Zekakou 18 Owner S.M.P.C.

• Annual report of the Administrators
• Financial Statements for the year ended on the 31st of December 2020 in accordance with the International Financial Reporting Standards (IFRS)

General Commercial Registry No.: 008006301000
Vas. Georgiou B', 10674, Athens

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Management report of the Administrators for the year ended on the 31st of December 2020

Dear Shareholders,

We present to you the Company information regarding its activities for the year ended on the 31st of December 2020.

ECONOMIC POSITION OF THE COMPANY

The Company continues to lease its investment property that is located on 18 Nikolaou Zekakou Str. on Marousi in Attica to the company "Friesland Campina Hellas A.E.", recording a rental income of **533 thousand euro.** On 31.12.2020, the property was evaluated by certified valuators at **7,76 million euro** and the Company recorded a loss from the adjustment in fair value of **116 thousand euro.**

NET RESULTS FOR THE YEAR

The results for the year ended on 31.12.2020 are as follows:

	1.1.2020 - 31.12.2020	**1.1.2019 - 31.12.2019**
Rental Income	532.865	560.832
Net result from fair value adjustments of investment property	-116.000	34.000
Expenses directly related to investment property	-26.268	-30.633
Other income	3.655	-
Gross profit	**394.252**	**564.199**
Operating expense	-20.514	-15.505
Operating profit	**373.738**	**548.694**
Finance income	61	243
Finance expense	-11.291	-2.948
Profit before tax	**362.508**	**545.990**
Tax expense	-8.402	-35.153
Profit after tax	**354.105**	**510.837**

Basic Ratios

The Company's Management evaluates its results and performance, identifying any deviations from set goals and taking corrective measures. The performance of the Company is measured using the following ratios, as described below:

Net Operating Margin	Operating Profit / Rental Income	X 100

Current Ratio	Current Assets / Current Liabilities

Debt to Assets	Total Liabilities / Total Assets

	31/12/2020	31/12/2019
Performance Ratios		
Net Operating Margin	0,70	0,98
Liquidity Ratios		
Current Ratio	23,15	14,75
Gearing Ratios		
Debt to Assets	1,40%	1,65%

Going Concern

The Board of Directors of the Parent Company “Intercontinental International R.E.I.C.” at the meeting of 01 September 2021 decided to merge with the Company by the method of absorption and consolidation of assets and liabilities, in accordance with the provisions of articles 6 par. 2 and 7 to 21 of Law 4601/2019, as applicable in combination with articles 1 to 5 of L.2166 / 1993, as in force, so that with the completion of the merger the Company is dissolved without following its liquidation.

The merger will take place with a transformation balance sheet date of June 30, 2021.

THE EFFECTS OF THE CORONA VIRUS ON THE REAL ESTATE MARKET

Changes in property values can have a significant impact on the income statement and other comprehensive income and the statement of financial position due to changes in fair value, in the event of adverse scenarios.

Recent developments regarding the COVID-19 pandemic and the uncertainty of the financial implications could potentially shape new real estate market data. As the phenomenon is in progress, the full reflection of its effects on the fair value of the Company's property is under evaluation and will be included in subsequent financial statements.

FINANCIAL RISK FACTORS

Foreign exchange risk

The Company operates in Greece and does not have foreign currency. As such, it is not exposed to exchange rate risks from various currencies. As a standard tactic, the Company does not buy foreign currencies and does not enter into foreign exchange contracts with external counterparties.

Credit risk

The Company, apart from its cash equivalents which are deposited in a domestic bank, does not have any other assets that are subject to material credit risk on 31.12.2020, as the Company's trade receivables at that date constitute a very small portion of the Company's income (6,64%). The company does not expect any losses related to its cash equivalents.

Regarding the credit risk in relation to the rents of the Company, the Company leases its property to a large group and estimates that the credit risk for the collection of these rents is not significant.

Price risk

The Company does not hold any financial assets at fair value through profit or loss or through other comprehensive income, so it is not exposed to price risks from them. The Company leases its property and is therefore subject to a risk of change in the price of rents. The Company's Management however, looking at the situation in the real estate market, estimates that the risk in the immediate future is not significant.

Liquidity risk

The Company has sufficient reserves to cover its short-term liabilities. In addition, the Company estimates that the rents it receives from the future lease of the property will be sufficient to cover future operating expenses and its short-term liabilities.

ENVIRONMENTAL MATTERS

The Company recognizes the importance of a balanced economic development in harmony with the environment. The Company has established the following environmental goals:

- Continuous development of the investment property of the Company, with the aim to improve their energy and environmental performance.
- Preference of suppliers and associates that follow environmentally friendly practices.

EMPLOYMENT MATTERS

The Company, both in year 2020 and 2019, did not employ any personnel.

BRANCHES
The Company does not have any branches as at 31.12.2020.

TREASURY SHARES
The Company did not hold any treasury shares on 31.12.2020.

EVENTS AFTER THE REPORTING PERIOD
Other than the decision to merge the Company with the parent entity “Intercontinental International R.E.I.C.” referenced in section “Going Concern” above, there are no other events after the reporting period.

PROSPECTS
The Board of Directors of the parent entity “Intercontinental International R.E.I.C.” in its meeting on the 1st of September 2021, decided the merger with the Company.

The merger is considered to be necessary because it will result in a reduction in operating expenses, as well as in a better organizational structure and allocation of duties and taking into consideration that the Company is a 100% subsidiary of “Intercontinental International R.E.I.C.” it will also result in economies of scale and by extension in the improvement of performance and financial results of the parent entity “Intercontinental International R.E.I.C.”

Regarding the rents, the Company leases its sole property to the company “Friesland Campina S.A.” which is considered to be a quality tenant whose activities are estimated not to have been affected by the pandemic and therefore no doubts are expressed regarding the amount and collection of rents from it.

Regarding the fair value of the Company's property, it should be noted that most of it (90%) is estimated by the income method (i.e. discounted cash flows), while the rest by the comparative method. Therefore, and taking into account the immaterial expected change in future rents as mentioned above, no significant effect on the estimated value of the property is expected due to the COVID 19 pandemic.

Athens, 29th of October 2021

The Administrators

Helen Halikias	**Irene Stromatia**
ID No. AE 783895	**ID No. AN 092069**

[Translation from the original text in Greek]

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "ZEKAKOY OWNER 18 SINGLE MEMBER PRIVATE COMPANY"

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of ZEKAKOY OWNER 18 SINGLE MEMBER PRIVATE COMPANY (hereafter "Company") which comprise the statement of financial position as of 31 December 2020, the statements of comprehensive income, changes in equity and cash flow statements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2020, 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 L. 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.

Emphasis of matter

We bring your attention to notes 1, 2.3 and 16 of the financial statements, which refer to the decision of the Board of Directors of the Parent "Intercontinental International R.E.I.C." regarding its merger with the Company.

The merger will be completed through absorption of the Company by the Parent "Intercontinental International R.E.I.C." in accordance with the provisions of articles 1 – 5 of L. 2166/1993, as applicable, as well as the provisions of L. 4601/2019 regarding Corporate Transformations, with a transformation balance sheet dated 30 of June, 2021. We do not qualify our opinion in relation to this matter.

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 article 150 of L. 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 2020 is consistent with the financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of article 150 of L. 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 L. 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 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, 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.

pwc

Athens, 29th of October 2021

The Certified Auditor Accountant

PricewaterhouseCoopers
Auditing Company S.A.
268 Kifissias Avenue
Halandri 153 32
Athens, Greece
SOEL Reg No 113

Konstantinos Michalatos
SOEL Reg. No. 17701

STATEMENT OF FINANCIAL POSITION

	Note	31.12.2020	31.12.2019
ASSETS			
Non-current Assets			
Investment property	**5**	7.758.000	7.874.000
Property, plant and Equipment		7.052	32.684
		7.765.052	**7.906.684**
Current Assets			
Trade and other receivables		35.397	1.472
Current tax receivables		9	43.748
Cash and cash equivalents	**6**	432.069	432.404
		467.476	**477.624**
TOTAL ASSETS		**8.232.527**	**8.384.307**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	**7**	2.400.000	2.400.000
Share premium		111.698	111.698
Statutory reserve		67.815	44.310
Retained earnings		5.537.666	5.690.066
Total Equity		**8.117.180**	**8.246.074**
LIABILITIES			
Non-current liabilities			
Lease liabilities		-	21.869
Guarantees	**9**	95.155	83.988
		95.155	**105.857**
Current Liabilities			
Trade and other payables	**8**	7.160	16.201
Guarantees		8.823	12.000
Current tax liabilities		4.210	4.175
		20.193	**32.376**
Total Liabilities		**115.347**	**138.233**
TOTAL EQUITY AND LIABILITIES		**8.232.527**	**8.384.307**

The notes on pages 14 to 30 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

	Note	1.1.2020 - 31.12.2020	1.1.2019 - 31.12.2019
Rental Income	**10**	532.865	560.832
Net result from fair value adjustments of investment property		-116.000	34.000
Expenses directly related to investment property	**11**	-26.268	-30.633
Other income		3.655	-
Gross profit		**394.252**	**564.199**
Other expense	**12**	-20.514	-15.505
Operating profit		**373.738**	**548.694**
Finance income		61	243
Finance expense		-11.291	-2.948
Profit before tax		**362.508**	**545.990**
Tax expense	**13**	-8.402	-35.153
Profit after tax		**354.105**	**510.837**
Total comprehensive income for the year		**354.105**	**510.837**

The notes on pages 14 to 30 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Retained earnings	Statutory reserves	Total
Balance on January 1st, 2019	2.400.000	111.698	5.584.620	20.321	8.116.639
Profit after tax for the year	-	-	510.837	-	510.837
Total comprehensive income for the year	**-**	**-**	**510.837**	**-**	**510.837**
Amount allocated to statutory reserves	-	-	-23.989	23.989	-
Transactions with shareholders					
Payment of 2018 Dividend	-	-	-381.402	-	-381.402
Balance on December 31st , 2019	**2.400.000**	**111.698**	**5.690.066**	**44.310**	**8.246.074**

	Share capital	Share premium	Retained earnings	Statutory reserves	Total
Balance on January 1st, 2020	2.400.000	111.698	5.690.066	44.310	8.246.074
Profit after tax for the year	-	-	354.105	-	354.105
Total comprehensive income for the year	**-**	**-**	**354.105**	**-**	**354.105**
Amount allocated to statutory reserves	-	-	-23.505	23.505	-
Transactions with shareholders					-
Payment of 2019 Dividend	-	-	-483.000	-	-483.000
Balance on December 31st , 2020	**2.400.000**	**111.698**	**5.537.666**	**67.816**	**8.117.180**

The notes on pages 14 to 30 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

Cash flows from operating activities	Note	1.1.2020 - 31.12.2020	1.1.2019 - 31.12.2019
Profit before tax		362.508	545.990
Plus (less) Adjustments for:			
Interest income		-61	-243
Interest expense		11.291	2.948
(Increase)/decrease in the fair value of investment property	**5**	116.000	-34.000
Depreciation and amortization	**12**	10.895	10.895
Changes in working capital			
Decrease/ (increase) of receivables		9.813	73.893
(Decrease)/ increase of payables		-7.474	-2.678
Cash flows from operating activities		**502.971**	**596.804**
Tax paid		-8.367	-61.179
Interest paid		-	-
Interest received		61	243
Net cash flows from operating activities (a)		**494.665**	**535.868**
Cash flows from investing activities			
		-	-
Net cash flows from investing activities (b)		**-**	**-**
Cash flows from financing activities			
Earnings distribution to the shareholders		-483.000	-381.402
Repayment of lease liabilities		-12.000	-12.000
Net cash flows from financing activities (c)		**-495.000**	**-393.402**
Net increase/ (decrease) in cash and cash equivalents for the period (a)+(b)+(c)		**-335**	**142.466**
Cash and cash equivalents at the beginning of the period		432.404	289.938
Cash and cash equivalents at the end of the period		**432.069**	**432.404**

The notes on pages 14 to 30 form an integral part of these financial statements.

Notes to the financial statements

1. General Information

Zekakou 18 Owner S.M.P.C. (henceforth "the Company"), was established as an unlimited liability sole proprietorship in 2008 and is registered in the General Commercial Registry with the number 008006301000. The Company is domiciled in Greece, Vas. Georgiou B' 12, 10674, Athens. On 31.12.2020, the main business activity of the Company is the development, utilization and management of real estate.

The company "Intercontinental International R.E.I.C." (Parent of the Company), domiciled in Athens, owns a 100% of the Company's shares since 04.05.2018, and as such, the financial statements of the Company are included in the consolidated financial statements of the Parent.

The financial statements dated 31st of December 2019 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

These financial statements have been approved by the Board of Directors of the Company on the 29th of October 2021 and are subject to the approval by the Annual General Assembly of the Shareholders.

The Board of Directors of the Parent Company "Intercontinental International R.E.I.C." at the meeting of 01 September 2021 decided to merge with the Company by the method of absorption and consolidation of assets and liabilities, in accordance with the provisions of articles 6 par. 2 and 7 to 21 of Law 4601/2019, as applicable in combination with articles 1 to 5 of L.2166 / 1993, as in force, so that with the completion of the merger the Company is dissolved without following its liquidation.

The merger will take place with a transformation balance sheet date of June 30, 2021.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation of the Financial Statements

Theses financial statements have been prepared by the Management in accordance with the International Financial Reporting Standards (IFRS), and the IFRIC interpretations, as adopted by the European Union with a first-time adoption date on the 1st of January 2018. The financial statements present the Company's financial position, performance and cash flows under the going concern assumption, after taking into account various macroeconomic and microeconomic factors and their impact on the Company's business activities. Despite the fact that there is no threat of any kind in the Company's ability to operate as a going concern, the Board of Directors of the Parent Company "Intercontinental International R.E.I.C." at the meeting of 01 September 2021 decided to merge with the Company by the method of absorption and consolidation of assets and liabilities, in accordance with the provisions of articles 6 par. 2 and 7 to 21 of Law 4601/2019, as applicable in combination with articles 1 to

5 of L.2166 / 1993, as in force, so that with the completion of the merger the Company is dissolved without following its liquidation.

The merger will take place with a transformation balance sheet date of June 30, 2021.

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 1.1.2020. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

<u>**Standards and Interpretations effective for the current financial year**</u>

IAS 1 and IAS 8 (Amendments) "Definition of material"
The amendments clarify the definition of material and how it should be used, supplementing the definition with instructions that have so far been provided elsewhere in the IFRS. In addition, the clarifications accompanying the definition have been improved. Finally, the amendments ensure that the definition of essential applies consistently to all the IFRS.

IFRS 9, IAS 39 and IFRS 7 (Amendments) "Interest Rate Benchmark Reform"
The amendments change certain requirements on hedge accounting to facilitate the possible effects of the uncertainty caused by the change in benchmark rates. In addition, the amendments require companies to provide additional information to investors about their hedging relationships, which are directly affected by these uncertainties.

<u>**Standards and Interpretations effective for subsequent periods**</u>

IFRS 16 (Amendment) "COVID-19-related Rent Concessions" <u>(effective for annual periods beginning on or after the 1st of June 2020)</u>
The amendment provides lessees (but not lessors) with an optional exemption from assessing whether the COVID-19-related lease is a lease amendment. Lessees can choose to account for rental concessions in the same way they would for non-lease changes. The amendment has not yet been adopted by the EU.

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) "Interest Rate Benchmark Reform – Phase 2" <u>(effective for annual periods beginning on or after the 1st of January 2021)</u>
The amendments complement those issued in 2019 and focus on the impact on the financial statements when a company replaces the old benchmark rate with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the financial cash flows of its financial instruments, how it will account for changes in its hedging relationships and the information it needs to disclose.

IAS 37 (Amendment) "Onerous Contracts – Cost of Fulfilling a Contract" <u>(effective for annual periods beginning on or after the 1st of January 2022)</u>
The amendment clarifies that "the cost of fulfilling a contract" includes the costs directly related to the fulfillment of that contract and the allocation of other costs directly related to its completion. The amendment also clarifies that, before recognizing a separate provision for an onerous contract, an entity recognizes an impairment loss on the assets used to perform the

contract, rather than on assets that were solely committed to that contract. The amendment has not yet been adopted by the EU.

IFRS 3 (Amendment) "Reference to the Conceptual Framework" <u>(effective for annual periods beginning on or after the 1st of January 2022)</u>
The amendment updated the standard to refer to the Conceptual Framework for the Financial Report issued in 2018, when it should be determined what constitutes an asset or liability in a business combination. In addition, an exception has been added for certain types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognize any assets, as defined in IAS 37, at the acquisition date. The amendment has not yet been adopted by the EU.

IAS 1 (Amendment) "Classification of Liabilities as Current and Non-Current" <u>(effective for annual periods beginning on or after the 1st of January 2023)</u>
The amendment clarifies that liabilities are classified as current or non-current based on the entitlements in force at the end of the reporting period. The classification is not affected by the entity's expectations or events after the reporting date. In addition, the amendment clarifies the meaning of the term "settlement" of an obligation in IAS 1. The amendment has not yet been adopted by the EU.

IAS 1 (Amendments) "Presentation of Financial Statements" and IFRS Practice Statement 2 "Disclosure of Accounting Policies" <u>(effective for annual periods beginning on or after the 1st of January 2023)</u>
The amendments require companies to provide information regarding their accounting policies when they are material and to provide guidance on the meaning of the material when it applies to accounting policy disclosures. The amendments have not yet been adopted by the EU.

IAS 8 (Amendments) "Accounting Policies, changes in Accounting Estimates and Errors: Definition of Accounting Estimates" <u>(effective for annual periods beginning on or after the 1st of January 2023)</u>
The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments have not yet been adopted by the EU.

Annual improvements in IFRS 2018 - 2020 <u>(effective for annual periods beginning on or after the 1st of January 2022)</u>
The amendments listed below include changes to specific IFRS. The amendments have not yet been adopted by the EU.

IFRS 9 "Financial Instruments"
The amendment addresses what costs should be included in the 10% assessment for the recognition of financial liabilities. The relevant costs or fees could be paid either to third parties or to the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% assesment.

IFRS 16 "Leases"

The amendment removed the example of lessor payments for rental improvements in Explanatory Example 13 of the standard, in order to eliminate any possible confusion regarding the handling of lease incentives.

2.3 Going concern

The Parent Company " Intercontinental International R.E.I.C." and the Company constantly evaluate the macroeconomic developments, as well as the development of the current market, in order to re-evaluate and re-define the investment plan as well as the overall business strategy of the Company.

There is a strong capital adequacy, with cash reserves in the Company's bank accounts amounting to 432 thousand euro, an amount that more than covers the Company's total short-term liabilities of 20 thousand euro, as well as any expenses for a period that exceeds 12 months, even under the extreme scenarios of a significant decline or elimination of the rental revenue.

Based on the above, there is no risk regarding the Company's ability to continue as a going concern, however, the Board of Directors of the Parent Company "Intercontinental International R.E.I.C." at the meeting of 01 September 2021 decided to merge with the Company by the method of absorption and consolidation of assets and liabilities, in accordance with the provisions of articles 6 par. 2 and 7 to 21 of Law 4601/2019, as applicable in combination with articles 1 to 5 of L.2166 / 1993, as in force, so that with the completion of the merger the Company is dissolved without following its liquidation.

The merger will take place with a transformation balance sheet date of June 30, 2021.

THE EFFECTS OF THE CORONA VIRUS ON THE REAL ESTATE MARKET

Changes in property values can have a significant impact on the income statement and other comprehensive income and the statement of financial position due to changes in fair value, in the event of adverse scenarios.

Recent developments regarding the COVID-19 pandemic and the uncertainty of the financial implications could potentially shape new real estate market data. As the phenomenon is in progress, the full reflection of its effects on the fair value of the Company's property is under evaluation and will be included in subsequent financial statements.

2.4 Foreign currencies

(a) Functional currency and Presentation currency

Items in the financial statements of the Company are denominated in the currency of its primary economic environment (functional currency). The financial statements are presented in Euro, which is both the functional and the presentation currency of the Company.

(b) Transactions and balances
Transactions in foreign currencies are converted in the Company's functional currency according to the foreign exchange rate that are applicable at the transaction dates. The foreign exchange differences (gains or losses) that occur from the settlement of the foreign exchange transactions, as well as the from the conversion of the cash balances in foreign currency to the functional currency using the exchange rates applicable at the financial statements date, are recorded in the statement of comprehensive income.

2.5 Investment Property

Real estate property held for long-term lease agreements or capital gains or both, and are not used by the Company, are classified as investment property.

In accordance with the current REIC law (L. 2778/1999), investment property is initially recognized at cost, including direct acquisition costs and borrowing costs. After initial recognition, investment property is measured at "fair value". Fair value is based on prices that apply in an active market, adjusted when necessary, due to differences in nature, location and condition of the individual asset. If this information is not available, then the Company applies alternative methods of valuation, such as recent prices in less active markets or discounted cash flow methods. Those valuations are regularly re-examined on the 30th of June and 31st of December of each year, by independent professional valuators, with market insight, proven professional experience and registered on the competent Independent Valuator Registry of the Ministry of Finance, in accordance with the guidance issued by the International Valuation Standards Committee.

Investments in real estate property that are repurposed to serve as investment property or for which the market has evolved to be less active, are still classified as investment property and measured at "fair value".

The fair value of investment property represents, inter alia, rental revenue from existing lease agreement and assumptions in relation to rental revenue from future lease agreements, under the light of current conditions in the market.

Fair value also represents, on a similar basis, any cash outflow (including rent payments and other outflows) that is expected for such an asset. Some of those outflows are recognized as a liability, while others, including contingent rent payments, are not recognized in the financial statements.

Subsequent expenditures are added in the cost value of the property only if it is likely that future economic benefit, related to property, will flow to the Company and that these expenditures can be measured reliably. Repairs and maintenance costs affect the results of the period in which they occur.

Changes in the fair value are recorded in the results of the period. Investment property is derecognized when it is sold or when its use as an investment property ceases permanently and no capital gains are expected from its sale.

If an investment property changes into an own-use property, it is reclassified in Property, Plant and Equipment and its fair value at the date of the reclassification, becomes the book value of the property for accounting purposes.

If an asset is reclassified from Property, Plant and Equipment to investment property, due to changes in its use, any difference between its accounting value and its fair value at the date of its reclassification, is recognized in other comprehensive income and is presented in Equity as fair value adjustment reserve in "Other Reserves", in accordance with IAS 16. However, if the gain from fair value adjustments reverses prior impairment losses, then the gain is recognized in the results of the period, to the extent that it reverses the impairment. Any gain surplus is recognized in other comprehensive income, increasing the reserves from fair value adjustments.

When the use of an investment property is subject to change, indicating a sale without re-utilization, the property is classified as non-current asset held for sale as long as it meets the criteria of IFRS 5. The cost of the property for the purpose of its subsequent accounting treatment is its fair value at the date of the reclassification.

2.6 Leases

Cases where the Company is the lessor

(i) Operating lease – The Company rents its owned property under operating lease. When property has been rented under operating lease, it is classified as investment property in the statement of financial position (Note 5). Rental income (less the value of any incentives offered by the lessor) are recognized on a straight-line basis for the duration of the lease. Rent Guarantees received at the beginning of a lease are recorded as liabilities and presented at cost.

(ii) Finance Lease – So far, the Company has not entered into any finance lease as a lessee.

Cases where the Company is the lessee

(i) Operating lease – Up until financial year 2018, the Company's lease of its headquarters, of a property owned by the Parent, was classified as an operating lease. Lease payments made were recorded through profit and loss using the straight-line method for the duration of the lease.

Since the 1st of January 2019, the lease is recognized as an asset together with the respective liability towards the Parent at the date on which the leased asset is ready for use by the Company (Initial recognition on 01/01/2019: €43.578). Any change in the lease is allocated between the liability and finance cost. Finance cost burdens the financial results for the year for the duration of the lease period, so that a fixed periodic interest rate applies on the liability balance for each period.

Lease liabilities are initial recognized at present value. Lease liabilities include the present value of the following:

- Fixed rent payments (including in-substance fixed payments), reduced by any lease incentives.
- Variable rent payments that depend on an index or rate, which are initially measured using the index or rate at the starting date of the lease period.
- Amounts that are expected to be paid by the Company based on guaranteed residual values.
- The exercise price of a purchase right if it is almost certain than the Company will exercise that right.
- The penalty for terminating the lease, if the duration of the lease provides for a termination right for the Company.

The initial recognition of the lease liability also includes payments that relate to expansion rights that are almost certain to be exercised. Lease payments are discounted using the rate implicit in the lease.

If that rate cannot be determined directly, the incremental borrowing rate of the lessee is used, i.e. the rate with which the lessee would borrow the necessary funds to purchase an asset of a similar value with the right-of-use asset, for a similar period, with similar collaterals and in a similar economic environment.

The cost of the right-of-use asset consists of:

(a) the amount of the initial measurement of the lease liability.
(b) any lease payments made at or before the commencement date, less any lease incentives received
(c) any initial direct costs incurred by the lessee and
(d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Right-of-use assets are amortized using the straight-line method and a duration that is the shortest between the asset's useful life and the duration of the lease. Payments that relate to short-term leases of equipment and vehicles and all low value leases are recognized using the straight-line method through profit and loss. Short-term leases are those with a duration of 12 months or less.

(ii) Finance lease – The Company has not yet entered into finance leases as a lessee.

2.7 Financial Assets

Classification and measurement

According to IFRS 9, financial instruments are subsequently measured at fair value through profit and loss, at amortized cost or at fair value through other comprehensive income.

The classification depends on two criteria:

• the business model within which the financial asset is held, i.e. whether it is held with the intension to collect its contractual cash flows or with the intention to collect its contractual cash flows and sell or with the intention to sell the financial asset.

• whether the contractual cash flows of the financial asset consist exclusively of principal repayments and interest on the outstanding principal ("SPPI").

The Company uses the following classifications for the measurement for its financial assets:

<u>Financial assets measured at amortized cost.</u>

Financial assets that are held within the business model with the intention to collect the contractual cash flows the meet the SPPI.

The financial assets classified in this category include the following assets:

· Cash and cash equivalents

· Trade receivables

Trade receivables are the receivable amounts form clients from the provision of service to them during the usual activity of the company. If receivables are collected during the normal operating cycle of the company, which does not exceed one year, they are recorded as current assets. Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment.

<u>Financial assets measured at fair value through other comprehensive income</u>

Relates to financial assets that are held with the intention to collect contractual cash flows as well as for their sale and which create, at specific dates, cash flows that consist entirely of principal repayments and interest on the remaining principal.

Changes in their current value are recognized in other comprehensive income, except for impairment losses, interest income and gains/losses from foreign exchange differences, which are recognized in profit and loss. When the financial asset is derecognized, the accumulated gain/loss that has been recognized in other comprehensive income is reclassified in profit and loss under "Other income/expense". Interest income is calculated using the effective interest method and recognized in finance income. Foreign exchange gains/losses are recognized in under "Foreign exchange differences" and the impairment losses are recognized in a separate financial statement line in the statement of comprehensive income. On 31.12.2020, the Company did not hold any financial assets under this classification.

Fair value through profit and loss

Financial assets that do not meet the classification criteria of “Financial assets at amortized cost” and “Financial assets measured at fair value through other comprehensive income” are measured at fair value through profit and loss. The profit/loss is recognized in profit and loss under “Other income/expense” in the period it has occurred. On 31.12.2020, the Company did not hold any financial assets under this classification.

Impairment

For investments in securities that are measured at amortized cost or at fair value through other comprehensive income, the Company determines impairment loss due to expected credit loss. The relative methodology depends on whether there is significant increase of credit risk.

Expected credit loss is recognized based on the following:

- expected credit loss within 12 months are recognized at initial recognition, reflecting part of the lost cash flows during the asset’s lifetime that may occur due to default within 12 months from the financial statement date, weighted by their possibility of default.

- lifetime expected credit loss are recognized in the case of significant increase of credit risk that is identified subsequently to the asset’s initial recognition and reflects loss of cash flows from any possible eventuality of default during the lifetime of the asset, weighted by their possibility of default.

Trade and other receivables

The Company applies the simplified approach of IFRS 9 for the calculation of the expected credit loss. The allowance for the loss, is always measured at an amount equal to the lifetime expected credit loss of the receivable. To determine the expected credit loss from its trade and other receivables, the Company uses a table of expected credit loss based on the aging of the receivable balances. Expected credit losses are based on historical data taking into account future factors in relation to the debtors and the economic environment.

2.8 Offsetting of financial assets

Financial assets and liabilities may be offset against each other and the net amount be presented on the statement of financial position, when there is a legal exercisable right to do so and there is the will to settle the amounts on a clear basis or the recovery of the asset and the settlement of the liability take place simultaneously. The legal right to settle must not be dependent on future events and must be exercised within the usual activities of the Company, as well as in in cases of default, insolvency or bankruptcy of the Company or the counterparty.

2.9 Impairment of non-financial assets

Assets that have an indefinite useful economic life are not being depreciated or amortized, but instead are subject to impairment test annually and any tome events may indicate that their accounting value may not be recoverable. Financial assets that are depreciated or amortized are subject to impairment test whenever there is indication that their accounting value may not be recoverable. The recoverable value is the greater between the net realizable value of the asset (reduced by the cost of the sale) and its value-in-use. For impairment purposes, the assets are grouped by the lowest possible level for which cash flows may be separately determined. The impairment losses are recorded as expenses in the statement of comprehensive income in the year that they occur.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash deposits and highly liquid time deposits held with banks with original maturities up to three months or less and of low risk.

2.11 Share capital

Ordinary shares are presented in Equity. The expenses for share capital increases are presented, net of taxes, deductively in Equity as a decrease in the product of the issue.

2.12 Trade and other payables

The liabilities are initially recognized at their fair value and subsequently measured at amortized cost using the effective interest rate method.

2.13 Guarantees

The Company receives advance payments from tenants as a guarantee under operating leases. These guarantees are financial liabilities under IFRS 9 and are initially recognized at fair value. Subsequently, they are measured at amortized cost using the effective interest rate method. Guarantees are recognized in short-term liabilities unless the Company has the right to postpone the settlement of the liability for 12 months after the balance sheet date, in which case they are recognized in the long-term liabilities.

2.14 Current Tax

Current Tax is calculated in accordance with the applicable tax legislation. Management regularly evaluates the Company's position in matters related to the tax authorities and, when necessary, accounts for provisions for amounts expected to be paid to the tax authorities.

As a REIC subsidiary, the Company is not subject to income tax, but is taxed based on the total value of its assets. In more detail, the Company is taxed with a tax rate equal to 10% of the applicable intervention rate of the ECB, increased by 1 percent, on the six-month average of its investments plus its reserves in current prices.

2.15 Revenue recognition

Revenue from operating leases is recognized in the results of the period, using the straight-line method, for the duration of the lease. When the Company provides incentives to its customers, the cost of those incentives is recognized during the duration of the lease, using the straight-line method, decreasing the revenue from the operating leases. Variable (contingent) rents, such as those based on revenue, are recorded as income in the periods that they occur. Both in the current year and in the prior year, the Company did not earn any contingent revenue.

2.16 Dividend Distribution

The dividend for distribution to the shareholders of the Company is recognized as a liability in the Financial Statements of the period in which the distribution has been approved by the General Meeting of the Shareholders.

3. Financial risk management

Financial risk factors

The Company is exposed in various financial risks, such as, market risk (cash flow risk from changes in interest rates), credit risk and liquidity risk. The financial risks are related to the following financial assets: Trade and Other Receivables, Cash and Cash Equivalents, Trade and Other Payables.

The accounting principles related to the above financial items are described in Note 2. Risk Management is performed by the Management of the Company. Risk Management is focused mostly on the recognition and evaluation of financial risks such as market risk (foreign exchange risk, interest rate risk), credit risk, liquidity risk and surplus liquidity investment policy.

Foreign exchange risk

The Company operates in Greece and does not have foreign currency. As such, it is not exposed to exchange rate risks from various currencies. As a standard tactic, the Company does not buy foreign currencies and does not enter into foreign exchange contracts with external counterparties.

Credit risk

The Company, apart from its cash equivalents which are deposited in a domestic bank, does not have any other assets that are subject to material credit risk on 31.12.2020, as the Company's trade receivables at that date constitute a very small portion of the Company’s income (6,64%). The company does not expect any losses related to its cash equivalents.

Regarding the credit risk in relation to the rents of the Company, the Company leases its property to a large group and estimates that the credit risk for the collection of these rents is not significant.

Price risk

The Company does not hold any financial assets at fair value through profit or loss or through other comprehensive income, so it is not exposed to price risks from them. The Company leases its property and is therefore subject to a risk of change in the price of rents. The Company's Management however, looking at the situation in the real estate market, estimates that the risk in the immediate future is not significant.

Liquidity risk

The Company has sufficient reserves to cover its short-term liabilities. In addition, the Company estimates that the rents it receives from the future lease of the property will be sufficient to cover future operating expenses and its short-term liabilities. The tables below present an analysis of the maturities of the financial assets and liabilities:

2020

	Up to 1 year	1 to 2 years	2 to 5 years	Longer than 5 years
Financial Assets				
Trade and other receivables	35.397	-	-	-
Cash and cash equivalents	432.069	-	-	-
Total	**467.466**	**-**	**-**	**-**
Financial Liabilities				
Guarantees	-	-	-	95.155
Lease liabilities	9.000	-	-	-
Trade and other payables	7.160	-	-	-
Total	**16.160**	**-**	**-**	**95.155**

2019

	Up to 1 year	1 to 2 years	2 to 5 years	Longer than 5 years
Financial Assets				
Trade and other receivables	1.472	-	-	-
Cash and cash equivalents	432.404	-	-	-
Total	**433.876**	**-**	**-**	**-**
Financial Liabilities				
Guarantees	-	-	-	93.472
Lease liabilities	12.000	12.000	13.000	-
Trade and other payables	16.201	-	-	-
Total	**28.201**	**12.000**	**13.000**	**93.472**

4. Significant Management accounting estimates and assumptions

The Management's estimates and assumptions are constantly re-evaluated and are based on historical information and on expectations for future events that are considered reasonable under the circumstances.

The Company makes estimates and assumptions in relation to future events. The estimates and assumptions that have a higher risk to cause material adjustments in the future accounting values of the assets and liabilities, relate to the following:

Estimation of investment property fair value

The most suitable indication of fair value are the market prices that apply in an active market for similar leases and other contracts. If such information is unavailable, the Company determines the fair value using a broad range of accounting estimates for the fair value. In order to reach such decision, the Company considers data from various sources, which include the following:

(i) Current prices in an active market of real estates of different nature, condition or location (or subject to different leases or contracts), which have been adjusted for those differences.

(ii) Recent prices of similar real estate properties in less active markets, adjusted so as to reflect any changes in economic conditions that took place after the date that the respective transactions took place, and

(iii) Discounted cash flows, based on reliable forecasts of future cash flows, that derive from the terms of existing lease agreements and other contracts and (when possible) from external data such as, current rent prices of similar real estate properties in the same location and condition, using discount rates that reflect the current market expectation regarding the uncertainty for the amount and time of occurrence of those cash flows.

Disclosures regarding the estimation of the fair value of the real estate investment property is thoroughly presented in Note 5.

5. Investment Property

	31.12.2020	31.12.2019
Opening Balance	**7.874.000**	**7.840.000**
Net gain from fair value adjustment of investment property	-116.000	34.000
Closing Balance	**7.758.000**	**7.874.000**

The Company leases its real estate in Marousi to the company "Friesland Campina Hellas S.A.". The Company revaluated its real estate property to its fair value on 31.12.2020, according to IAS 40. The valuation was performed by certified valuators and resulted in a net loss from the revaluation to fair value of €116.000.

The valuation of the investment property is performed by certified valuators using the discounted cash flow method (DCF), which is based on estimations of future cash flows according to the terms of the active lease agreements and other contracts, as well as (where possible), on external data such as, current rent levels of similar real estate in the same location and condition, using discount rates that are connected to the industry of each tenant as well as the current evaluation of the market regarding the uncertainty of the magnitude and timing of those cash flows. In addition, in combination with the DCF, the comparative method is used based on comparative indications of the market, which have been adjusted appropriately in order to reflect the condition and the circumstances regarding the particular real estate.

The yield of the real estate property with which the annual income was capitalized was 7,75% for 2020, while the discount rate used on the future cash flows was 10,44%.

The fair value estimation of the real estate property is classified as level 3.

6. Cash and cash equivalents

	31.12.2020	31.12.2019
Cash on hand	16	16
Sight deposits in €	432.053	432.388
Total	**432.069**	**432.404**

7. Share Capital

On 31.12.2020 the Company's capital was 2.400.000 euro divided in 60.000 company shares with a nominal value of 40 euro per share.

8. Trade and other payables

	31.12.2020	31.12.2019
Suppliers	207	155
Taxes and duties	2.196	11.116
Other liabilities	1.358	3.430
Accrued expenses	3.400	1.500
Total	**7.160**	**16.201**

9. Guarantees

On 31.12.2020 the Company had received a total amount of **€95.155** as long-term rent guarantees for its leased property (31.12.2019: €93.472). The fair value of this long-term liability on 31.12.2020 was **€86.989** (31.12.2019: €83.988).

10. Rental income

The total rental income of the year is generated from the operating lease of the real estate investment property of the Company. The rent of the real estate property of the Company is annually adjusted by the CPI. The Company did not earn any variable rents during the year.

The minimum non-cancellable future rental income from the lease of the Company's investment property, including the contractual rent adjustments are as follows:

	31.12.2020	31.12.2019
Rental income within the following year:	576.160	569.244
Rental income within 2 to 5 years:	2.357.943	2.428.880
Rental income after 5 years and up to 2027:	1.211.641	1.992.506
	4.145.744	**4.990.630**

11. Expenses directly related to investment property

	31.12.2020	31.12.2019
Insurance expenses	3.869	4.405
Technician fees	167	4.796
Repairs and maintenance	800	-
Other taxes and duties	432	432
Real estate ownership tax (ENFIA)	21.000	21.000
Total	**26.268**	**30.633**

12. Other expenses

	31.12.2020	31.12.2019
Third party fees	8.435	4.450
Depreciation and amortization	10.895	10.895
Taxes – duties	1.065	50
Miscellaneous expenses	120	110
Total	**20.514**	**15.505**

13. Taxes

As a Real Estate Investment Company subsidiary after its acquisition, the Company is taxed in accordance with article 31 of L. 2778/1999, as amended by article 53 of L. 4646/2019. According to the article, real estate investment companies are required to pay tax at a rate determined as 10% of the applicable intervention rate of the European Central Bank (Reference Rate), increased by one (1) percentage point, and is calculated on the six-month average of their investments, plus their reserves, in current prices, as presented in their semi-annual investment schedules, per par.1 of article 25 of L. 2778/1999. In the case that the Reference Rate changes, the new tax calculation basis applies on the first day of the month following the change. In case of change in the Reference Rate, the new tax calculation basis is effective on the first date of the following month.

In case of withheld tax from dividends received, this tax is settled against the tax declared on the tax statement submitted by the REIC on July. Any credit balance is transferred for settlement in future tax statements. With the payment of this tax, the tax liability of the company and its shareholders is exhausted.

Current tax liabilities include the short-term obligations towards the tax authorities that relate to the above tax. Management regularly evaluates its position on matters that relate to the tax authorities and, when necessary, records provisions for amounts that are expected to be paid to those authorities.

14. Contingent Liabilities

Tax Compliance Report and unaudited tax years

Since the year ended on the 31st of December of 2011, according to L. 4174/2013 (article 65A), as applicable (and as defined by article 82 of L. 2238/1994), Greek limited companies whose financial statements have statutory audit requirements, were required to receive a "Tax Compliance Certificate" for the years ending before the 1st of January 2016. The certificate is issued after the completion of the tax audit by the statutory auditor or audit firm that audits the annual financial statements of the Company.

For the years starting after the 1st of January 2016, the "Tax Compliance Certificate" is optional, and the Company has opted out for the years ended up to 31.12.2020. The Company has not been audited by the tax authorities ended on 31.12 of years 2016 to 2020. For the unaudited tax years, there is the possibility of added imposed taxes and surcharges, for the year that they are identified and finalized. The Management estimates that any additional taxes that might be imposed will not have a material impact on the financial statements of the Company.

Litigation and Claims

There is no outstanding litigation or claims against the Company that may materially affect the financial position and which should be taken into account presently.

15. Related Party balances and transactions

The following table presents the balances and transactions of the Company with related parties:

Receivables from related parties	**31.12.2020**	**31.12.2019**
Right-of-use on assets	7.052	32.684

Liabilities towards related parties	**31.12.2020**	**31.12.2019**
Payables to the Parent	8.823	33.869
Payables to other related parties	1.358	1.248

Related party transactions	**31.12.2020**	**31.12.2019**
Service purchases from the Parent	12.586	13.185
BoD and key management personnel remuneration	2.400	2.400
Dividends paid to the Parent	483.000	381.402

16. Events after the reporting period

The Board of Directors of the Parent Company "Intercontinental International R.E.I.C." at the meeting of 01 September 2021 decided to merge with the Company by the method of absorption and consolidation of assets and liabilities, in accordance with the provisions of articles 6 par. 2 and 7 to 21 of Law 4601/2019, as applicable in combination with articles 1 to 5 of L.2166 / 1993, as in force, so that with the completion of the merger the Company is dissolved without following its liquidation.

The merger will take place with a transformation balance sheet date of June 30, 2021.

Athens, 29th of October 2021

The Administrators

Helen Halikias	**Irene Stromatia**
ID No. AE 783895	**ID No. AN 092069**