INTERCONTINENTAL INTERNATIONAL
REAL ESTATE INVESTMENT COMPANY
"INTERCONTINENTAL INTERNATIONAL R.E.I.C."

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED ON 31/12/2020

March 2021

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Statement of the Board of Directors of the Company
(in compliance with article 4, par.2 of L. 3556/2007)

We declare that, to our knowledge, the annual consolidated and separate financial statements for the year ended on the 31st of December 2020, have been prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union and fairly and truthfully present the Assets and Liabilities, the Equity and the Comprehensive Income of **"INTERCONTINENTAL INTERNATIONAL R.E.I.C."** and its two subsidiaries that are included in the consolidation, taken together as a whole.

In addition, we declare that, to our knowledge, the Annual Report of the Board of Directors truthfully presents the development, performance and financial position of the Company and its two subsidiaries that are included in the consolidation, taken together as a whole, including the description of the most significant risks and uncertainties they face.

Athens, 29th of March 2021

The undersigned

The Chairman of the Board	The Vice-Chairman	The Managing Director
Aristotle Halikias **ID No. AE 783893**	**Patricia Halikias** **ID No. AE 783894**	**Evangelos I. Kontos** **ID No. AN 087157**

Annual Report of the Board of Directors of the company "Intercontinental International Real Estate Investment Company" on the consolidated and separate financial statements for the year ended on the 31st of December 2020

Dear shareholders,

In accordance with the provisions of L. 3556/2007 and L. 4548/2018, we present to you the Annual Report of the Board of Directors of Intercontinental International REIC ("the Company"/ "the Group") for the year 2020. The present Report includes the information of the articles 150, 151, 153 and 154 of L. 4548/2018, paragraphs 7 and 8 of article 4 of L. 3556/2007 and the Corporate Governance statement of article 152 of L. 4548/2018.

Financial position of the Company and the Group

Despite the outbreak of the SARS COVID-19 pandemic, the Group continues to consider and evaluate possible investment opportunities, however, on a stricter criteria basis. During the year, the Company sold two of its properties for a total amount of € 1.095.000. The fair value of the properties, at the time of the sale, was estimated at € 1.075.000, resulting to fair value gain for the current fiscal year equal to € 20 thousand, whereas a cumulative fair value gain of € 305 thousand has been achieved versus acquisition value equal on aggregate for the two properties of € 790 thousand. In aggregate, on 31.12.2020, the Group owned 32 real estate properties, 30 of which are classified as investment property, while two of them are own used.

The fair values of the investment properties of the Group, as estimated by an Independent Certified Valuator, reach a total value of **€ 92,3 million** (31st of December 2019: € 93,1 million – excluding the two properties sold, for reasons direct comparison) and the respective figure for the Company being **€ 82,2 million** (31st of December 2019: € 82,84 million - excluding the two properties sold, for reasons direct comparison). It should be noted that the decrease in the fair value of the investment properties is attributed to the increase of the discount rates used to calculate the NPV of the future rental cash flows, which was required to counter-balance estimations of a high economic growth rates for 2021 and 2022, not due to decrease in the contractual rents and/or the increase of the estimated yields of the properties in the following years.

Group rental income recorded a small decline (€ 159 thousand, -1,91%) in relation to the previous year. The decrease is attributed by 18,2% (€ 29 thousand) to the non-collection of rental income from the properties sold by the Group in the first half of 2019, while the remaining cause was due to the mandatory rent concessions of 40% between March and June, as well as October to December, according to the relative ministerial decisions regarding the COVID-19 pandemic.

Operating profit declined by € 1,9 million (24,47%), due to the negative fair value adjustment of the investment property of € 0,82 million, versus the € 0,66 million positive fair value adjustment of 2019, as well as because of limited profits (€ 0,20 million) from the sale of investment properties, compared to € 0,55 million in 2019, i.e. the decline is entirely due non-cash items and non-recurring revenue.

The Group maintains high rent collectability and a lack of material doubtful accounts, in spite of the COVID 19 pandemic negative economic effects in the entire market.

In more detail:

Income:

The rental income of the Group for the year 2020 was € **8,16 million,** compared to € 8,31 million in 2019, while for the Company the respective figures were € **7,42 million** in 2020 and € 7,56 million in 2019.

The Group's negative fair value adjustment of its investment properties was **€ 0,82 million** (31st December 2019: a gain of € 0,6 million), while for the Parent Company was € 0,69 million (31st December 2019: a gain of € 0,67 million).

Operating expenses:

The Group's expenses directly related to investment property for 2020 recorded an improvement (decrease) of **€ 93 thousand** (31st December 2020: **€ 0,69 million** vs 31st December 2019: € 0,78 million), whereas the improvement for the Company was equal to **€ 89 thousand** (31st December 2020: **€ 0,65 million** vs 31st December 2019: € 0,74 million)

The rest of the operating expenses were **€ 0,91 million** for the Group (31st December 2019: € 1,05 million) and **€ 0,88 million** for the Parent Company (31st December 2019: € 0,96 million)

EBT (Earnings Before tax):

The **EBT** for 2020 was **€ 5,5 million (**72% of rental income) for the Group and **€ 5,6 million** for the Company (76% of rental income), including the negative fair value adjustment of the real estate investment property (2019: € 7,3 million for the Group and € 7,16 million for the Company).

EAT (Earnings After Tax):

EAT for the Group was € 5,37 million for 2020, versus € 6.9 million for 2019, whereas for the Company was equal to € 5,5 million in 2020, compared to € 6,89 million in 2019.

Basic Ratios

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

Net Operating Margin	Operating Profit / Rental Income	X 100

Net Asset Value per Share (N.A.V. p.s)	Equity / Total Number of Shares

Funds From Operations – FFO	Profit after Tax excluding the effect of fair value adjustments, foreign exchange differences, gains from the acquisition of subsidiaries, depreciation and amortization, allowance for bad debt, the net financial results and any non-recurring items.

Adjusted EBITDA	Profit before Tax excluding the effect of depreciation and amortization, net financial results, fair value adjustments, allowance for doubtful accounts and foreign exchange differences.

Current Ratio	Current Assets / Current Liabilities

Debt to Assets	Total Liabilities / Total Assets

Loan to Value	Total Borrowing / Investment Property

	Group		Company	
Performance Ratios	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
Net Operating Margin	0,72	0,93	0,80	1,00
Net Asset Value per Share (N.A.V.)	7,42	7,27	7,28	7,12
Adjusted EBITDA	6.771.398	7.177.087	6.748.622	6.968.138
FFO	6.644.408	6.182.483	6.718.069	6.022.418
Liquidity Ratios				
Current Ratio	4,46	3,76	4,03	3,33
Gearing Ratios				
Debt to Assets	26,17%	27,58%	26,42%	27,89%
Loan to Value (LTV)	28,64%	29,57%	32,17%	33,19%

Significant events during 2020

In December 2019, the World Health Organization (WHO) was informed about the identification of certain pneumonia cases of unknown cause in Wuhan, Hubei, China. On January 2020, the Chinese authorities have identified the cause to be a new corona virus (COVID-19) and on March 2020 the WHO declared COVID-19 to be a pandemic and urged all countries to intensify their efforts in dealing with it. Since January 2020 the corona virus had begun to spread on a world-wide scale and in March 2020 the first confirmed cases were identified in Greece.

The European countries, attempting to decrease the spread of the virus are taking a series of emergency measures to limit transportation of the local population as well as the arrival of visitors. The Greek Government promptly decides the application of temporary, emergency measures (e.g., limit civilian movement and the closing of schools and retail shops). The emergency measures may escalate depending on the course of the pandemic on the Greek dominion.

The Management of Intercontinental International REIC as a company, but also as a responsible social partner, and understanding the severity of the development of the new type of corona virus, fully supports the emergency measures taken by the Greek Government and contributes to the national effort to impede the spread of the corona virus. It developed a series of initiatives and precautional measures in order to safeguard the health of its employees and its going concern. Specifically, Management has decided to provide the ability to its employees to work from home, by quickly adjusting the Company's IT systems.

Furthermore, during the current year, the Group sold two of its investment properties:

- In July 2020, a residential real estate property of 265 sqm in 79' Vasilissis Sofias str, in Athens for the amount of € 715 thousand. The property was bought in April 2018 for € 550 thousand and recorded an overall capital appreciation of € 165 thousand, as it was appraised at € 705 thousand on 30.06.2020 and finally recording a gain from sales of € 10 thousand in 2020.
- In November 2020, a residential property of 185,50 sqm, in 47' Papaflessa str, in Nea Erythrea for the amount of € 380 thousand. The property was bought in March 2018 for € 240 thousand and recorded an overall capital appreciation of € 140 thousand, as it was appraised at the value of € 370K on 30.06.2020 and finally recording a gain from sales of € 10 thousand in 2020.

Additionally, according to Ministerial Decisions 37674/2020 (Government Gazette: 1291/B/10-4-2020) and 77883/2020 (Government Gazette: 3110/B/27-7-2020), the Company has received state subsidy (€ 151 thousand) covering 97,77% of the interest expenses for the period between 1st April to 31st August 2020.

<u>Prospects for 2021</u>

In spite of the continuation of the pandemic, the end of which cannot yet be forecasted with accuracy, the Group continues its efforts to conclude its Investment Plan for 2020, i.e. the acquisition of properties equal to € 40 million.

This delay is entirely attributed to SARS COVID 19 pandemic, as a result of repetitive lockdowns of the land registries, among other public services, blocking the progress of the Due Diligence Processes for a number of properties, included in the acquisition pipeline.

However, it is envisaged that the said Investment Plan will be fully materialized in 2021, as the Group has already managed to progress negotiations, to a significant level, for the acquisition of properties equal to circa € 29 million (i.e., 72,5% of its Investment Plan).

At the same time the Group, is aiming to conclude the negotiations and contractually agree with one of the four systemic banks the issuance of a Bond Loan equal to € 40 million, within April 2021, so as to cover in full its funding needs with regard the acquisition of new properties.

In spite of the fact that the SARS COVID 19 pandemic effects cannot yet been fully assessed, as the phenomenon is in development and its duration cannot be reliably estimated, it is envisaged, that investment opportunities will appear in the real estate sector, especially with regard hotels, retails as well as offices. The Group maintains high occupancy rate equal to 94% and continues to be benefitted from contractual annual lease adjustments of min 3,5% for 59% of its leases.

It should also be noted that the Group constantly evaluates the macroeconomic development, as well as the that of the current market, in order to reassess and redetermine its investment plan and its total business strategy.

Going Concern

The decision of the Management to apply the principle of going concern, is based on a series of reasons that are referenced further below. Regarding capital structure, the Company has entered into a borrowing agreement with Alpha Bank that holds the vast majority of its total borrowing and whose service is linked to the rent payments made by the bank as a tenant on some of the Companies properties.

In addition, there is adequate capital adequacy, with cash reserves on the Company's sight deposits at € 9,2 million, an amount which more than covers its total short-term liabilities, which are € 2,1 million, as well as any Company expenses for a period exceeding 12 months, even under extreme scenarios of significantly reduced or zero rental income.

Regarding its portfolio structure, Management always had the goal of diversifying and spreading its investment portfolio and its choice of tenants, always under strict criteria, so as to safeguard the collectability of its rents.

The result of the aforementioned strategic diversification is that the Company holds a small proportion of retail shops that are affected by the Greek Government measures (closing retail shops) against the spread of the pandemic.

Events after the reporting period

On 3rd March 2021, the Group announced the signing of a Statement of Understanding with GLAXOSMITHKLINE S.A., for the conclusion of the acquisition of a commercial property (an office building of 3.180,32 sqm) located at 266' Kifissias Avenue in Chalandri and the partial lease-back of the building to its current owner, following its participation in a private tender procedure and for the amount of € 12,05 million. The Group is satisfied with the process of the negotiations and is keen on proceeding as quickly as possible to the execution of the relevant agreements.

Treasury shares

On the 31st of December 2020, the Company owned a total of 26.714 treasury shares with a total nominal value of € 106.856 and cost of € 152.967. The treasury shares correspond to 0,25% of the Company's total share capital, which is less than the maximum limit of 10% set by article 49 of L. 4548/2018.

Significant risks faced by the Group

Inflation Risk

The exposure of the Group to inflation risk is minimum, as the annual rent adjustments are linked to the Greek C.P.I., while the majority of the rental agreements, that do not provide for the minimum annual rental adjustment, protect the Group from negative inflation rates as it is provided that no negative CPI adjustment is accepted, i.e. floor zero.

Credit Risk

The Group is not significantly exposed to credit risk in relation to its rent receivables from the lease agreements in place, as the majority of its lease agreements are concluded with high profile tenants (e.g. Alpha bank). The credit risk concerns the cases of counterparty default on their contractual obligations.

The related entity, Republic Bank of Chicago, in which the Group keeps the part of its cash reserves, has a capital adequacy Tier 1 ratio of 12,98% and is included in the FDIC list of preferred contractors. As a result, the Group does not expect any credit losses on its deposits.

The other cash and cash equivalents of the Group are invested in counterparties with high credit rating.

Market Risk

i) Foreign Exchange Risk

Foreign Exchange Risk exists due to the cash reserves of the Group denominated in US Dollars amounted at $ 976.980 (€ 796.071) on 31.12.2020 compared to $ 975.715 (€ 868.538) on 31.12.2019.

ii) Price Risk

The group is exposed to price risks other than financial instruments, such as the price risk of investment property, including the risk of leasing property.

The group does not hold equity securities or commodities, except for a non-significant number of treasury shares, and is therefore not exposed to material price risks from them.

Changes in real estate prices have an effect on the statement of comprehensive income and the statement of financial position of the Group (profitability and assets). The Group tries to enter in long-term lease agreements with quality tenants. At the current stage, the Group minimized the above risk by having secured with its prime tenant (Alpha Bank), lease agreements that cannot legally be terminated by the tenant until the year 2027, representing 60% of its total annual rentals.

iii) Interest rate risk

Interest rate risk derives mostly from the borrowing of the Company. The floating rate of the Company's bond loan exposes the Company to cash flow risk due to fluctuations on the borrowing rate. However, the said risk remains low as the interbank offering rates as well as ECB intervention rates remain at very low levels practically equal or below zero.

Liquidity risk

Prudent management of liquidity risk means adequate cash reserves, ability to raise capital through a sufficient amount of committed credit facilities and the ability to close out open market positions. The liquidity of the Group is monitored by the Top Management at regular intervals. As is evident by the basic ratios above, the Group is in no direct liquidity risk.

Regulation and Compliance risk

The Company has not made investments abroad at the moment and, as a result, is not subject to risk of non-compliance with any regulatory authorities abroad. Regarding the compliance with the regulatory authorities in Greece, the Company has a service agreement with a competent long-term experienced professional that monitors the developments in the legislation and the regulatory framework and ensures the Company's compliance towards them.

External factors and international investments

The Company currently invests in the Greek dominion. The Company and the Group may be affected by factors such as economic instability, political turmoil and changes in taxation.

Environmental Matters

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

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

- Development of environmental awareness among employees and associates of the Group through their briefing on environmental issues and the practices followed by the Group.

a) Actual and potential impact of the Group to the environment

The Group, due to the nature of its activities, does not have a significant impact on the environment as it does not generate any substantial waste. Regarding other environmental impact, such as energy or paper consumption, the Group takes care to minimize their effect.

b) Disclosures regarding the procedures followed by the Group regarding the prevention and control of pollution and the environmental impact from various factors.

The Group has adopted the following policies:

- Recycling supplies, such as paper, ink, batteries etc. as well as electronic appliances.
- Replacement of the lighting bulbs in the Group's properties, with new energy-efficient LED lights.
- Upgrading the energy efficiency of the Group's real estate properties.

Employment matters

The Group promotes diversity and equal opportunities in employment. The Group's employee candidates and executives are evaluated exclusively based on their abilities and experience, regardless of gender, age or other traits.

a) Diversity and equal opportunities policy

The Group values the principle of equality and equal opportunity in employment. Since its foundation, the Group has employed persons of different gender and age. The Group is in full compliance with the labor law.

b) Respect for the rights of employees and trade union freedom

The Group cares for the rights of all its employees and, for the time being, there is no trade union for its employees. Up to this day, the Group has not received any fines or rebukes for violation of labor law from the competent authorities.

c) Hygiene and safety at work, training systems, promotion policies and other matters

The Group takes all the necessary precautions so that its employees, as well as the associates and third parties that perform tasks for the Group, work in safety. In addition, the Group is in compliance with all fire safety regulations. The Group's personnel are trained in matters of safety and emergency situations. The Group employs a safety technician, in according with the requirements of the law.

The Group has appointed a Remuneration Committee, which is tasked with the evaluation of candidates for employment or promotion. The committee evaluates the ability and contribution of the candidates of the Group and proposes promotions for approval by the Board of Directors.

The Group's personnel are regularly trained in their field of work through seminars.

Branches

The companies of the Group do not have any branches on 31.12.2020.

Related Party Transactions

All related party transactions are made under market terms. The Group has identified the following parties to be related, as per the definitions of IAS 24:

- AJOLICO Trading Limited, main shareholder (78,78%) of INTERCONTINENTAL INTERNATIONAL R.E.I.C. – No related party transactions apart from the initial payment of the Shareholder's Capital.
- REPUBLIC BANK of CHICAGO – USA, keeping of an interest-bearing deposit account of INTERCONTINENTAL INTERNATIONAL R.E.I.C.
- Aristotle Halikias, Chairman of the Board of Directors of INTERCONTINENTAL INTERNATIONAL R.E.I.C., 36,51% shareholder of AJOLICO Trading Limited, Chairman of the Board of Directors of REPUBLIC BANK of CHICAGO – USA.
- Patricia Halikias, Vice Chairman of the Board of Directors of INTERCONTINENTAL INTERNATIONAL R.E.I.C. and 31,75% shareholder of AJOLICO Trading Limited.
- Helene Halikias, Chairman of the Board of Directors of the subsidiary BIERCO S.A. and member of the Board of INTERCONTINENTAL INTERNATIONAL R.E.I.C., 31,74% shareholder of AJOLICO Trading Limited.
- BIERCO S.A., a subsidiary of the Group. The Company holds the total shares of BIERCO S.A.
- Zekakou 18 Owner S.M.P.C., a subsidiary of the Group. The Company owns the entire holding of Zekakou 18 Owner S.M.P.C.

Furthermore, also considered related parties are the members of the Group's management, close relatives to those persons and companies held by them or in which the latter have a substantial influence on their management and economic policy.

All transactions with related parties are made in essence in terms identical to those applicable to similar transactions with unrelated parties, including interest rates and collateral and do not involve higher-than-normal risk.

The transactions of the Company and the Group with related parties for the year 2020, as well as their open balances on 31.12.2020 are as follows:

a) Income from leases and provision of services

	Group		Company	
	1.1.2020 - 31.12.2020	**1.1.2019 - 31.12.2019**	**1.1.2020 - 31.12.2020**	**1.1.2019 - 31.12.2019**
Subsidiary “BIERCO S.A”	-	-	12.000	12.000
Subsidiary “Zekakou 18 Owner S.M.P.C.”	-	-	12.000	12.000
Other related parties	12.000	8.000	12.000	8.000
	12.000	**8.000**	**36.000**	**32.000**

b) Dividend income

	Group		Company	
	1.1.2020 - 31.12.2020	**1.1.2019 - 31.12.2019**	**1.1.2020 - 31.12.2020**	**1.1.2019 - 31.12.2019**
Dividends from subsidiary “BIERCO S.A.”	-	-	180.000	53.114
Dividends from subsidiary “Zekakou 18 Owner S.M.P.C.”	-	-	483.000	381.402
	-	**-**	**663.000**	**434.516**

c) Interest income from Cash and Cash Equivalents

	Group		Company	
	1.1.2020 - 31.12.2020	**1.1.2019 - 31.12.2019**	**1.1.2020 - 31.12.2020**	**1.1.2019 - 31.12.2019**
Republic Bank of Chicago	1.105	1.172	1.105	1.172
	1.105	**1.172**	**1.105**	**1.172**

d) BoD and key management personnel remuneration

	Group		Company	
	1.1.2020 - 31.12.2020	**1.1.2019 - 31.12.2019**	**1.1.2020 - 31.12.2020**	**1.1.2019 - 31.12.2019**
BoD remuneration	24.000	118.000	24.000	54.000
Key management personnel remuneration	313.781	251.235	308.981	246.435
	337.781	**369.235**	**332.981**	**300.435**

e) Related party balances

	Group		Company	
	31.12.2020	**31.12.2019**	**31.12.2019**	**31.12.2019**
Trade and other receivables				
Subsidiary “BIERCO S.A”	-	-	-	2.072
Subsidiary “Zekakou 18 Owner S.M.P.C.”	-	-	-	2.072
Other related parties	4.144	2.072	4.144	2.072
	4.144	**2.072**	**4.144**	**6.216**
Cash and cash equivalents				
Republic Bank of Chicago – Deposits in USD	714.010	778.795	714.010	778.795
	714.010	**778.795**	**714.010**	**778.795**
Trade and other payables				
Other related parties	-	5.998	-	3.392
	-	**5.998**	**-**	**3.392**

Earnings distribution

The Company will make an announcement regarding the distribution of dividend, in accordance with the relative decision of the Board, in the time between the publication of the financial results and the announcement date of the Annual General Meeting of the Shareholders invitation, as defined in the published Corporate Event Calendar.

Additional information in accordance with article 4 par. 7 and 8 of L. 3556/2007

1) **Share capital structure of the Company**

The Company’s share capital on 31.12.2020 amounted to 42.000.000 Euro, divided in 10.500.000 registered ordinary shares with voting rights and a nominal value of 4,00 Euro per share. All of the Company’s shares are listed for trading in the main market of Athens Exchange and have all the rights and obligations derived by the Law.

2) **Restrictions in the transferring of the Company’s shares**

The transferring of the Company’s shares is being made in accordance with the applicable legislation and there are no restrictions on the transfer, as is defined by the Company’s Statute.

3) Significant direct or indirect participations by the definition of articles 9 to 11 of L. 3556/2007

The individuals and legal entities that participate directly or indirectly in the Company with more than a 5% percentage are the following:

Shareholder	Direct Participation	Indirect Participation	Total
Ajolico Trading Limited	78,78%	0%	78,78%
Aristotle Halikias	0%	28,76%	28,76%
Patricia Halikias	0%	25,01%	25,01%
Helen Halikias	0%	25,00%	25,00%

It is noted that the indirect participation of Aristotle Halikias, Patricia Halikias and Helen Halikias derives from their participation in the capital of Ajolico Trading Limited and is presented here only for informational purposes, in compliance with the requirements of article para. 1 (c) of Directive 2004/25/EC.

According to their statement, the shareholders of Ajolico Trading Limited do not hold indirect voting rights in the company (within the meaning of article 10 of L. 3556/2007), and Ajolico Trading Limited is not controlled (at the meaning of L. 3556/2007) by any individual and there is no agreement between its shareholders for the coordinated exercise of the voting rights they hold.

4) Shareholders of any kind of shares that provide special control rights

There are no Company's shares that provide special control rights.

5) Restrictions on voting rights

There are no restrictions on the voting rights of the Company's shares.

6) Agreements between the shareholders of the Company, that are known to the Company and imply restrictions in the transferring of shares or the exercise of voting rights

There are no agreements between the shareholders for the coordinated exercise of voting rights or for the application of restrictions in the transferring of shares.

7) Rules for the appointment and replacement of BoD members and the amendment of the Statute

The rules for the appointment and replacement of the BoD members and the amendment of the Company's Statute do not deviate from the provisions of L. 4548/2018.

8) Responsibility of the Board of Directors or certain members of it, for the issuance of new shares or the purchase of own shares

According to the Company's Statute of Incorporation, during the first five years from the Company's foundation, the Board of Directors has the right to increase its share capital partly, or fully, with the issuance of new shares and for an amount not exceeding thrice the amount of the initial share capital, with a decision of at least 2/3 of its total members.

The above authorization may be given to the Board with the decision of the General Meeting of the Shareholders. In this case, the share capital increase cannot exceed thrice the amount of the paid capital at the date that the authorization was given.

The authorization of the Board may be extended by the General Meeting of the Shareholders for a period not exceeding five years per extension, and its effective date is after the end of the five-year period.

According to article 49 par. 1 of L. 4548/2018, the Company itself, or through a proxy acting in its name, may acquire treasury shares, but only after the approval of the General Meeting of the Shareholders, which will set the terms and conditions of the acquisition, as well as the maximum number of shares that can be acquired, the duration that the approval is given (which cannot exceed 24 months) and, in case of acquisition for consideration, the minimum and maximum limit of the acquisition value.

The decision of the General Meeting of the Shareholders is subject to publication. The acquisitions are made under the responsibility of the members of the Board and the conditions set by article 49 par. 2 of L. 4548/2018.

9) Significant Agreements signed by the Company that are enforced, amended or terminated in case of change of control of the Company after a public offer and their results

No such agreements are in place.

10) Agreements signed by the Company with the members of the Board or its personnel, which provides for compensation in case of resignation or termination of employment on baseless grounds or the termination of their service or employment due to public offer

No such agreements are in place.

Corporate Governance Statement

The current Statement of Corporate Governance is made in accordance with the provisions of article 152 of L. 4548/2018.

i. Corporate Governance Code

The Company, in compliance with the provisions of L. 2778/1999 has established and follows the Corporate Governance Code that is uploaded on the Company's website www.ici-reic.com.

The Code was prepared based on the Hellenic Corporate Governance Code (HCGC) that was written by the Hellenic Federation of Enterprises (SEV), as amended in October 2013 and which includes rules, practices and procedures that are applied by the Company for complying with the existing legislation (Corporate Law & listed companies' obligations), as well as the rules and practices applied by the Company that go beyond those requirements. The aforementioned Hellenic Corporate Governance Code is followed by the Company with the following deviations:

1) There is no documented diversity policy with regards to the structure of the Board of Directors and the upper management and there is no determination of the percentage of representation of each gender (Part A, par. 3.4 of the HCGC).
2) The BoD of the Company meets with adequate frequency so as to perform its duties diligently but does not prepare a meeting schedule at the beginning of each year (Part A, par. 6.1 of the HCGC).
3) The members of the Board of the Company receive an introductory briefing on Company matters, but there is no dedicated program of continuous professional development for the personnel (Part A, par. 6.5 of the HCGC).
4) The Company's Corporate Governance Code provides for a maximum duration for the service of appointed members of the Board of six (6) years, in contrast to the maximum duration of four (4) years, as determined by the Hellenic Corporate Governance Code (Part A, par. 5.1).
5) Regarding the evaluation of the BoD's performance, there is no specific provision for the period meeting of the non-executive Board members, in order for them to evaluate the performance of the executive members and determine their remuneration (Part A, par. 7.2 of the HCGC).
6) There is no specific provision for the disclosure in the Statement of Corporate Governance, of the attendance frequency per year of the BoD members and the members of the other committees in the meetings of those committees (Part A, par. 4.5 of the HCGC).
7) The names of the members of the Board of Directors that are submitted for election or re-election, are accompanied with sufficient curriculum information, as well as the opinion of the current Board regarding the

independence of the proposed members, in accordance with the independence criteria set by the Law, as well as any other information that may help the shareholders to make an informed decision. However, there is no provision for the structuring of a special committee for the selection of the candidates for the Board, as provided for in the HCGC (Part A, par. 5.4 to 5.7). The evaluation of the candidates for the Board is made directly by the shareholders.

The Company is currently in the process of amending its Corporate Governance Code in order for it to fully in line with the HCGC.

ii. Description of the Internal Control System and management of risks in relation to the preparation of the financial statements

Internal Control System

The BoD of the Company has the final responsibility for the proper and effective operation of the Internal Control System and is responsible for the following:

- to present to the shareholders and the public a clear evaluation of the Company's actual position and prospects, and to ensure the credibility of the financial statements and the correctness of its announcements, where they are imposed.
- to maintain an effective Internal Control System, as well as a risk management system, so as to safeguard the Company's assets, as well as to identify and counter the most significant risks.
- to monitor the application of the Corporate Strategy and re-evaluate it regularly.
- to regularly review the main risks that the Company faces and the effectiveness of the Internal Control System in managing those risks. The review must cover all material controls, including the financial and operating controls, compliance controls, as well as the controls of the risk management system.
- through the Audit Committee, to maintain direct and regular contact with the external and internal auditors, in order to receive regular briefings from them regarding the proper operation of the Internal Control System in accordance with international standards.

Corporate Governance Code

The Board of Directors is the sole custodian of the application of the Corporate Governance Code, its members are elected according to specific criteria such as, their management ability, their integrity, their trustworthiness, their devotion to the

Company, their experience and other personal skills that need to coexist for the achievement of the Company's goals.

In addition, the combined relationship of the executive and non-executive – independent non-executive members, guarantees the continuity and/or the smooth succession in the upper management of the Company, ensuring the continuity of successful results.

The application of the Corporate Governance Code, as well as the successful operation of the Company, looking towards the Company's goals, is monitored by the Board of Directors through the Audit Committee that answers to it.

Organizational Structure

The organizational structure of the Company is simple and flexible. On 31.12.2020 the Company's personnel consist of a small number of staff (5 employees), devoted in maintaining high level of professionalism and skills.

Duties and responsibilities

The Board of Directors appoints and authorizes all the individuals that are competent to perform bank transactions and issue cheques, as well as those responsible for managing the assets of the Company.

Informational Systems

The Company maintains all the means that allow it to plan its long-term and mid-term business strategy.

Planning and monitoring

Through the continuous flow of the financial information between the bodies of management, successful monitoring is achieved. For this purpose, the BoD has put together an internal audit unit, as per the requirements of the Greek legislation, that operates in accordance with written policies and regularly evaluates the appropriateness of the Internal Control System. The internal audit unit is independent from the other operational units and during the performance of its duties, must have access to all documents, services and employees of the Company and report managerially to the Managing Director and operatively to the Audit Committee.

In addition, the Board performs an annual evaluation of the Internal Control System. This evaluation includes the review of all the range of the activities and the effectiveness of the internal audit unit, the adequacy of the risk management and internal audit reports addressed to the BoD, as well as the respond and effectiveness of management towards the identified errors or deficiencies of the Internal Control System.

Accounting Software

The Company has installed a suitable accounting software which allows the Company to measure all the ratios that it considers necessary at each period, in order to monitor its financial performance.

Internal Control Framework

The Internal Control Framework of the Company consists of:

- The Audit Committee, which consists entirely of Non-Executive Members of the Board of Directors (independent and non-independent) and to which the Internal Audit Service, as well as the Regulatory Compliance and Risk Management Service report.
- The establishment and application of the Corporate Governance, via the complete application of the Corporate Governance Code, the Internal Control Policy, the Regulator Compliance Policy, the Risk Management Policy and the Remuneration Policy, by all the members of the Board, the Management, the Supervisory Borides, the employees and the Company's associates.
- The Internal Audit, which is regularly (quarterly) performed, as well as on an ad hoc basis, with the respective preparation of the Internal Control Report that is submitted to the Audit Committee.

The responsibilities of the internal audit function include, inter alia, the performance of general or on a sample basis audits on all the functions and transactions of the Company, the assurance of compliance with the institutional framework that governs the Company's operation, the evaluation of the effectiveness of the accounting system and the IT system of the Company, the written report submitted to the Board at least quarterly, with information on the audits performed and attendance in the General Meetings of the Shareholders. More information regarding the internal audit function is included in the Corporate Governance Code of the Company.

For the fulfillment of the corporate goal and the identification of internal and external risks that may jeopardize Company's operations or results, the Board of Directors regularly evaluates all the data from the Audit Committee, the Internal Audit and the Upper Management of the Company.

Risk Management

Risk management is a continuous and developing task, which runs throughout the internal structure of the Company. The basic principles and goals of risk management are described in the Risk Management Policy included in the Risk Management Manual. The Company has put in place appropriate procedures that allows it to the evaluate and respond to the risks that may arise during its operation. The members of the Board frequently contact the personnel and the committees of the Company and evaluate the existence of risks, their severity regarding the Company's operations and the available options to counter them.

iii. Reference to information required by Article 10 par. 1 items c), d), f), h) and i) of the EU Directive 2004/25/EC

- Regarding the required information of item c) of par.1, Article 10 of the EU Directive 2004/25/EC, this information is already included in the part of the BoD Report that refers to the additional information of article 4 par. 7 of L. 3556/2007.
- Regarding the required information of item d) of par.1, Article 10 of the Directive, there are no Company titles that provide special control rights to their holders.
- Regarding the required information of item f) of par.1, Article 10 of the Directive, there are no restrictions on share voting rights.
- Regarding the required information of item h), of par.1, Article 10 of the Directive, amendments to the Statute require the approval of the General Meeting of the Shareholders, in accordance with L. 4548/2018. The appointment of BoD members is made by the General Meeting, following the proposal from the BoD. In case of replacement of a member, the decision is made by the BoD and submitted for validation on the following General Meeting.
- Regarding the required information of item i), of par.1, Article 10 of the Directive, the issuance of new shares is subject to the decisions of the General Meeting of the Shareholders and to the provisions of L. 4548/2018. The allocation of shares to the members of the Board and the personnel, is the form of share options as per the special definitions of the Directive, is subject to the decision of the General Meeting and the provisions of L. 4548/2018.

iv. Information regarding the General Meeting of the Shareholders

The General Meeting of the Shareholders is the supreme body of the Company, convened by the BoD and authorized to decide on every corporate affair, in which all the shareholders are entitled to participate, either directly or through a legally authorized representative, in accordance with the legal procedure.

The Board ensures that the preparation and conduct of the General Meeting of the Shareholders facilitates the effective exercise of the shareholders' rights, who are informed on all matters related to their participation on the General Meeting, including the agenda and their rights during the Meeting. In more detail, and regarding the preparation of the Meeting in accordance with the provisions of L. 3884/2010 the Company uploads on its website, at least twenty (20) days before the Meeting, both in Greek and in English, information regarding the following:

- the date, time and place of the General Meeting,
- the basic rules and practices of the participation, including the right to add matters for discussion in the agenda and submit questions, as well as the deadlines to exercise those rights,
- the procedures of the voting, the terms of representation by proxy and the necessary documents,

- the proposed agenda of the meeting, including draft decisions for discussion and vote and all documents related to them,

- the proposed catalogue of candidate members for the BoD and their curriculums (when the need to elect new members exists), and

- the total number of shares and voting rights existing at the date of the meeting.

i. The Chairman of the Board, the Managing Director and the Chairmen of the other Committees, attend the General Meeting of the Shareholders in order to provide information and updates regarding the matters for discussion and any queries or clarifications need by the shareholders.

ii. During the General Meeting, the Chairman of the Board temporarily chairs. On or two of the attending shareholders or their representatives, selected by the Chairman, is appointed as a temporary secretary for the meeting.

iii. After the validation of the list of shares with voting rights, the General Meeting immediately appoints the final committee, consisting of the Chairman and one or two secretaries with the duty to collect the votes. The Decisions of the General Meeting are taken in accordance with the provisions of the applicable law and those of the Company's Statute.

iv. A summary of the meetings of the General Meeting is made available at the Company's website within fifteen (15) days from the General Meeting, translated also in English.

v. Every shareholder who is included at the records of the institution that maintains the records of the Company's shares, is entitled to participate and vote in the General Meeting. The exercise of those rights does not require the withholding of any shares nor the conduct of any other procedure. The shareholder may appoint a representative is he so wishes. For any other matter the Company complies with the provisions of L. 4548/2018.

v. Information regarding the Board of Directors and its Committees

Composition and Operation of the Board

The Company is managed by the Board of Directors, which consists of three (3) to eleven (11) members, in accordance with its Statute. The composition of the Board is as follows:

- Aristotle Michael Halikias – Chairman of the Board – Executive Member
- Patricia Michael Halikias – Vice Chairman of the Board – Executive Member
- Evangelos Ioannis Kontos – Managing Director – Executive Member
- Helen Michael Halikias – Non-Executive Member
- George Ioannis Georgopoulos – Independent Non-Executive Member
- Giuseppe Giovanni Giano – Independent Non-Executive Member
- Nikolaos Ioannis Zerdes – Non-Executive Member
- Michael Dimitrios Sapountzoglou – Independent Non-Executive Member

The procedures that relate to the replacement of the members of the Board of Directors, as well as the procedures for the convention and decision making, are included in detail in the Company's Statute and Corporate Governance Code.

The first and foremost obligation and duty of the members of the Board, is the continuous pursuit of the development of the Company's long-term value, the safeguarding of its general interests, as well as the application and upholding of the Corporate Governance Code that has been prepared in support of the above purposes.

The Board consists of both executive and non-executive members. The distinction between executive and non-executive is set by the Board and validated by the General Meeting of the Shareholders.

The non-executive members represent at least one third of the BoD members. Among the non-executive members there are at least two independent members that are appointed by the General Meeting of the Shareholders and during their service they cannot hold shares of the Company at a participation percentage higher than 0,5% of the Company's share capital and must not have a relationship of dependence with the Company.

The Board of Directors determines and reviews the existence of any dependence relationship between the independent candidates and the Company, before proposing their election by the General Meeting of the Shareholders.

Composition and Operation of the BoD Committees

Audit Committee

The Audit Committee consists of three non-executive members of the Board of Directors, with a proven and sufficient knowledge of accounting and auditing. The composition of the Audit Committee is as follows:

- Michael Sapountzoglou – Chairman of the Committee, Independent Non-Executive member of the BoD
- Nikolaos Zerdes – Secretary of the Committee, Non-Executive member of the BoD
- George Georgopoulos – Member of the Committee, Independent Non-Executive member of the BoD

The Audit Committee is tasked with the monitoring of the financial information processes and the preparation of the financial statements. All its members are appointed by the General Meeting of the Shareholders, following proposition from the Board of Directors. The tasks of the Audit Committee (indicatively) are as follows:

- the monitoring of the financial information process,
- the monitoring of the effective operation of the Internal Control System and the Risk Management System, as well as the monitoring of the proper function of the Internal Audit Service of the Company,

- the monitoring of the statutory audit of the Company's financial statements,
- the evaluation of the actions of Management regarding the compliance with the Corporate Governance Code and the compliance with the regulation regarding the identification and prevention of money laundering.

For the fulfillment of its purpose, the Audit Committee has freedom of communication with the Management and the internal and external auditors, so as to investigate any matter that comes to its attention, having unrestricted access to all records and information, facilities and personnel of the Company.

Investment Committee

The Investment Committee is tasked with the duty of designing the investment policy of the Company, within the framework set by the decisions of the Board, to which the Committee makes proposals over the investment strategy and ensuring the compliance with the provisions of the Statute and the applicable legislation, regulation and recommendations from the competent authorities that regulate the investment activity of the Company.

The Investment Committee consists of 3 members, appointed by the Board of Directors, which appoints its Chairman and Secretary. Its members are specialized professionals and are selected in accordance with the applicable regulation, decisions and directives of the supervising authority.

The composition of the Investment Committee is as follows:

- Evangelos I. Kontos – Chairman of the Committee – Managing Director – Executive Member of the BoD
- Aristotle Halikias – Secretary of the Committee – Chairman of the BoD – Executive Member of the BoD
- Patricia Halikias – Member of the Committee - Vice Chairman of the BoD – Executive Member of the BoD

Remuneration Committee

The tasks of the Remuneration Committee is the processing and proposal to the BoD of the Remuneration Policy of the Company, which regards and applies to the determination of the total remuneration of the Upper Management, as well as to the personnel that has been assigned duties in Investment Risk, as well as Auditing, Management, Marketing, Human Resources and Sales, whether they are executive or non-executive members, but with the purpose of exercising influence, management or participating in decision making in taking investment risk, especially when their remuneration is the same or similar with those of the Upper Management and fully disclosed to the Supervisory Authority.

The composition of the Remuneration Committee is the following:

- Patricia Halikias – Chairman of the Committee – Vice Chairman of the BoD, Executive Member of the BoD
- Michael Sapountzoglou – Secretary of the Committee, Independent Non-Executive Member of the BoD
- George Georgopoulos – Member of the Committee, Independent Non-Executive Member of the BoD

vi. Diversity Practices

The Company supports and adopts the principles of equality and diversity regarding its personnel and upper management, with the purpose of promoting equality and fair treatment.

The Company aims for the recruitment of personnel and upper management of various ages, genders and professional backgrounds. However, mostly due to the limited number of personnel employed, the Company has not included specific diversity policies in its Corporate Governance Code.

For the Board of Directors
Athens, 29th of March 2021

The undersigned

The Chairman of the Board	The Vice-Chairman	The Managing Director
Aristotle Halikias **ID No. AE 783893**	**Patricia Halikias** **ID No. AE 783894**	**Evangelos I. Kontos** **ID No. AN 087157**

[Translation from the original text in Greek]

Independent auditor's report

To the Shareholders of "INTERCONTINENTAL INTERNATIONAL REIC"

Report on the audit of the separate and consolidated financial statements

Our opinion

We have audited the accompanying separate and consolidated financial statements of INTERCONTINENTAL INTERNATIONAL REIC (Company and Group) which comprise the separate and consolidated statement of financial position as of 31 December 2020, the separate and consolidated statements of comprehensive income, changes in equity and cash flow statements for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects the separate and consolidated financial position of the Company and the Group as at 31 December 2020, their separate and consolidated financial performance and their separate and consolidated 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 separate and consolidated 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 and the Group 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 and of Regulation (EU) No 537/2014, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Company and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

The non-audit services that we have provided to the Company and its subsidiaries, in the period during the year ended as at 31 December 2020, are disclosed in note 18 to the separate and consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	**How our audit addressed the key audit matter**
Valuation of investment property (Separate and Consolidated Financial Statements, notes 2.6, 5, and 6) The Company's and the Group's investment property comprises of land and buildings owned by the Company and the Group, which mainly accommodate offices and shops. The Company and the Group measure investment property at fair value. The estimation of fair value was performed using a combination of the discounted cash flow and the comparative method and, sometimes, also the residual method, in accordance with the provisions of International Valuation Standards, International Financial Reporting Standard (IFRS) 13, International Accounting Standard (IAS) 40 as well as Law 2778/1999 of the Common Ministerial Decision 26294/B.1425/19.07.2000 (Greek Government Gazette Issue 949/31.07.2000). This accounting policy is consistent with the financial statements of the previous financial year as well as with the provisions of the applicable legislation regulating the operation of Real Estate Investment Companies (Law 2778/1999). Furthermore, the application of the above methods was consistent with the valuation methods applied in the previous financial year. According to the applicable legislation, management engaged a certified valuer for the valuation of the Company's and the Group's investment property as of 31 December 2020, in order to support the assumptions underpinning the estimation of these properties' fair value. The certified valuer includes a statement regarding valuation uncertainty at the date of the valuation, as defined by the International Valuation Standards, due to the COVID-19 pandemic effect. This statement underlines the difficulties in conducting the valuations due to the absence of sufficient relative transactions that reflect current market prices. As a result, less certainty and more scrutiny should be applied in the valuation amounts. This fact results in an increased material estimation uncertainty regarding the fair value of the investment property. The estimation of each property's value took into account specific data, such as the lease income earned from each property. However, the assessment of properties was based on assumptions that require a significant degree of judgement, such as appropriate discount rates, existing contracts' yields to maturity and comparative leases based on available market data, in order to determine a range of valuation	We performed the following audit procedures for the Company's and the Group's investment property for the year ended 31 December 2020: We reconciled the fair values of the Company's and Group companies' investment property to the corresponding accounting records. We performed procedures in order to test, on a sampling basis, whether the data provided by management to the certified valuer for the estimation of the fair value of the Company's and the Group's investment property was based on the existing contracts. The aforementioned data mainly consists of information based on the relevant lease contracts. We received and reviewed the valuations performed, as well as the contract signed between the valuer and the Company, and we did not identify any information or facts which could affect valuer's objectivity and independence. We compared the fair values of investment property of the previous and the current year in order to assess whether they changed according to market trends and we requested from management to justify any significant deviation. All significant deviations were sufficiently justified by management. In cooperation with external property valuation experts, we tested, on a sampling basis, whether the valuation methods used were appropriate for each property, consistent with those applied in the previous year as well as in compliance with International Valuation Standards and Law 2778/1999. We also assessed the reasonableness of the assumptions adopted (such as discount rates, yields to maturity and market lease rates), comparing them to market data, in order to determine a reasonable range for the relevant data. Where discount rates, yields to maturity and market lease rates did not fall within the expected range, we requested from management to justify the use of these assumptions in the respective valuation. Regarding the valuations, we arranged a meeting with certified valuer in order to better understand his approach and the judgements he made when conducting these valuations. We discussed any adjustments made in the valuation assumptions and we assessed whether those assumptions were appropriate under the COVID-19 pandemic.

results from which a representative valuation can be extracted. The location of each property was also taken into account as it affects significantly each property's fair value. At 31 December 2020, the fair value of the Company's and the Group's investment property amounted to €82.2 mil and €92,3 mil respectively, representing 79,1% and 87,4% of the Company's and the Group's total assets respectively, while the loss from the adjustment of their value in the year then ended amounted to € 692,3K and € 819,4K respectively and had been appropriately recorded in the separate and consolidated statement of comprehensive income, as stated in note 6 of the separate and consolidated financial statements. Management has adopted the aforementioned value of investment property by decision of the Board of Directors dated 26th of February 2021, by which was approved the Statement of Investments prepared for the year ended 31 December 2020, in accordance with article 25 of Law 2778/1999 and the decision 8/259/19.12.2002 of the Hellenic Capital Market Commission's Board of Directors, as amended by decisions 10/566/26.10.2010 and 5/760/14.97.2016. The uncertainty inherent in the valuation assumptions combined with the significant value of investment property in the separate and consolidated financial statements as well as the sensitivity of valuations to changes in the adopted assumptions (such as rates concerning less active markets, discount rates and yields to maturity), as well as the challenges that the real estate market faces as a result of the COVID-19 pandemic, are the main reasons why we focused on this matter.	Based on the audit procedures we performed, the valuations performed by the Group and the Company and the assumptions used were within the expected range and in line with current market conditions, taking into account the effect of the COVID-19 pandemic. Furthermore, the lease income from the Group's and the Company's investment property, which was used for fair value estimation, was based on the existing contracts effective as of 31 December 2020. Finally, we confirmed that the disclosures in note 6 of the separate and consolidated financial statements, were sufficient and appropriate, in accordance with the provisions of the International Financial Reporting Standard (IFRS) 13 and the International Accounting Standard (IAS) 40. Furthermore, the disclosures in note 5 of the separate and consolidated financial statements regarding the existence of material estimation uncertainty, are sufficient and appropriate in underlining the increased estimation uncertainty as a result of the COVID-19 pandemic.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Statements of Board of Directors members and 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 separate and consolidated 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 separate and consolidated 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 separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We considered whether the Board of Directors Report includes the disclosures required by L. 4548/2018 and the Corporate Governance Statement required by article 152 of L. 4548/2018.

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

- The information given in the Board of Directors' Report for the year ended at 31 December 2019 is consistent with the separate and consolidated financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150, 151, 153 and 154 of L. 4548/2018,
- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 152 of L. 4548/2018.

In addition, in light of the knowledge and understanding of the Company and Group INTERCONTINENTAL INTERNATIONAL REIC and their 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 and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

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

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated 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 separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, the Board of Directors is responsible for assessing the Company's and Group'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 and Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the separate and consolidated 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 separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated 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 and Group'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 and Group'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 separate and consolidated 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 and Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company, in accordance with the provisions of article 11 of EU Regulation 537/2014.

2. Appointment

We were first appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 30/06/2014. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 7 years.

pwc

Athens, 29th of March 2021

The Certified Public Accountant

PricewaterhouseCoopers
268 Kifissias Ave.
15232 Athens, Greece.
SOEL Reg. No. 113

Konstantinos Michalatos
SOEL Reg. No. 17701

ANNUAL CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON THE 31ST OF DECEMBER 2020

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

		Group		Company	
ASSETS	**Note**	**31.12.2020**	**31.12.19**	**31.12.2020**	**31.12.2019**
Non-current Assets					
Investment property	6	92.315.611	94.210.000	82.168.535	83.935.800
Property, plant and equipment	8	1.956.732	2.037.983	1.652.388	1.719.805
Intangible assets		30.300	40.400	30.300	40.400
Other receivables		1.732.925	1.305.488	1.732.925	1.305.488
Investment in subsidiaries	7	-	-	9.865.396	9.865.396
		96.035.567	***97.593.871***	***95.449.544***	***96.866.890***
Current Assets					
Trade and other receivables	9	205.186	107.908	169.789	110.580
Current tax receivables		9	43.748	-	-
Cash and cash equivalents	10	9.256.240	7.588.768	8.324.598	6.665.462
		9.461.436	***7.740.424***	***8.494.387***	***6.776.042***
TOTAL ASSETS		**105.497.003**	**105.334.295**	**103.943.930**	**103.642.932**
EQUITY AND LIABILITIES					
EQUITY					
Share capital	11	42.000.000	42.000.000	42.000.000	42.000.000
Share premium		3.990.000	3.990.000	3.990.000	3.990.000
Statutory reserves		939.374	905.339	844.714	844.714
Other reserves		28.127	28.127	28.127	28.127
Treasury shares		-152.967	-152.967	-152.967	-152.967
Retained earnings		31.083.034	29.513.115	29.772.712	28.026.422
Total Equity		**77.887.567**	**76.283.614**	**76.482.586**	**74.736.295**
LIABILITIES					
Non-current liabilities					
Retirement benefit obligations		48.857	13.857	48.857	13.857
Borrowing	12	24.897.074	26.386.923	24.897.074	26.386.923
Lease liabilities		12.339		12.339	-
Guarantees	13	528.748	592.147	396.073	473.693
		25.487.018	***26.992.927***	***25.354.344***	***26.874.473***
Current Liabilities					
Trade and other payables	14	380.459	527.519	370.906	507.723
Lease Liabilities		4.268	-	4.268	-
Borrowing	12	1.537.733	1.472.994	1.537.733	1.472.994
Guarantees	13	146.218	5.165	146.218	5.165
Current tax liabilities		53.739	52.077	47.875	46.282
		2.122.418	***2.057.754***	***2.107.001***	***2.032.164***
TOTAL LIABILITIES		**27.609.436**	**29.050.681**	**27.461.345**	**28.906.636**
TOTAL EQUITY AND LIABILITIES		**105.497.003**	**105.334.295**	**103.943.930**	**103.642.932**

The notes on pages 39 to 77 form an integral part of these annual consolidated and separate financial statements.

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Group		Company	
	Note	**1.1.2020 – 31.12.2020**	**1.1.2019 – 31.12.2019**	**1.1.2020 – 31.12.2020**	**1.1.2019 – 31.12.2019**
Rental Income	15	8.157.601	8.316.501	7.423.617	7.556.337
Net result from fair value adjustments of investment property	6	-819.389	659.840	-692.265	673.692
Expenses directly related to investment property	16	-687.746	-781.071	-649.953	-738.819
Gross profit		**6.650.466**	**8.195.271**	**6.081.399**	**7.491.210**
Payroll and other personnel expenses	17	-442.421	-468.455	-442.421	-404.455
Other income / expense	18	-385.878	-580.369	301.370	-121.572
Gain from the sale of investment property		20.000	554.000	20.000	554.000
Gain from the acquisition of subsidiary		-	-	-	-
Allowance for doubtful accounts		-7.224	-	-7.224	-
Operating profit		**5.834.943**	**7.700.447**	**5.953.124**	**7.519.183**
Foreign exchange differences		-73.574	16.286	-73.574	16.286
Finance income	19	3.408	4.801	3.347	4.558
Finance expense	19	-283.449	-379.721	-270.933	-378.645
Profit before tax		**5.481.327**	**7.341.813**	**5.611.964**	**7.161.383**
Tax expense	20	-106.990	-440.604	-95.290	-391.721
Profit after tax		**5.374.337**	**6.901.209**	**5.516.674**	**6.769.662**
Other comprehensive income					
Items that may not be subsequently reclassified to profit or loss					
Fair value adjustment from the transfer of own-use properties to investment properties	6	-	28.127	-	28.127
Items that may be subsequently reclassified to profit or loss					
Profit/Loss from measuring financial assets at fair value through other comprehensive income		-	-	-	-
Total comprehensive income for the year		**5.374.337**	**6.929.336**	**5.516.674**	**6.797.788**
Earnings per Share (expressed in € per share)					
Basic and diluted	22	**0,51**	**0,66**	**0,53**	**0,65**

The notes on pages 39 to 77 form an integral part of these annual consolidated and separate financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital	Share premium	Statutory reserve	Fair value through OCI reserve	Retained earnings	Treasury shares	Total
Balance on January 1st, 2019		**42.000.000**	**3.990.000**	**875.598**	**-**	**26.416.232**	**-82.258**	**73.199.573**
Profit after Tax for the year		-	-	-	-	6.901.209	-	**6.901.209**
Other comprehensive income		-	-	-	28.127	-	-	**28.127**
Total comprehensive income for the year		**-**	**-**	**-**	**28.127**	**6.901.209**	**-**	**6.929.336**
Amounts retained for Statutory Reserve		-	-	29.905	-	-29.905	-	-
Transactions with shareholders								-
Purchase of treasury shares	12	-	-	-	-	-	-70.709	**-70.709**
Dividend payment for year 2018	22	-	-	-	-	-3.774.585	-	**-3.774.585**
Balance on December 31st, 2019		**42.000.000**	**3.990.000**	**905.503**	**28.127**	**29.512.951**	**-152.967**	**76.283.615**
Balance on January 1st, 2020		**42.000.000**	**3.990.000**	**905.503**	**28.127**	**29.512.951**	**-152.967**	**76.283.614**
Profit after Tax for the year		-	-	-	-	5.374.337	-	**5.374.337**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**5.374.337**	**-**	**5.374.337**
Amounts retained for Statutory Reserve		-	-	33.871	-	-33.871	-	-
Transactions with shareholders								-
Dividend payment for year 2019	22	-	-	-	-	-3.770.383	-	**-3.770.383**
Balance on December 31st, 2020		**42.000.000**	**3.990.000**	**939.374**	**28.127**	**31.083.034**	**-152.967**	**77.887.567**

The notes on pages 39 to 77 form an integral part of these annual consolidated and separate financial statements.

SEPARATE STATEMENT OF CHANGES IN EQUITY

	Note	Share capital	Share premium	Statutory reserve	Fair value through OCI reserve	Retained earnings	Treasury shares	Total
Balance on January 1st, 2019		**42.000.000**	**3.990.000**	**844.714**	**-**	**25.031.347**	**-82.258**	**71.783.802**
Profit after Tax for the year		-	-	-	-	6.769.662	-	**6.769.662**
Other comprehensive income		-	-	-	28.127	-	-	**28.127**
Total comprehensive income for the year		**-**	**-**	**-**	**28.127**	**6.769.662**	**-**	**6.797.788**
Transactions with shareholders								
Purchase of treasury shares	12	-	-	-	-	-	-70.709	**-70.709**
Dividend payment for year 2018	22	-	-	-	-	-3.774.585	-	**-3.774.585**
Balance on December 31st, 2019		**42.000.000**	**3.990.000**	**844.714**	**28.127**	**28.026.422**	**-152.967**	**74.736.295**
Balance on January 1st, 2020		**42.000.000**	**3.990.000**	**844.714**	**28.127**	**28.026.422**	**-152.967**	**74.736.295**
Profit after Tax for the year		-	-	-	-	5.516.674	-	**5.516.674**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**5.516.674**	**-**	**5.516.674**
Amounts retained for Statutory Reserve		-	-	-	-	-	-	-
Transactions with shareholders								
Dividend payment for year 2019	22	-	-	-	-	-3.770.383	-	**-3.770.383**
Balance on December 31st, 2020		**42.000.000**	**3.990.000**	**844.714**	**28.127**	**29.772.713**	**-152.967**	**76.482.586**

The notes on pages 39 to 77 form an integral part of these annual consolidated and separate financial statements.

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS

		Group		Company	
	Note	01.01.2020 31.12.2020	01.01.2019 31.12.2019	01.01.2020 31.12.2020	01.01.2019 31.12.2019
Cash flows from operating activities					
Profit before tax		5.481.327	7.341.813	5.611.964	7.161.383
Plus (less) Adjustments for:					
Finance income	19	-3.408	-4.801	-3.347	-4.558
Dividend income		-	-	-663.000	-434.516
Interest expense	19	197.824	378.645	199.420	378.645
Foreign exchange differences		73.574	-16.286	73.574	-16.286
Gain from the acquisition of subsidiary		-	-	-	-
Gain from the sale of real estate		-20.000	-554.000	-20.000	-554.000
(Increase)/decrease in the fair value of investment property	6	819.389	-659.840	692.265	-673.692
Provision for employee benefit obligation		35.000	-	35.000	-
Allowance for doubtful accounts		7.224	-570	7.224	-570
Depreciation and amortization	8	109.842	111.116	96.008	97.283
		6.700.773	6.596.076	6.029.108	5.953.688
Changes in working capital					
Decrease/ (increase) of receivables		-480.976	-409.591	-486.646	-485.671
(Decrease)/ increase of payables (except for borrowing)		-90.341	36.635	-95.912	38.916
Cash flows from operating activities		**6.129.455**	**6.223.121**	**5.446.550**	**5.506.933**
Tax paid		-108.513	-763.883	-96.883	-676.296
Interest paid		-205.720	-364.487	-205.720	-364.487
Net cash flows from operating activities (a)		**5.815.222**	**5.094.751**	**5.143.948**	**4.466.150**
Cash flows from investing activities					
Purchase of real estate properties	6	-	-1.331.000	-	-1.331.000
Sale of real estate properties	6	1.095.000	3.494.000	1.095.000	3.494.000
Capital expenditure for investment property		-	-24.160	-	-24.160
(Purchase)/ Sale of Property, Plant and Equipment		-18.491	-	18.491	-
(Purchase)/ Sale of intangible assets		-	-	-	-
Investment in subsidiaries		-	-	-	-
(Purchase)/ Sale of financial assets measured at fair value through other comprehensive income		-	-	-	-
Dividends received		-	-	663.000	434.516
Interest received		3.408	4.801	3.347	4.558
Net cash flows from investing activities (b)		**1.116.898**	**2.143.641**	**1.779.837**	**2.577.914**
Cash flows from financing activities					
New bond loan	12	-	1.100.000	-	1.100.000
Dividends paid	21	-3.770.383	-3.774.585	-3.770.383	-3.774.585
(Purchase) / Sale of treasury shares		-	-70.709	-	-70.709
Lease obligation payments		-1.883	-	-1.883	-
Bond loan capital payments	12	-1.418.809	-1.215.525	-1.418.809	-1.215.525
Net cash flows from financing activities (c)		**-5.191.076**	**-3.960.819**	**-5.191.076**	**-3.960.819**
Net increase/ (decrease) in cash and cash equivalents for the period (a)+(b)+(c)		**1.741.045**	**3.277.573**	**1.732.709**	**3.083.245**
Cash and cash equivalents at the beginning of the period		**7.588.768**	**4.327.481**	**6.665.462**	**3.598.503**
Effect of foreign exchange differences on cash and cash equivalents		**-73.574**	**-16.286**	**-73.574**	**-16.286**
Cash and cash equivalents at the end of the period		**9.256.240**	**7.588.768**	**8.324.598**	**6.665.462**

Change in liabilities from financing activities

	Group		Company	
	Borrowing	Total	Borrowing	Total
Liabilities from financing activities on 1.1.2020	**27.859.917**	**27.975.465**	**27.859.917**	**27.975.465**
Capital repayment of bond loans	-1.418.809	-1.418.809	-1.418.809	-1.418.809
Interest expense for the year	199.420	199.420	199.420	199.420
Interest payments (Operating activities)	-205.720	-205.720	-205.720	-205.720
Liabilities from financing activities on 31.12.2020	**26.434.808**	**26.434.808**	**26.434.808**	**26.434.808**

The notes on pages 39 to 77 form an integral part of these annual consolidated and separate financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1. General Information

The current financial statements include the separate financial statements of "**INTERCONTINENTAL INTERNATIONAL REAL ESTATE INVESTMENT COMPANY**" (the "Company") and the consolidated financial statements of the Company and its subsidiaries (together "the Group") for the year ended on the 31^{st} of December 2020. Information regarding the subsidiaries of the Company is presented on note 7.

The Company is registered as a Real Estate Investment Company of Law 2778/1999 and its subsequent amendments.

The Company has been incorporated on 22.03.2013, after obtaining a license from the Hellenic Capital Market Commission with the decision of its Board, No. 5/604/06.12.2011.

The current Financial Statements (henceforth "the Financial Statements") have been approved by the Board of Directors of the Company on the 8^{th} of May 2020.

The company "AJOLICO TRADING LIMITED" (Reg. No. 284633), which domiciles in Nicosia in Cyprus, participates in the Company with a percentage of 78,78%.

2. Summary of Significant Accounting Policies

The basic accounting policies that have been applied at the preparation of these financial statements are described below. These policies have been consistently applied in all periods presented, unless stated otherwise.

2.1 Basis of preparation

The current financial statements have been prepared by Management in accordance with the International Financial Reporting Standards (IFRS), and the IFRIC interpretations, as adopted by the European Union. These financial statements have been prepared based on the principle of historical cost, as modified to include the valuation of investment property and available for sale financial assets in "fair value".

The preparation of the Financial Statement in accordance with the IFRS required the use of certain accounting estimates and assumptions. In addition, it requires the exercise of judgement from Management during the application of the accounting policies (See Note 5).

2.1.2 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 Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 3 (Amendment) "Definition of Business Combination"
The new definition focuses on the concept of business performance in the form of providing goods and services to customers as opposed to the previous definition which focused on returns in the form of dividends, lower costs or other financial benefits to investors and others. It further clarifies that, in order to be considered a business, a complete set of activities and assets must include at least one input and a substantive process that together contribute significantly to its ability to generate output. Finally, it introduces the option of an optional examination (the concentration examination) which simplifies the assessment of whether an acquired set of activities and assets is not a business.

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.

Standards and Interpretations effective for subsequent periods

IFRS 16 (Amendment) "COVID-19-related Rent Concessions" (effective for annual periods beginning on or after the 1st of June 2020)
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" (effective for annual periods beginning on or after the 1st of January 2021)
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" (effective for annual periods beginning on or after the 1st of January 2022)
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" (effective for annual periods beginning on or after the 1st of January 2022)
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" (effective for annual periods beginning on or after the 1st of January 2023)
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" (effective for annual periods beginning on or after the 1st of January 2023)
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" (effective for annual periods beginning on or after the 1st of January 2023)
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 (effective for annual periods beginning on or after the 1st of January 2022)
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.

2.2 Going concern

The decision of the Management to apply the principle of going concern, is based on a series of reasons that are referenced further below. Regarding capital structure, the Company has entered into a borrowing agreement with Alpha Bank that holds 96% of its total borrowing and whose service is linked to the rent payments made by the bank as a tenant on some of the Companies properties.

In addition, there is adequate capital adequacy, with cash reserves on the Company's sight deposits reaching € 9,2 million, an amount which more than covers its total short-term liabilities, which are € 2,1 million, as well as any Company expenses for a period exceeding 12 months, even under extreme scenarios of significantly reduced or zero rental income.

Regarding its portfolio structure, Management always had the goal of diversifying and spreading its investment portfolio and its choice of tenants, always under strict criteria, so as to safeguard the collectability of its rents.

The result of the aforementioned strategic diversification is that the Company holds a small proportion of retail shops that are affected by the Greek Government measures (closing retail shops) against the spread of the pandemic.

THE EFFECTS OF THE CORONA VIRUS ON THE REAL ESTATE MARKET

In adverse scenarios, the changes in real estate values may have a significant impact on the statement of comprehensive income and the financial position due to changes in the fair value.

Recent developments in relation to the COVID – 19 pandemic and the uncertainty of its economic impact, may introduce new date in the real estate market. Given the fact that the phenomenon is still in effect, the full documentation of its impact in the fair value of the properties of the Company and the Group is under evaluation and will be included in future Financial Reports.

2.3 Consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re measurement are recognized in profit or loss.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies**.**

The Company recognizes its investments in subsidiaries in separate financial statements at cost less impairment. In addition, the acquisition cost is adjusted to reflect changes in price resulting from any modifications of contingent consideration.

At each financial statement date, the Company examines whether any indications of impairment of the subsidiary exist. If such indications exist, Management calculates the recovery value as the greater between the cost value and the fair value, decreased by the costs of disposal. When the accounting value of the subsidiary exceeds the recovery amount, the respective loss of impairment is recorded in the statement of comprehensive income.

The calculation of the recovery value of the subsidiary is directly linked to the fair value of its investment property, because those investments are its most significant asset. Impairments recognized in prior periods are re-evaluated at each financial statement date for possible reversal.

2.4 Operating Segments

Operating segments, if such segments exist, are presented in a way that is in accordance with the internal information that is available to the head of business decision making. The head of decision making that is responsible for the allocation of sources and the evaluation of the effectiveness of operating segments, is Management, who is making the strategic decisions for the Group.

2.5 Foreign currency transactions

The Financial Statements of the Group are presented in **euro (€)** which is the Group's functional currency.

Foreign currency transactions are translated in the Group's functional currency based on the foreign currency rates that applied at the date of the transaction. At the date of the financial statements, receivables and liabilities in foreign currencies, are translated to euro based on the official rate of the foreign currency at that date, as issued by the European Central Bank (henceforth "ECB"). The foreign exchange profit or loss that derives from the settlement of those transactions and from the translation of assets and liabilities in foreign currency, is presented in the statement of comprehensive income.

2.6 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.

Investments in real estate include owned land plots and buildings that are used mostly as offices and retail shops.

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”.

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.

2.7 Borrowing Costs

Borrowing costs that directly relate to the acquisition, construction or production of property for which a significant time to construct is required, increase the cost of the property, up to the time that the property is ready for use or sale.

In come gained from the temporary investment of the borrowed funds until their use for the funding of the property, are deducted from the borrowing cost that meets the criteria for capitalization. Up to the current period, the Company does not have property under construction or development, and as such, there are no borrowing costs to increase the cost of the property.

All other borrowing costs are recorded in the finance expenses of the period that they relate to.

2.8 Property, Plant and Equipment

All property, plant and equipment are presented in the Statement of Financial Position at historical cost less accumulated depreciation. The historical cost includes all costs that are directly related to the acquisition of the assets.

Subsequent expenditure is recorded as an increase in the accounting value of the property, plant and equipment or as a separate item, only if it is likely that future economic benefit will flow to the Company and their cost can be measured reliably. Repairs and maintenance costs are recorded in the statement of comprehensive income in the period that they occur. Depreciation for the property, plant and equipment is calculated using the straight-line method during the useful life of the asset, which is determined as follows:

Buildings: 25 years
Fixtures and other equipment: 10 years
Vehicles: 5 years

The residual values and useful lives of the property, plant and equipment are subject to review and adjusted accordingly at least once at the end of every period. The accounting value of a property, plant and equipment is reduced to its recoverable value, when the accounting value exceeds its estimated recoverable value (note 2.10).

Any gain or loss from the sale of a PPE asset is determined as the difference between the consideration received from the sale and its accounting value and is presented in the statement of comprehensive income.

2.9 Leases

Cases where a company of the Group is the lessor:

(i) Operating lease – The Group rents all 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 6). 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 – No Group company has entered into any finance lease as a lessor yet.

2.10 Impairment of non-financial assets

Non-financial assets that are depreciated/amortized are regularly examined for impairment when facts or changes in conditions suggest that their accounting value might not be recoverable. When the accounting value of an assets exceeds its recoverable amount, the respective loss from its impairment is recorded in the period's results. The recoverable value is defined as the higher of its fair value less cost to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash- generating units). Non-financial asset impairments recognized in prior periods are re-examined at every financial statement date for possible reversal.

2.11 Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using the effective interest rate method less any allowance for expected credit loss.

Expected credit loss represent the difference between the contractual cash flows and those that the Group expects to receive.

For trade receivables, the Group applies the simplified approach as allowed by IFRS 9. According to this approach, the Group recognizes expected credit loss for the total lifetime of its trade receivables (expected lifetime losses). The Group's trade receivables are short-term and generally receivable within 12 months.

2.12 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 of approximately three months or less.

2.13 Financial Assets and Liabilities

Financial assets

(a) Classification and measurement

IFRS 9 largely maintains the existing requirements of IAS 39 for the classification and measurement of financial liabilities. However, it removes the previous classifications of IAS 39 for the financial assets: held to maturity, loans and receivables and available for sale. 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:

Financial assets measured at amortized cost.

Financial assets that are held within the business model with the intention to collect the contractual cash flows the meet the SPPI. This classification includes all financial assets of the Group, except for the investments in financial assets measured at fair value through other comprehensive income.

The financial assets classified in this category mostly 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.

Financial assets measured at fair value through other comprehensive income

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.

Neither the Group nor the Company held any assets in this category on 31.12.2020.

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.

Neither the Group nor the Company held any assets in this category on 31.12.2020.

Impairment

For investments in securities that are measured at amortized cost or at fair value through other comprehensive income, the Group 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 is 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.

On the 31st of December 2020, the Group has trade and other receivables (including those from operating leases), as well as other financial assets that are measured at amortized cost.

Trade and other receivables

The Group 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 Group 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.

Other financial assets measured at amortized cost

For the other financial assets of the Group that are measured at amortized cost, the general approach is used. These financial assets are considered to be of low credit risk and any allowance for loss is limited in the expected credit loss for the following 12 months. The adoption of IFRS 9 did not have a significant effect on the Financial Statements of the Company and the Group.

2.14 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.

2.15 Treasury shares

The treasury shares are shares of the Company that have been issued and subsequently repurchased by the Company and have not been cancelled. The cost of purchase of the treasury shares is deducted from the share capital of the Company until those shares are either sold or cancelled. Every gain or loss from the sale of treasury shares, free of transaction costs and taxes, is included as reserve in equity. In case that the treasury shares are cancelled, their purchase cost is deducted from the share capital and the share premium, with any difference being debited in retained earnings.

2.16 Employee benefits

Post-employment benefits

Post-employment benefits include both defined benefit plans and defined contribution schemes. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate social security fund. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

A defined benefit plan is a retirement plan that is not a defined contribution plan.

Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. 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, recognized in the income statement in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements.

Past-service costs are recognized immediately in the income statement.

The net interest is included in payroll and other employee expenses in the income statement.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.17 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.

2.18 Guarantees

The Group 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 Group 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.

2.19 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.

2.20 Borrowing

Liabilities from borrowing are recognized initially at fair value, less transaction costs. Subsequently, borrowing liabilities are measured at amortized cost. Any difference between the net amount initially received and the value at the maturity are recognized in the statement of comprehensive income as finance cost for the duration of the borrowing, using the effective interest method. Borrowing liabilities are registered in current liabilities, unless the Company has the right to postpone the settlement of the liability for 12 months after the reporting date.

2.21 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, 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.

The subsidiaries Bierco S.A. and Zekakou 18 Owner S.M.P.C., which are domiciled in Greece, are treated as REICs for tax purposes.

2.22 Provisions

Provisions that relate to the outcome of judicial cases are recognized when the Group has a present legal or constructive obligation as a result of past events and when it is considered possible that an outflow of resources will be required in order to settle the obligation, the value of which must be able to be reliably measured.

In the cases where there is a number of similar cases, the chance that an outflow of resources will be required is determined by taking into account all the obligations. A provision is recognized even if the chance of an outflow of resources in relation to the obligations is small. The Management of the Company, together with its legal counselor, does not consider that there is currently a reason for any provision to be made.

2.23 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 (refer to Note 2.9). When the Group 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.

2.24 Interest income

Interest income is recognized using the effective interest rate. When there is an impairment on lending or receivables, their accounting value decreases to their recoverable amount, which is the present value of the expected future cash flows, discounted using the effective interest rate. Then, interest income is calculated using the same effective interest rate on the impaired value.

2.25 Earnings per share

Basic earnings per share are calculated by dividing the profit for the year attributable to the parent company's owners by the weighted average number of shares outstanding during each year. Diluted earnings per share are computed by dividing the profit for the year attributable to the Company's owners by the weighted average number of shares outstanding during the year adjusted for the impact of option rights to purchase shares.

3. Financial risk management

3.1 Financial risk factors

The Group 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, and Borrowing. 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.

a) Market Risk

i) Foreign Exchange risk

Foreign Exchange Risk for years 2020 and 2019 exists due to the cash reserves of the Group denominated in US Dollars. On 31.12.2020 the cash deposits in USD for the Company and the Group amounted at $ 976.980 (€ 796.071) compared to $ 975.715 (€ 868.538) on 31.12.2019. The foreign exchange differences for the years ended on 31.12.2020 and 31.12.2019, were € -74 thousand and € 16 thousand respectively. On the 31st of December 2020, if Euro was stronger/weaker in relation to USD by 5%, the results after tax for the period would have decreased/increased by € 37,8 thousand / € 42 thousand (2019: € 41,4 thousand / € 45,7 thousand).

ii) Price risk

The group is exposed to price risks other than financial instruments, such as the price risk of investment property, including the risk of leasing property.

Changes in real estate prices have an effect on the statement of comprehensive income and the statement of financial position of the Group (profitability and assets). The Group tries to enter in long-term lease agreements with quality tenants. At the current stage, the Group minimized the above risk by having secured with its prime tenant (Alpha Bank), lease agreements that cannot legally be terminated by the tenant until the year 2027, representing 60% of its total annual rentals. During the reporting period, the Group had a positive result from the fair value adjustments of its investment property.

The group does not hold equity securities or commodities, except for a non-significant number of treasury shares, and is therefore not exposed to material price risks from them.

<u>iii) Interest rate risk</u>

Interest rate risk derives mostly from the borrowing of the Company. The floating rate of the Company's bond loan exposes the Company to cash flow risk due to fluctuations on the borrowing rate. However, the said risk remains low as the interbank offering rates as well as ECB intervention rates remain at very low levels practically equal or below zero.

During 2020, if the average borrowing rate was 50 basis points higher/lower, with all other variables remaining the same, the Group's results after tax for the period would have been lower/higher by € 133,3 thousand/ € 135,4 thousand, i.e. + 37,39% / -37,98% over the Company's borrowing interest expense (2019: € 139,2 thousand / € 138,7 thousand, i.e. +38,4% / -38,24% over the borrowing interest expense), as a result the increased/decreased interest expense that would have resulted from the floating rate bond loans.

b) Credit Risk

The Group is not significantly exposed to credit risk in relation to its rent receivables from the lease agreements in place, as the majority of its lease agreements are concluded with high profile tenants (e.g., Alpha bank). The credit risk concerns the cases of counterparty default on their contractual obligations. During 2019, the Group had written-off € 20.008 worth of receivables for which no allowance had been previously made. Moreover in 2020, the Group recognized additional allowance for doubtful accounts of € 7.224 (Note 9).

c) Liquidity risk

Prudent management of liquidity risk means adequate cash reserves, ability to raise capital through a sufficient amount of committed credit facilities and the ability to close out open market positions. The liquidity of the Group is monitored by the Management at regular intervals. The tables below present an analysis of the maturities of the financial assets and liabilities (the tables include undiscounted cash flows of interest and capital repayments):

YEAR 2020

Group

	Up to 1 year	1 to 2 years	2 to 5 years	Longer than 5 years	Total
Financial Assets					
Long term receivables	-	-	712.167	1.020.758	**1.732.925**
Trade and other receivables	205.186	-	-	-	**205.186**
Cash and cash equivalents	9.256.240	-	-	-	**9.256.240**
	9.461.427	**-**	**712.167**	**1.020.758**	**11.194.351**
Financial Liabilities					
Borrowing - Capital	1.479.000	1.561.687	5.356.014	17.990.222	**26.386.923**
Borrowing - Interest	290.100	270.430	682.066	261.820	**1.504.417**
Guarantees	146.218	15.513	51.814	461.421	**674.966**
Trade and other payables	380.459	-	-	-	**380.459**
Lease liabilities	4.268	4.268	10.315	-	**18.852**
	2.300.045	**1.851.899**	**6.100.209**	**18.713.463**	**28.965.617**

Company

	Up to 1 year	1 to 2 years	2 to 5 years	Longer than 5 years	Total
Financial Assets					
Long term receivables	-	-	712.167	1.020.758	**1.732.925**
Trade and other receivables	169.789	-	-	-	**169.789**
Cash and cash equivalents	8.324.598	-	-	-	**8.324.598**
	8.494.387	**-**	**712.167**	**1.020.758**	**10.227.311**
Financial Liabilities					
Borrowing - Capital	1.479.000	1.561.687	5.356.014	17.990.222	**26.386.923**
Borrowing - Interest	290.100	270.430	682.066	261.820	**1.504.417**
Guarantees	146.218	15.513	51.814	328.746	**542.291**
Trade and other payables	370.906	-	-	-	**370.906**
Lease liabilities	4.268	4.268	10.315	-	**18.852**
	2.290.493	**1.851.899**	**6.100.209**	**18.580.788**	**28.823.390**

YEAR 2019

Group

	Up to 1 year	1 to 2 years	2 to 5 years	Longer than 5 years	Total
Financial Assets					
Long term receivables	-	-	296.366	1.009.121	**1.305.488**
Trade and other receivables	107.908	-	-	-	**107.908**
Cash and cash equivalents	7.588.768	-	-	-	**7.588.768**
	7.696.676	**-**	**296.366**	**1.009.121**	**9.002.164**
Financial Liabilities					
Borrowing - Capital	1.403.400	1.479.000	5.012.663	19.895.260	**27.790.323**
Borrowing - Interest	340.806	320.188	827.639	518.760	**2.007.393**
Guarantees	5.165	140.514	45.923	473.676	**665.278**
Trade and other payables	527.519	-	-	-	**527.519**
	2.276.889	**1.939.702**	**5.886.225**	**20.887.697**	**30.990.513**

Company

	Up to 1 year	1 to 2 years	2 to 5 years	Longer than 5 years	Total
Financial Assets					
Long term receivables	-	-	296.366	1.009.121	**1.305.488**
Trade and other receivables	110.580	-	-	-	**110.580**
Cash and cash equivalents	6.665.462	-	-	-	**6.665.462**
	6.776.042	**-**	**296.366**	**1.009.121**	**8.081.530**
Financial Liabilities					
Borrowing - Capital	1.403.400	1.479.000	5.012.663	19.895.260	**27.790.323**
Borrowing - Interest	340.806	320.188	827.639	518.760	**2.007.393**
Guarantees	5.165	140.514	45.923	344.676	**536.278**
Trade and other payables	507.723	-	-	-	**507.723**
	2.257.093	**1.939.702**	**5.886.225**	**20.758.697**	**30.841.717**

3.2 Capital risk management

The purpose of the Group when managing its capital is to ensure the ability of the Group to continue its activities, in order to secure returns for its shareholders and benefits for other stakeholders of the Group and maintain optimum capital structure, achieving minimum cost of capital. To maintain or change its capital structure, the company may change the distributable income to its shareholders, return capital to them, issue new shares or sell financial assets.

The Group monitors its capital using the debt ratio. The ratio is calculated as the ratio of total borrowing to total assets, as presented in the statement of financial position.

The legal framework that applies REICs, allows borrowing and credit to them for amounts that, in aggregate, do not exceed 75% of their total assets, for the purpose of acquiring and utilizing real estate property. The debt ratio on the 31st of December 2020 was 26,33% for the Company and 26,08% for the Group (2019: 27,89% for the Company and 27,58% for the Group).

3.3 Fair value estimation

The Group provides the necessary disclosures regarding fair value measurement using a three-level ranking.

- For financial assets that are traded in an active market, their fair value is determined using the published market prices that apply at the reporting date for similar assets and liabilities (“Level 1”).
- For financial assets that are not traded in an active market, their fair value is determined using valuation technics and assumptions that are supported directly or indirectly by market data at the reporting date (“Level 2”).
- For financial assets that are not traded in an active market, their fair value is determined using valuation technics and assumptions that are not supported by market data (“Level 3”).

The Group does not hold financial assets measured in fair value. However, the Group owns investment property that is measured at fair value (Note 6). On 31.12.2020, the book value of the Company’s floating rate bond loan was approaching its fair value.

On the 31st of December 2020, the book value of the Group’s trade and other receivables, cash and cash equivalents, guarantees as well as its trade and other payables approximated their fair value.

4. Operating Segments

The Group has adopted a single monitoring of Operating Segments, due to similar economic characteristics shared by the Investment Property as a result of the following:

- The homogenous nature of revenue, due to single lease agreements per tenant
- The fact that in the majority of lease agreement, management and repair and maintenance burdens the tenants
- The uniform structure of the Company
- The fact that the Company operates only in Greece
- The adoption of a uniform Regulatory Framework for the total investment property portfolio

In conclusion, the investment property of the Group constitutes a single operating segment.

The total comprehensive income of the Group derives from investment property leases in Greece. In the current year, the lease income of the Group in Greece was € 8,2 million (31.12.2019: € 8,3 million). The non-current assets of the Group in Greece, on 31.12.2020, was € 96 million (31.12.2019: € 97,6 million).

The Company has the necessary readiness for detailed monitoring of its future Operating Segments, as soon as the diversity and variety of its future acquisitions demands it.

5. Significant accounting estimates and assumptions

The Group makes estimates and assumptions regarding future events. Those estimates, by definition, rarely match with the actual results for which they are formed. The estimates and assumptions that have significant risk and may cause material adjustments to the accounting values of assets and liabilities in the following period, also taking into account the impact of the COVID-19 pandemic, are the following:

5.1 Impact of the COVID-19 pandemic

The COVID-19 coronavirus pandemic started affecting the Group in mid-March 2020, when the first government measures were taken to deal with the crisis.

Based on the measures of the State that have been legislated or announced to date, the income from rents at Group level recorded a small decrease (€ 159 thousand, -1.91%) compared to the previous year. This decrease, by a percentage of 18.2% (€ 29 thousand), is due to the non-collection of rents of the three properties that the Group sold within the first half of 2019, while the rest cumulatively to the mandatory reduction of rents by 40% for months March to June as well as October to December, based on relevant ministerial decisions, due to the SARS COVID-19 pandemic.

5.1.1. Impact on the estimation of “Fair Value” of the investment property of the Group

For the year ended on 31 December 2020, the outbreak of the SARS COVID-19 pandemic resulted in the application of restrictive measures as well as travel restrictions by many countries. The sharp contraction of economic activity may affect the fair value of real estate investments. In this environment, real estate values may go through a period of significant volatility during the period required for these changes to be absorbed by the market and the corresponding conclusions drawn.

The most appropriate indication of "fair value" is the current values that apply in an active market for related leases and other contracts. If it is not possible to find such information, the Group determines the value through a range of reasonable estimates of "fair values" (see Note 6). According to the current legislation for R.E.I.C.s, the estimation of real estate investments must be supported by independent assessments made by Certified Valuers, included in the Register of Certified Appraisers of the Ministry of Finance, for the 30th of June and December 31 of each year. Estimates are based primarily on forecasts of discounted cash flows due to the lack of sufficient current prices in an active market. To make such a decision, the Group takes into account data from various sources, including:

(i) Current prices in an active real estate market of different nature, condition or location (or subject to different leases or other contracts) that have been adjusted for these differences.
(ii) Recent prices of similar properties in less active markets, adjusted to reflect any changes in economic conditions that have occurred since the date on which those transactions were made at those prices, and
(iii) Cash flow discount, based on reliable estimates of future cash flows, derived from the terms of applicable leases and other contracts and (where applicable) from external factors such as current rental rates of similar properties in the same location and situation, using discount rates reflecting the current market estimate of the uncertainty about the amount and timing of cash flows.

According to the certified valuer, given the uncertainty from the progress of the SARS COVID-19 pandemic and the possible future effects on the real estate market in our country and internationally, and in the absence of sufficient comparative data, conditions of "material estimation uncertainty" are created, as defined by the International Valuation Standards. For this reason, real estate values go through a period in which they are monitored with a higher degree of scrutiny.

The Group has made every effort to evaluate all reasonable and sound information available during the assessment of the fair value of its investment property on 31.12.2020, given the uncertainty due to the negative impact of the SARS COVID-19 pandemic. In this context, there is even more frequent communication with the certified valuer regarding the reasonableness and validity of the assumptions adopted in the estimates and future trends in the real estate market in the current conditions of the SARS COVID-19 pandemic and at the same time the Group will continue to evaluate any potential effect on the value of its investment properties.

In any case, it should be noted that the decrease in the fair values of the Group's real estate (€ -819 thousand) during the year ended on December 31, 2020 is mainly due to the increase in the discount rates of future real estate cash flows for the calculation of the net current value, which was deemed necessary to offset the high rate of economic recovery for 2021 and 2022, and not due to a reduction in contractually agreed rents and / or an increase in estimated real estate returns in the coming years.

6. Investment Property

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
Opening Balance	**94.210.000**	**94.733.000**	**83.935.800**	**84.444.948**
Acquisition of new property and additions	-	1.331.000	-	1.331.000
Additions from the acquisition of subsidiary	-	-	-	-
Capital expenditure related to investment property	-	24.160	-	24.160
Net gains from fair value adjustments of the investment property	-819.389	659.840	-692.265	673.692
Fair value adjustments that are not recognized through profit or loss	-	28.127	-	28.127
Sale of investment property	-1.075.000	-2.940.000	-1.075.000	-2.940.000
Reclassifications from Property, Plant and Equipment	-	373.873	-	373.873
Closing Balance	**92.315.611**	**94.210.000**	**82.168.535**	**83.935.800**

As a REIC, the Company is regulated by specific regulatory framework, according to which:
a) a periodic valuation of the Company's real estate from Independent Valuators is required, **b)** valuation from Independent Valuators is required prior to the acquisition or disposal of real estate property, and **c)** the value of each individual property must not exceed 25% of the total investment property portfolio. As a result, this framework contributes significantly to the avoidance or timely mitigation of related risks.

During 2020, the Group sold the following properties:

- A real estate property with an area of 185,5 sqm located on 47' Papaflessa Str., in Nea Erythrea, in the municipality of Kifisia. The consideration received was 380.000 euro. The property had been acquired in March 2018 for 240.000 euro, was renovated for an additional 60.000 euro and recording a total revaluation surplus for the Company 80.000 euro (27%) compared to its acquisition and renovation cost. At the time of the sale, the property's book value in the Company's records was 370.000 euro, as appraised by independent chartered valuers.
- A real estate property with an area of 265 sqm located on 79' Kifisias Ave., in Athens. The consideration received was 715.000 euro. The property had been acquired in April 2018 for 550.000 euro and recorded a total revaluation surplus for the Company of 165.000 (30%) compared to its acquisition cost. At the time of the sale, the property's book value in the Company's records was 705.000 euro, as appraised by independent chartered valuers.

The last available valuation is dated on 31.12.2020 and has been performed by an Independent Valuator with experience in the performance of such valuations and registered in the Independent Valuator Registry of the Ministry of Finance. Based on the above valuation the Group recorded a € 0,82 million loss in the consolidated statement of comprehensive income, while the respective figure for the Company was a loss of € 0,69 million.

In the current valuation, the real estate properties have been evaluated using the methods and their weighted average rates presented below:

- the method of comparative data using real estate market data (10%), and
- the discounted cash flow method (DCF) (90%)
- for real estate property with a remaining building coefficient, its value has been estimated using the residual method (100%).

The basic assumptions used in the DCF method are the following:

Minimum (predetermined) annual increase of rents – weighted for all investment property	0% - 3,5%
Market rent adjustment	CPI to CPI +1,00%
Exit yield	4,7% - 9,10%
Discount rate	7,72% - 13,10%

Regarding the comparative method, the estimation was based in comparative real estate sale prices from 140 euro to 6.695 euro (2019: 900 euro to 9.750 euro) per square meter. The following table presents the fair values of the investment property of the Group for each company:

	Fair value of Investment Property 31.12.2020	**Fair value of Investment Property 31.12.2019**
Parent Company Intercontinental International REIC	82.168.535	83.935.800
Subsidiary Bierco S.A.	2.738.000	2.770.000
Subsidiary Zekakou 18 Owner S.M.P.C.	7.758.000	7.874.000
Consolidation adjustments	-348.924	-369.800
Group's investment property fair value	**92.315.611**	**94.210.000**

The consolidation adjustments above relate to the reclassification of part of the investment properties that are leased to the subsidiaries, from investment property to own-used property. In more detail, the fair value per real estate category, as well as the methods of valuation and their assumptions for 2020 for the Group, are as follows:

Use	Fair Value	Valuation Method	Monthly Market Rent	Discount Rate	Exit Yield
Retail Shops	58.582.702	90% DCF - 10% Comparative Method	479.047	8,58% - 13,85%	6,50% - 9,10%
Retail Shops	17.856.000	90% DCF - 10% Comparative Method plus Residual Method	80.655	9,03% - 9,83%	7,50% - 8,25%
Offices	15.876.909	90% DCF - 10% Comparative Method	102.704	7,72% - 13,10%	4,75% - 9,00%
	92.315.611		**662.406**		

For the Company, the table is as follows:

Use	Fair Value	Valuation Method	Monthly Market Rent	Discount Rate	Exit Yield
Retail Shops	55.844.702	90% DCF - 10% Comparative Method	460.287	8,58% - 13,85%	6,50% - 9,10%
Retail Shops	17.856.000	90% DCF - 10% Comparative Method plus Residual Method	80.655	9,03% - 9,83%	7,50% - 8,25%
Offices	8.467.833	90% DCF - 10% Comparative Method	53.127	7,72% - 13,10%	4,75% - 9,00%
	82.168.535		**594.069**		

On the investment property that are currently leased to Alpha Bank, there is a mortgage prenotation for € 31,5 million, from the initial borrowing of the Company. In addition, there is a mortgage prenotation of € 1.320.000 for the total borrowing of the Company from Optima Bank on the property located on the junction of 24' Hatzikyriakou and Flessa Street in Piraeus.

The investment property is classified as a **level 3** investment (financial assets measured using valuation technics using non-observable prices).

If the discount rate used for the DCF method differed by +/- 0,20% from the estimates used by the Management, the value of the investment property would have been € 0,99 million lower or € 1,015 million higher, respectively.

If the market rent per sq.m. of the investment property used for the DCF method differed by +/- € 0,20 from the estimates used by Management, the value of the investment property would have been € 0,67 million higher or € 0,66 million lower respectively.

The Group has fully insured its total investment property, in accordance with the provisions of par. 12 of article 22 of L. 4141/2013 and the decision of the Board of Directors of the Hellenic Capital Market Commission No. 7/259/19.12.2002.

7. Investments in subsidiaries

The Company's investments in subsidiaries are presented below:

Subsidiary Name	Domicile	Participation percentage	31.12.2020	31.12.2019
Bierco S.A.	Greece	100%	2.371.838	2.371.838
Zekakou 18 Owner S.M.P.C.	Greece	100%	7.493.558	7.493.558
Total Investments in subsidiaries			**9.865.396**	**9.865.396**

8. Property, plant and equipment

	Group			
	Land and buildings	**Vehicles**	**Fixture and other equipment**	**Total**
Cost or valuation				
As at 31.12.2019	2.168.689	15.036	59.619	2.243.345
Additions for the year	-	18.491	-	18.491
Transfers to investment property	-	-	-	-
Disposals for the year	-	-	-	-
As at 31.12.2020	**2.168.689**	**33.527**	**59.619**	**2.261.836**
Accumulated Depreciation				
As at 31.12.2019	-177.850	-6.215	-21.297	-205.362
Depreciation for the year	-87.460	-4.563	-7.719	-99.742
Transfers to investment property	-	-	-	-
Disposals for the year	-	-	-	-
As at 31.12.2020	**-265.310**	**-10.778**	**-29.016**	**-305.104**
Net Book Value				
As at 31.12.2020	**1.903.379**	**22.749**	**30.603**	**1.956.732**

	Company			
	Land and buildings	Vehicles	Fixture and other equipment	Total
Cost or valuation				
As at 31.12.2019	1.821.340	15.036	59.619	1.895.995
Additions for the year	-	18.491	-	18.491
Transfers to investment property	-	-	-	-
Disposals for the year	-	-	-	-
As at 31.12.2020	**1.821.340**	**33.527**	**59.619**	**1.914.486**
Accumulated Depreciation				
As at 31.12.2019	-148.677	-6.215	-21.297	-176.189
Depreciation for the year	-73.626	-4.563	-7.719	-85.908
Transfers to investment property	-	-	-	-
Disposals for the year	-	-	-	-
As at 31.12.2020	**-222.304**	**-10.778**	**-29.016**	**-262.098**
Net Book Value				
As at 31.12.2020	**1.599.036**	**22.749**	**30.603**	**1.652.388**

	Group			
	Land and buildings	Vehicles	Fixture and other equipment	Total
Cost or valuation				
As at 31.12.2018	2.560.383	15.036	59.619	2.635.039
Additions for the year	-	-	-	-
Transfers to investment property	-391.694	-	-	-391.694
Disposals for the year	-	-	-	-
As at 31.12.2019	**2.168.689**	**15.036**	**59.619**	**2.243.345**
Accumulated Depreciation				
As at 31.12.2018	-102.372	-3.809	-15.985	-122.166
Depreciation for the year	-93.298	-2.406	-5.313	-101.017
Transfers to investment property	17.820	-	-	17.820
Disposals for the year	-	-	-	-
As at 31.12.2019	**-177.850**	**-6.215**	**-21.297**	**-205.362**
Net Book Value				
As at 31.12.2019	**1.990.839**	**8.821**	**38.322**	**2.037.983**

	Company			
	Land and buildings	Vehicles	Fixture and other equipment	Total
Cost or valuation				
As at 31.12.2018	2.213.034	15.036	59.619	2.287.689
Additions for the year	-	-	-	-
Transfers to investment property	-391.694	-	-	-391.694
Disposals for the year	-	-	-	-
As at 31.12.2019	**1.821.340**	**15.036**	**59.619**	**1.895.995**
Accumulated Depreciation				
As at 31.12.2018	-87.033	-3.809	-15.985	-106.827
Depreciation for the year	-79.465	-2.406	-5.313	-87.183
Transfers to investment property	17.820	-	-	17.820
Disposals for the year	-	-	-	-
As at 31.12.2019	**-148.677**	**-6.215**	**-21.297**	**-176.189**
Net Book Value				
As at 31.12.2019	**1.672.662**	**8.821**	**38.322**	**1.719.806**

9. Trade and other receivables

	Group		Company	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Rent receivables	226.741	152.513	191.344	155.185
Guarantees	9.929	8.382	9.929	8.382
Other receivables	14.923	13.841	14.923	13.841
Total	**251.594**	**174.736**	**216.196**	**177.408**
Expenses related to future periods	7.637	-	7.637	-
Total	**259.231**	**174.736**	**223.833**	**177.408**
Allowance for doubtful accounts	-54.044	-66.828	-54.044	-66.828
Total	**205.186**	**107.908**	**169.789**	**110.580**

Rent receivables are further analyzed as follows:

	Group			Company		
	Balance of rent receivables 31.12.2020	Expected credit loss percentage 31.12.2020	Expected credit loss 31.12.2020	Balance of rent receivables 31.12.2020	Expected credit loss percentage 31.12.2020	Expected credit loss 31.12.2020
Non-doubtful accounts						
Receivables up to 30 days:	128.207	1,91%	2.451	92.810	1,91%	1.775
Receivables between 30 and 60 days:	30.374	3,25%	988	30.374	3,25%	988
Receivables between 60 and 90 days:	10.524	5,34%	562	10.524	5,34%	562
Receivables between 90 and 120 days:	4.436	7,46%	331	4.436	7,46%	331
Receivables between 120 and 150 days:	1.950	11,36%	222	1.950	11,36%	222
Receivables between 150 and 180 days:	1.304	16,96%	221	1.304	16,96%	221
Receivables over 180 days:	5.736	100,00%	5.736	5.736	100,00%	5.736
Total Non-doubtful accounts	**182.531**		**10.511**	**147.133**		**9.834**

For the previous year:

	Group			Company		
	Balance of rent receivables 31.12.2019	Expected credit loss percentage 31.12.2019	Expected credit loss 31.12.2019	Balance of rent receivables 31.12.2019	Expected credit loss percentage 31.12.2019	Expected credit loss 31.12.2019
Non-doubtful accounts						
Receivables up to 30 days:	45.526	2,43%	1.104	46.126	2,43%	1.119
Receivables between 30 and 60 days:	12.847	4,15%	533	14.919	4,15%	619
Receivables between 60 and 90 days:	12.642	6,52%	824	12.642	6,52%	824
Receivables between 90 and 120 days:	8.888	8,98%	798	8.888	8,98%	798
Receivables between 120 and 150 days:	6.109	13,63%	833	6.109	13,63%	833
Receivables between 150 and 180 days:	4.805	19,54%	939	4.805	19,54%	939
Receivables over 180 days:	17.485	100,00%	17.485	17.485	100,00%	17.485
Total Non-doubtful accounts	**108.302**		**22.517**	**110.974**		**22.617**

The fair value of the Group's receivables approximates their fair value on 31.12.2020, since their collection is expected to take place at a such a time interval, that the time value of money is not considered to be significant. On 31.12.2020, the Group's "other receivables" mainly include advance payments to suppliers.

Customer Aggregation exceeding 10%: For the period ended on 31.12.2019 the rent revenue from Alpha Bank was € 4.920.241, i.e. 60% of the total rent revenue of the Group for the year and is ensured for the following 7 years (Note 16). On 31.12.2020, the Group had collected all the receivables that relate to Alpha Bank.

During 2020, the Group had written-off 20.008 € worth of receivables for which no allowance had been previously made. Moreover, during the year, the Group recognized an additional allowance for doubtful accounts of 7.224 €. The movement of the allowance for doubtful accounts for the Group and the Company is as follows:

Allowance for doubtful accounts	**Company and Group**
Balance 1.1.2019	**67.398**
Additional allowance for the year	-570
Write-offs	0
Balance 31.12.2019	**66.828**
Balance 1.1.2020	**66.828**
Reversal of allowance for the year	7.224
Write-offs	-20.008
Balance 31.12.2020	**54.044**

10. Cash and cash equivalents

	Group		**Company**	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Cash on hand	487	1.404	71	988
Sight deposits in Euro	8.459.683	6.718.827	7.528.456	5.795.937
USD deposits in Euro	796.071	868.538	796.071	868.538
Total	**9.256.240**	**7.588.768**	**8.324.598**	**6.665.462**

11. Share capital

The Company's share capital of € 42.000.000, is divided into 10.500.000 registered ordinary shares with a nominal value of € 4 each. The movement of the Company's share capital is as follows:

	Number of Shares	**Common Shares**	**Share Premium**	**Treasury Shares**	**Total**
January 1st, 2019	**10.484.960**	**42.000.000**	**3.990.000**	**-82.258**	**45.907.742**
Purchases of treasury shares	11.674	-	-	-70.709	-70.709
Sales of treasury shares	-	-	-	-	-
December 31st, 2019	**10.473.286**	**42.000.000**	**3.990.000**	**-152.967**	**45.837.033**
January 1st, 2020	**10.473.286**	**42.000.000**	**3.990.000**	**-82.258**	**45.907.742**
Purchases of treasury shares	-	-	-	-70.709	-70.709
Sales of treasury shares	-	-	-	-	-
December 31st, 2020	**10.473.286**	**42.000.000**	**3.990.000**	**-152.967**	**45.837.033**

On 31.12.2020, the Company holds a total of 26.714 treasury shares with a nominal value of € 106.856 and cost € 152.967. The shares held represent 0,25% of the total share capital of the Company.

12. Borrowing

	Group		Company	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Bond Loan	24.897.074	26.386.923	24.897.074	26.386.923
Short-term portion of the bond loan	1.479.000	1.403.400	1.479.000	1.403.400
Accrued interest for the period	58.733	69.594	58.733	69.594
Total	**26.434.808**	**27.859.917**	**26.434.808**	**27.859.917**

	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Payable principal and interest for the following year	1.769.100	1.744.206	1.769.100	1.744.206
Payable principal and interest for the following 2 - 5 years	7.870.197	7.639.490	7.870.197	7.639.490
Payable principal and interest up year 2027	18.252.042	20.414.020	18.252.042	20.414.020
Total	**27.891.340**	**29.797.716**	**27.891.340**	**29.797.716**

The payments for both loans of the Company are made quarterly, with a floating interest rate of 3-month Euribor plus spread. The fair value of the borrowing on 31.12.2020, was € 20.554.451. The bond borrowing for the Group and the Company has a maturity in 2027 for the borrowing from Alpha Bank and in 2026 for that from Optima Bank.

As a collateral for the repayment of the Alpha Bank bond loan, the following pledges have been made:

1. Prenotation for mortgage on the investment property leased to Alpha Bank, of a total value of €31.500.000.
2. Pledge on the lease agreements of the total investment property leased to Alpha Bank, for the duration of the bond loan.
3. Guarantees from the main shareholder for the prompt service of the bond loan, and assurances that the shareholder composition will not change in a way that would reduce the main shareholder’s participation below 67%.
4. Clause for complete withholding of monthly rents in case of breach of financial covenants that are not remediated within 30 calendar days.

As referenced in point 4 above, in order to secure the debt from the bond loan to Alpha Bank, the total lease income for the property leased to Alpha Bank has been pledged as collateral for the duration of the loan. The lease payments are deposited to a specific bank account, with the intention of activating the cash sweep mechanism in case of breach in the bond loan contractual terms.

Specifically, in case of breach of the minimum debt service coverage ratio (DSCR) > 120% without it being rectified within 30 calendar days with equity from the issuer, the abovementioned cash sweep mechanism will activate, by withholding the lease payments from the abovementioned property until the required amount for the restoration of the breach has been aggregated.

For the period ended on 31.12.2020 no such case took place.

For the bond loan from Optima Bank, the following pledges have been made:

1. Mortgage prenotation for € 1.320.000 for the total borrowing on the property of the Company located on the junction of 24' Hatzikyriakou and Flessa Street in Piraeus.
2. Pledge on the receivables from any insurance contracts on the above property.
3. Pledge on any rent receivables from the above property.

During the period that ended on 31.12.2020, the Company complied with all the contractual terms of its bond loans.

13. Guarantees

	Group		Company	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Long-term guarantees				
Rent guarantees	528.748	592.147	396.073	473.693
Short-term guarantees				
Rent guarantees	146.218	5.165	146.218	5.165
Total	**674.966**	**597.312**	**542.291**	**478.857**

14. Trade and other payables

	Group		Company	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Suppliers	30.232	77.019	30.025	76.864
Insurance organizations	13.880	12.651	13.880	12.651
Stamp duties and other taxes	251.802	260.777	245.152	245.242
Real estate ownership tax (ENFIA)	-	95.029	-	95.029
Other liabilities	12.564	9.366	9.958	6.760
Customer prepayments	5.859	6.071	5.859	6.071
Accrued expenses	66.123	66.605	66.033	65.105
Total	**380.459**	**527.519**	**370.906**	**507.723**

15. Rental Income

The total rent revenue of the period is generated from operating leases from the investment properties of the Group. The lease period for which the Group leases its properties with operating lease contracts has a mid-to-long-term duration.

According to IFRS 16 "Leases", the recognition of rental income (less the value of any incentives given by the lessor) is made using the straight-line method for the duration of the lease. As a result, adjustments in rents made during the lease, are allocated throughout that duration. The following table presents the actual rental income, based on the contractual terms of the lease agreements, the effect of the IFRS 16, and the total adjusted rental income that is finally recorded in the profit and loss for each year:

Actual rental income based on the contractual terms of lease agreements in 2018:	7.245.724
2018 IFRS 16 adjustment:	726.120
Total adjusted rental income in 2018:	**7.971.844**
Actual rental income based on the contractual terms of lease agreements in 2019:	7.737.134
2019 IFRS 16 adjustment:	579.367
Total adjusted rental income in 2019:	**8.316.501**
Actual rental income based on the contractual terms of lease agreements in 2020:	7.730.164
2020 IFRS 16 adjustment:	427.437
Total adjusted rental income in 2020:	**8.157.601**

Rents are adjusted annually in accordance with the lease contract terms and by the CPI increased by 0% - 3%, as well as by 3,5% (at a minimum) for the leases with Alpha Bank. The are no variable (contingent) rents as at 31st of December 2020. Rental revenue is not subject to seasonal variations. The minimum non-cancellable future rent receivables from operating leases, including the contractual adjustments, are as follows:

The minimum non-cancellable future rent receivables from operating leases, including the contractual adjustments, are as follows:

	31.12.2020	**31.12.2019**
Rental income within the following year:	8.098.175	8.217.689
Rental income within 2 to 5 years:	31.146.689	30.279.438
Rental income after 5 years and up to 2038:	47.607.902	26.550.491
Total	**86.852.766**	**65.047.618**

16. Expenses directly related to investment property

	Group		Company	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Independent Valuator fees	39.359	55.480	39.359	55.480
Insurance expenses	28.130	31.660	22.652	25.864
Maintenance – common use expenses	71.840	48.305	71.840	47.995
Other taxes and duties	16.556	70.664	15.692	69.800
Other expenses	40.195	69.391	39.228	64.595
Real estate ownership tax (ENFIA)	491.666	505.570	461.181	475.085
Total	**687.746**	**781.071**	**649.953**	**738.819**

17. Payroll and other personnel expenses

	Group		Company	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Payroll expense	267.631	278.892	267.631	278.892
Employer contributions	58.500	61.043	58.500	61.043
BoD remuneration	24.000	118.000	24.000	54.000
Retirement benefit obligation provision	35.000	-	35.000	-
Other expenses	57.289	10.520	57.289	10.520
Total	**442.421**	**468.455**	**442.421**	**404.455**

The Company employed 5 persons on 31.12.2020.

18. Other income and expense

	Group		Company	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Third party fees	-238.314	-259.622	-225.944	-251.222
Rent expense	-	-	-	-
Taxes – duties	-68.657	-74.022	-66.457	-72.971
Miscellaneous expenses	-156.377	-249.482	-141.918	-234.488
Dividend income	-	-	663.000	434.516
Other income	77.469	28.120	72.689	27.956
Total	**-385.878**	**-555.005**	**301.370**	**-96.209**

The fees of the audit firm PriceWaterhouseCoopers, domiciled in Greece, for the services they provided to the Company and its subsidiaries BIERCO S.A. and Zekakou 18 Owner S.M.P.C. for the years 2020 and 2019, are the following:

	Group		Company	
Amounts in thousands of €	**31.12.2020**	**31.12.2019**	**31.12.2020**	**31.12.2019**
Statutory audit fees	46.000	46.000	40.000	40.000
Fees for other services	14.000	14.000	14.000	14.000
Total	**60.000**	**60.000**	**54.000**	**54.000**

19. Finance income / (expense)

	Group		Company	
	31.12.2020	**31.12.2019**	**31.12.2020**	**31.12.2019**
Interest expense from borrowing	-204.420	-362.679	-204.420	-362.679
Other expenses	-79.029	-42.406	-66.513	-41.329
Interest income from deposits	3.347	4.558	3.347	4.558
Other income	-	243	-	-
Net finance expense	**-280.042**	**-400.284**	**-267.587**	**-399.450**

20. Taxes

The tax on assets is calculated based on the provisions of article 31 of L. 2778/1999, according to which, 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 withheld tax from dividends received, this tax is settled against the tax declared on the tax statement submitted by the REIC in 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. For the calculation of the above tax, the real estate property held directly or indirectly by the subsidiaries of the REIC is not taken into consideration, as long as those properties are presented separately on their investment schedules.

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.

Since the tax obligation of the Company is calculated based on its investments plus its reserves and not based on its profit, no temporary tax differences emerge and therefore, there are no respective deferred tax assets or liabilities.

The tax expense for the Company and the Group for the period ended on the 31st of December 2020 includes assets tax (current tax) of € 95,2 thousand and € 107 thousand respectively (31.12.2019: € 391,7 thousand and € 440,6 thousand euro respectively). The Group's asset tax relates to the Company and its domestic subsidiaries BIERCO S.A. and Zekakou 18 Owner S.M.P.C., which are domiciled in Greece and are considered REICs for tax purposes.

21. Earnings distribution

During the year the Company has distributed earnings in the form of dividends of € 3.770.383, as well as remuneration to members of the Board amounting to € 24.000.

The Company will make an announcement regarding the distribution of dividend, in accordance with the relative decision of the Board, in the time between the publication of the financial results and the announcement date of the Annual General Meeting of the Shareholders invitation, as defined in the published Corporate Event Calendar.

22. Earnings per Share

The basic earnings per share (EPS) ratio is calculated by dividing the profit or loss after tax attributable to shareholders, with the weighted average number of ordinary shares in circulation during the period, excluding any treasury shares. For the current as well as the prior year, the basic earnings per share were equal to the diluted and their calculation is as follows:

	Group		Company	
	1.1.2020 - 31.12.2020	**1.1.2019 - 31.12.2019**	**1.1.2020 - 31.12.2020**	**1.1.2019 - 31.12.2019**
Profit/(loss) attributed to the shareholders of the parent	5.374.337	6.901.209	5.516.674	6.769.662
Weighted average of the number of shares	10.473.286	10.479.123	10.473.286	10.479.123
Basic earnings/(losses) per share (Euro per share)	**0,51**	**0,66**	**0,53**	**0,65**

23. Related party transactions

All related party transactions are made under market terms. The Group has identified the following parties to be related, as per the definitions of IAS 24:

- AJOLICO Trading Limited, main shareholder (78,78%) of INTERCONTINENTAL INTERNATIONAL R.E.I.C. – No related party transactions apart from the initial payment of the Shareholder's Capital.

- REPUBLIC BANK of CHICAGO – USA, keeping of an interest-bearing deposit account of INTERCONTINENTAL INTERNATIONAL R.E.I.C.

- Aristotle Halikias, Chairman of the Board of Directors of INTERCONTINENTAL INTERNATIONAL R.E.I.C., 36,51% shareholder of AJOLICO Trading Limited, Chairman of the Board of Directors of REPUBLIC BANK of CHICAGO – USA.

- Patricia Halikias, Vice Chairman of the Board of Directors of INTERCONTINENTAL INTERNATIONAL R.E.I.C. and 31,75% shareholder of AJOLICO Trading Limited.

- Helene Halikias, Chairman of the Board of Directors of the subsidiary BIERCO S.A. and member of the Board of INTERCONTINENTAL INTERNATIONAL R.E.I.C., 31,74% shareholder of AJOLICO Trading Limited.

- BIERCO S.A., a subsidiary of the Group. The Company holds the total shares of BIERCO S.A.

- Zekakou 18 Owner S.M.P.C., a subsidiary of the Group. The Company owns the entire holding of Zekakou 18 Owner S.M.P.C.

Furthermore, also considered related parties are the members of the Group's management, close relatives to those persons and companies held by them or in which the latter have a substantial influence on their management and economic policy.

All transactions with related parties are made in essence in terms identical to those applicable to similar transactions with unrelated parties, including interest rates and collateral and do not involve higher-than-normal risk.

The transactions of the Company and the Group with related parties for the year 2020, as well as their open balances on 31.12.2020 are as follows:

a) Income from leases and provision of services

	Group		**Company**	
	1.1.2020 - 31.12.2020	**1.1.2019 - 31.12.2019**	**1.1.2020 - 31.12.2020**	**1.1.2019 - 31.12.2019**
Subsidiary “BIERCO S.A”	-	-	12.000	12.000
Subsidiary “Zekakou 18 Owner S.M.P.C.”	-	-	12.000	12.000
Other related parties	12.000	8.000	12.000	8.000
	12.000	**8.000**	**36.000**	**32.000**

b) Dividend income

	Group		Company	
	1.1.2020 - 31.12.2020	1.1.2019 - 31.12.2019	1.1.2020 - 31.12.2020	1.1.2019 - 31.12.2019
Dividends from subsidiary “BIERCO S.A.”	-	-	180.000	53.114
Dividends from subsidiary “Zekakou 18 Owner S.M.P.C.”	-	-	483.000	381.402
	-	**-**	**663.000**	**434.516**

c) Interest income from Cash and Cash Equivalents

	Group		Company	
	1.1.2020 - 31.12.2020	1.1.2019 - 31.12.2019	1.1.2020 - 31.12.2020	1.1.2019 - 31.12.2019
Republic Bank of Chicago	1.105	1.172	1.105	1.172
	1.105	**1.172**	**1.105**	**1.172**

d) BoD and key management personnel remuneration

	Group		Company	
	1.1.2020 - 31.12.2020	1.1.2019 - 31.12.2019	1.1.2020 - 31.12.2020	1.1.2019 - 31.12.2019
BoD remuneration	24.000	118.000	24.000	54.000
Key management personnel remuneration	313.781	251.235	308.981	246.435
	337.781	**369.235**	**332.981**	**300.435**

e) Related party balances

	Group		Company	
	31.12.2020	31.12.2019	31.12.2019	31.12.2019
Trade and other receivables				
Subsidiary “BIERCO S.A”	-	-	-	2.072
Subsidiary “Zekakou 18 Owner S.M.P.C.”	-	-	-	2.072
Other related parties	4.144	2.072	4.144	2.072
	4.144	**2.072**	**4.144**	**6.216**
Cash and cash equivalents				
Republic Bank of Chicago – Deposits in USD	714.010	778.795	714.010	778.795
	714.010	**778.795**	**714.010**	**778.795**

Trade and other payables				
Other related parties	-	5.998	-	3.392
	-	**5.998**	**-**	**3.392**

24. Contingent Liabilities

Tax Certificate and unaudited tax years

Since the year that ended on the 31st of December 2011, according to L. 4174/2013 (article 65A) as applicable (and as determined by article 82 of L. 2238/1994), Greek limited companies whose financial statements undergo a mandatory statutory audit, were required to receive a "Tax Certificate" up to the year starting before the 1st of January 2016, after a tax audit from the statutory auditor or audit firm that audits the annual financial statements.

For the years starting after the 1st of January 2016, the "Tax Certificate" is optional, but the Group opted to receive it. According to Greek tax legislation and the respective Ministerial Decrees, Companies for which an unqualified tax certificate is issued, are not exempt from additional taxes and fines from the Greek tax authorities after the completion of a tax audit within the limits of the law (as a general principle, 5 years since the end of the year for which the tax statement has been submitted).

Unaudited tax years

The Company, since its incorporation in 2013 and up to this day, has not been audited by the competent tax authorities. For the years up to 2019, the Company has been tax audited by PriceWaterhouseCoopers S.A. and received unqualified auditor's opinions for the Tax Certificate issued by that company. The tax audit for the year 2020 is in progress by the same audit firm and Management estimates that no material tax liabilities will arise, apart from those already presented in the financial statements of 31.12.2020.

Regarding the subsidiaries "BIERCO S.A." and "Zekakou 18 Owner S.M.P.C." are not audited for the purposes of a tax compliance report and, so far, have not been tax audited by the tax authorities. Management estimates that no material tax liabilities will arise, apart from those already presented in these financial statements.

Litigation and Claims

There are no litigation cases against the Group that may materially affect its financial position and that should be taken into consideration at this point.

25. Events after the reporting period

On 3rd March 2021, the Group announced the signing of a Statement of Understanding with GLAXOSMITHKLINE S.A., for the conclusion of the acquisition of a commercial property (an office building of 3.180,32 sqm) located at 266' Kifissias Avenue in Chalandri and the partial lease-back of the building to its current owner, following its participation in a private tender procedure and for the amount of € 12,05 million. The Group is satisfied with the process of the negotiations and is keen on proceeding as quickly as possible to the execution of the relevant agreements.

Athens, 29th of March 2021

The undersigned

The Chairman	The Managing Director	The Finance Director
Aristotle Halikias	**Evangelos I. Kontos**	**Gerasimos Robotis**
ID No. AE 783893	**ID No. AN 087157**	**ID No. AN 139944**