers, technicians, architects and other consultants and experts), distribution of salaries and benefits of personnel directly employed for respective purposes and works in the framework of the exploitation of the Ellinikon Property carried out by the LAMDA Development Group.

## 26.Other operating income / (expenses) - net

| *Amounts in € thousand* | **01.01.2023 to 31.12.2023** | **01.01.2022 to 31.12.2022** |
|---|---|---|
| Professional fees | (35.757) | (23.240) |
| Telecommunication | (196) | (93) |
| Short term and low value leases | (31) | (30) |
| Insurance fees | (673) | (951) |
| Travel / transportation expenses | (257) | (270) |
| IT and maintenance costs | (610) | (320) |
| Promotion and marketing expenses | (5.549) | (11.689) |
| Other taxes - duties | (20.786) | (14.628) |
| (Provision)/Reversal of provision for impairment | 2 | 73 |
| Other | (2.414) | (1.935) |
| **Total** | **(66.271)** | **(53.083)** |

The increase in other expenses incurred during the year 2023 compared to the year 2022 is due to the acceleration of the implementation of the project in the Metropolitan Pole of Ellinikon and the gradual maturation of the individual phases of the planned works, the generalized increase observed in costs due to inflationary pressures, as well as increased recognition of value added taxes as a pro-rata deduction of expenses. On the contrary, a decrease in promotion and marketing expenses is observed, as the year 2022 saw the official opening of the project, which contributed to increased corresponding costs.

## 27. Finance income/(cost) - net

| *Amounts in € thousand* | 01.01.2023 to 31.12.2023 | 01.01.2022 to 31.12.2022 |
|---|---|---|
| **Finance costs:** | | |
| - Interest expense of loans granted from related parties (note 31) | (2.186) | (3.376) |
| - Other costs and commissions | (14.611) | (1.581) |
| - Interest expense on lease liabilities | (233) | (196) |
| - Finance cost related to provisions for infrastructure investments (note 21) | (28.993) | (20.731) |
| | **(46.023)** | **(25.884)** |
| Net gains/(loss) from exchange differences | (13) | (3) |
| | **(46.036)** | **(25.887)** |
| **Finance income:** | | |
| - Gain from sale/valuation on derivative instruments at fair value through profit or loss (note 18) | 743 | - |
| - Interest income | 1.295 | 1 |
| | **2.038** | **1** |
| **Total** | **(43.998)** | **(25.886)** |

No borrowing costs have been capitalized during the years 2023 and 2022.

Increase in other costs and commissions during 2023 is primarily due to the cost write-off based on IFRS 9 in the amount of €11,1 million, which was capitalized for issuing an undisbursed loan by the Company as part of the modifications to the key loan terms upon signing the final contracts in December 2023 (note 17).

Interest income is significantly increased in 2023 compared to 2022 mainly due to the short-term deposits held by the Company during the whole period.

## 28. Income tax

According to law 4799/2021 passed on 18.05.2021, the corporate income tax rate of legal entities in Greece is set for 2023 to 22% (2022: 22%).

Under Greek tax regulations, an income tax advance calculation on each year's current income tax liability is paid to the tax authorities. Tax losses, to the extent recognized by tax authorities, can be utilized for offsetting profits of the five subsequent periods following the period in which they occurred.

HRADF owned until 25.06.2021 100% of the Company's share capital and according to POL.1044/10.2.2015 "Notification of the provisions of articles 44, 45 and 46 of the new K.F.D. (L.4172/2013)" exempt from income tax the companies whose share capital belongs entirely, directly or indirectly, to HRADF, in accordance with the provisions of par. 13 of article 2 of L.3986/2011. The provisions of articles 44 to 46 of Law 4172/2013 apply to the incomes acquired and the expenses incurred, as the case may be, in the tax years starting from January 1, 2014 onwards. It should be noted that for the first fiscal year (which was over-twelve months) that ended on 31.12.2013, according to protocol number Δ12Β 1080391 ΕΞ2014 – 22/5/2014 document of the Ministry of Finance, General Secretariat of Public Revenues, the Company was exempt from income taxation for any form of income arising from its activity according to the express wording of both the provisions of par. 6, article 42, of L.3943/2011, and those of par. 13, article 2, of L.3986/2011 as far as its share capital belonged entirely to HRADF.

| *Amounts in € thousand* | 01.01.2023 to 31.12.2023 | 01.01.2022 to 31.12.2022 |
|---|---|---|
| Income tax | (4.933) | (25.191) |
| Deferred tax (note 22) | (6.215) | 2.578 |
| **Total** | **(11.148)** | **(22.613)** |

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate as follows:

| *Amounts in € thousand* | **01.01.2023 to 31.12.2023** | **01.01.2022 to 31.12.2022** |
|---|---|---|
| **Profit/(loss) for the year before tax** | **43.511** | **141.817** |
| Tax calculated at domestic tax rate | (9.572) | (31.200) |
| Expenses not deductible for tax purposes | (1.576) | (1.532) |
| Tax losses carried forward from previous years | - | 10.119 |
| **Taxes** | **(11.148)** | **(22.613)** |

**Tax certificate and unaudited tax years**

For the year ended 31 December 2011 and onwards, based on the Law 4174/2013 (article 65A) as it currently stands (and as per Law 2238/1994 previously provided in article 82), up to and including fiscal years starting before 1 January 2016, the Greek société anonymes and limited liability companies whose annual financial statements are audited compulsorily were required to obtain an «Annual Tax Certificate», which is issued after a tax audit is performed by the same statutory auditor or audit firm that audits the annual financial statements.

For fiscal years starting from January 1, 2016 onwards, Annual Tax Certificate is optional, however the Company receives it. According to the Greek tax legislation and the corresponding Ministerial Decisions, companies for which a tax certificate is issued without markings for violations of the tax legislation are not exempted from the imposition of additional taxes and fines by the Greek tax authorities after the completion of the tax audit in the context of legislative restrictions (as a general principle, 5 years from the end of the fiscal year to which the tax return should have been filed).

The Company has been tax audited by a statutory auditor and has received a tax certificate for the fiscal years 2015 to 2022, while the tax audit for the year 2023 is already being carried out by PricewaterhouseCoopers S.A. and the relevant tax certificate is expected to be granted after the publication of the 2023 financial statements.

Furthermore, tax audit by the competent tax authorities is underway for the years 2020 and 2021.

For the years ended after 31 December 2017 and remain tax unaudited by the competent tax authorities, the Management estimates that any taxes that may arise will not have a material effect on the financial statements.

Pursuant to the following provisions: (a) art. 36 of Law 4174/2013 (unaudited cases of income taxation), (b) para. 1 art. 57 of Law 2859/2000 (unaudited cases of Value Added Tax), and (c) para. 5 art. 9 of Law 2523/1997 (imposition of penalties for income tax cases) the right of the State to impose the tax for the fiscal years up to 2017 has been suspended until 31.12.2023, subject to special or exceptional provisions which may provide for a longer limitation period and under the conditions that they define. Following the no. 433/2020 of the decision of the Council of State and according to relevant circulars regarding the limitation period of the right of the State to impose proportional stamp duties and special contribution in favor of OGA, it was clarified that for financial periods before the entry into force of the provisions of K.F.D., ie before 01.01.2014, the general provisions on limitation of the Civil Code, such as the provision of article 249 of the Civil Code, cannot be applied, and consequently the limitation period of the right of the State to impose the due stamp duty and the special contribution in favor of OGA, is determined in five years in the first place, calculated from the end of the year in which the obligation to pay arises, with the possibility of extending this right to ten years, provided that the conditions of par. 4 of article 84 of the Income Tax Law are met (Law 2238/1994). For the fiscal years after 01.01.2014, the provisions of article 36 of the K.F.D. are applicable with a five-year deadline in the first place. The Company provides, when considered appropriate, for possible additional taxes that may be imposed by the tax authorities. As a result, the Company’s tax liabilities have not been defined permanently. At 31.12.2023 no such provisions have been formed for unaudited years.

## 29.Commitments

Capital commitments

Regarding the development of the Ellinikon site, capital commitments for services of architectural studies, project management as well as construction contracts have been undertaken and have not yet been executed amounting to €615,2m, which relate to projects that have been classified as follows:

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| Inventories | 595.951 | 286.820 |
| Investment property | 13.057 | 7.968 |
| Tangible assets | 6.224 | 5.798 |
| **Total** | **615.232** | **300.586** |

At the same time, LAMDA DEVELOPMENT S.A. on 31.12.2023 had undertaken similar commitments regarding the utilization of the property in Ellinikon in the amount of €0,2 million (31.12.2022: €2,2 million) which will transfer to the Company upon their implementation.

On 27.05.2024 the Company and LAMDA Development S.A. had undertaken and had not performed capital commitments for services of architectural studies, project management as well as construction contracts amounting to €622,3 million and €0,1 million respectively, for the development of Ellinikon project.

## 30.Contingent liabilities and assets

The Company has contingencies in respect of letter of guarantees arising in the ordinary course of business as follows:

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Liabilities** | | |
| Letters of guarantee related to liabilities | 100 | 100 |
| Letters of guarantee related to security of settlements | 11.140 | - |
| | **11.240** | **100** |
| **Assets** | | |
| Letters of guarantee related to receivables from customers | 17.000 | 17.000 |
| Letters of guarantee related to prepayments to suppliers | 50.742 | 21.085 |
| Letters of guarantee related to good performance of agreements | 69.087 | 29.355 |
| | **136.829** | **67.440** |

The Company has no significant open legal cases against, but on the other hand there are several open cases in favor. Therefore, although until the date of publication of the annual financial statements of 31.12.2023 the result cannot be reliably measurable, the Company's Management concludes that by the time those will be finalized, the result will not affect, significantly, the financial results of the Company.

## 31.Related party transactions

The following transactions and balances were carried out with related parties:

| *Amounts in € thousand* | **01.01.2023 to 31.12.2023** | **01.01.2022 to 31.12.2022** |
|---|---|---|
| **i) Income from sale of services and inventories** | | |
| - LAMDA Development S.A. | - | - |
| - other related parties | 10.496 | 243.359 |
| | **10.496** | **243.359** |

*For the year 2023, the income from other related parties includes income from the transfer of expenses related to the commercial developments of the Group's subsidiaries, LAMDA VOULIAGMENIS S.M.S.A. and LAMDA RIVIERA S.M.S.A., amounting to €10.488 thousand (2022: €0) and income from leasing of space to LAMDA VOULIAGMENIS S.M.S.A. amounting to €8 thousand (2022: €0). Accordingly, for the year 2022, the revenues concern the sale of inventories (plots) to the two aforementioned companies in the amount of €192.904 thousand and transfer of proportional infrastructure costs in the amount of €50.455 thousand.*

| | | |
|---|---|---|
| **ii) Purchase of services and assets** | | |
| - LAMDA Development S.A. | 14.790 | 18.440 |
| - other related parties | 336 | 318 |
| | **15.126** | **18.758** |

*For the year 2023, purchases from LAMDA DEVELOPMENT S.A. include charge-back of costs related to the Development of the project in Ellinikon, amounting to €13.937 thousand (2022: €17.731 thousand) and rental fees of €853 thousand (2022: €709 thousand). Additionally, purchases from other related parties include an amount of €336 thousand (2022: €318 thousand) for management fees and financial-administrative services that the Company receives from LAMDA MARINAS INVESTMENTS S.M.S.A. and concern the management of Marina in Agios Kosmas.*

| | | |
|---|---|---|
| **iii) Transactions and remuneration of members of BoD and management** | | |
| Members of BoD: | | |
| - BoD fees and other short-term employment benefits | - | - |
| Management: | | |
| - Salaries and other short-term employment benefits | 1.381 | 1.245 |
| | **1.381** | **1.245** |
| **iv) Interest expense for loans from** | | |
| - LAMDA Development S.A. | 1.396 | 3.376 |
| - LAMDA Finance S.A. | 790 | - |
| | **2.186** | **3.376** |

| *Amounts in € thousand* | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **v) Receivables from related parties** | | |
| - LAMDA Development S.A. | - | - |
| - other related parties | 76.488 | 65.992 |
| | **76.488** | **65.992** |

*Receivables from other related parties mainly include amounts derived from contracts with LAMDA VOULIAGMENIS S.M.S.A. and LAMDA RIVIERA S.M.S.A. in the context of the sale of inventories carried out in 2022, as well as in the recharging of expenses attributed to them and primarily incurred by the Company within 2023.*

| | | |
|---|---|---|
| **vi) Payables to related parties** | | |
| - LAMDA Development S.A. | 7.448 | 9.844 |
| - other related parties | 30.280 | 122 |
| | **37.728** | **9.966** |

*The increase in liabilities to other related parties on 31.12.2023 compared to the corresponding last year's reference period, is mainly due to deferred income that has been recognized for the sale of inventories carried out within 2023 in the newly established related parties BELT RIVIERA S.A. and MALT RIVIERA S.A. for the development of hotel complexes.*

Receivables and payables from and to related parties are satisfied and their carrying amounts approach their fair value.

*Amounts in € thousand*

| **vii) Loans from related parties:** | **31.12.2023** | **31.12.2022** |
|---|---|---|
| **Opening balance** | **83.710** | **80.360** |
| Loans received | 230.000 | - |
| Loan repaid | (80.000) | - |
| Interest charged | 2.186 | 3.350 |
| Interest paid | (4.362) | - |
| Withheld tax | (744) | - |
| **Closing balance** | **230.790** | **83.710** |

During the year 2023, the Company proceeded to repayment of borrowings with capital amount of €30,0 million that it had received from LAMDA DEVELOPMENT S.A.. At the same time, in December 2023, the Company entered into a loan agreement with LAMDA FINANCE S.A. for raising a total capital of €230,0 million and repayment date 20.05.2028.

In addition to the above transactions, in the context of the exploitation of the Property in Ellinikon, the Company has entered contracts for the sale of apartments with related parties as follows:

| *Amounts in € thousand* | **Total contract price 01.01.2023 to 31.12.2023** | **Total contract price 01.01.2022 to 31.12.2022** | **Total receipts 01.01.2023 to 31.12.2023** | **Total receipts 01.01.2022 to 31.12.2022** |
|---|---|---|---|---|
| - Members of BoD | 7.529 | 13.129 | 4.131 | 2.626 |
| - Shareholders and/or their family members who exercise significant influence or control over the Company/LAMDA Development S.A. | 32.508 | - | 16.771 | - |
| | **40.037** | **13.129** | **20.902** | **2.626** |

Services from and to related parties, as well as sales and purchases of goods, take place based on the price lists in force with non-related parties.

## 32.Dividends

For the forthcoming General Meeting of the Company's Shareholders no dividend is expected to be proposed for the fiscal year 2023.

## 33. Audit and other fees

The total fees charged, during the financial years 2023 and 2022, by the statutory audit firm are analyzed as follows:

| *All amounts in € thousand* | **01.01.2023 to 31.12.2023** | **1.1.2022 to 31.12.2022** |
|---|---|---|
| Audit fees | 75 | 72 |
| Annual Tax certificate's fees | 55 | 50 |
| Fees for other assurance services | - | - |
| **Total** | **130** | **122** |

## 34. Events after the reporting period

There are no other events after the balance sheet date considered to be material to the financial statements apart from the following:

In February 2024, The Ellinikon Experience Park has been awarded with the international SITES Gold sustainability certification for new construction projects. This award is a milestone, as The Experience Park of the major regeneration project of The Ellinikon, which was loved by young and old from the very first day it opened its doors in December 2021, is the first project in the New Construction Project category with a SITES certification in Europe. The Sustainable SITES Initiative certification is the international framework for the design, development and management of sustainable, resilient landscapes and open spaces. By acquiring this certification, The Ellinikon Experience Park emerges as a model sustainable urban park. The Ellinikon Experience Park welcomed the public just six months after the signing of the contract for The Ellinikon project by LAMDA Development and has been embraced as a new destination ever since. It was designed by the studio of the distinguished Greek landscape architect Thomas Doxiadis, setting as a priority the enhancement of biodiversity, the restoration of the soil and the reuse and recovery of building materials from the old airport, in a way that connects nature with the aesthetics and ecosystem of the area. In The Ellinikon Experience Park, 900 new trees and 80.000 new low-growing plants that thrive in the Mediterranean climate have been planted, with an emphasis on local species that are part of the Attica landscape.

In April 2024, LAMDA Development S.A. further to the announcement dated 31.01.2022, in relation to the strategic cooperation between the Company and a BROOK LANE CAPITAL group company (Framework Agreement was signed on 27.01.2022) for the development of a state-of-the-art Mixed Use Tower, within the Commercial Hub in the Vouliagmenis Avenue, announced that on 28.03.2024 it completed the closing of all legal documentation, which define the parties' contractual relationship and reaffirm their official cooperation regarding the project, including the execution of the Shareholders Agreement dated 13.03.2024. The special purpose company ELLINIKON PARK TOWER S.A., which will undertake the development of the Mixed-Use Tower with an estimated total budget of almost €500m, was established on 13.03.2024 and is controlled 70% by a company of BROOK LANE CAPITAL Group and 30% by ELLINIKON HOSPITALITY INVESTMENTS S.M.S.A. (100% subsidiary of LAMDA Development S.A.). According to the initial plan, the development of the Mixed-Use Tower, c.150 meters high and approx. 40 floors, will consist of the following uses:

- 5-star hotel with luxury leisure and wellness facilities, conference rooms as well as condo-style rooms.
- Branded residences with unobstructed views towards the Metropolitan Park and the sea.
- The management of the hotel and the branded residences will be assigned to an internationally renowned management company. The completion of the construction for the project is estimated to be within 2028.

**Maroussi, 30 May 2024**

| Chairman of the BoD & Chief Executive Officer | Member of the BoD | Accounting Manager |
|---|---|---|
| **Odyssefs E. Athanasiou**<br>ID AB510661 | **Charalampos Ch. Goritsas**<br>ID AE109453 | **Dionisios G. Marinos**<br>A' Class signature right 0120695 |