ANNUAL FINANCIAL REPORT
For the year from January 1st to December 31st 2021

According to article 4, Law 3556/2007

CONTENTS

A) STATEMENTS BY THE REPRESENTATIVES OF THE BOARD OF DIRECTORS ACCORDING TO ARTICLE 4, PAR. 2, LAW 3556/2007

The members of the Board of Directors:
1) Panagiotis Spyropoulos, Chairman of the Board of Directors & Group CEO
2) Ilias Karantzalis, Vice Chairman of the Board of Directors
3) Emmanouil – Evagelos Lekakis, Member of the Board of Directors

In the above capacity, especially assigned by the Board of Directors of the Société Anonyme under the title « INFORM P. LYKOS HOLDINGS S.A.», declare and certify that to the best of our knowledge:

(a) the annual, separate and consolidated, financial statements for the year 1/1/2021 - 31/12/2021, which were prepared according to the International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of "INFORM P. LYKOS HOLDINGS S.A.", as well as of the consolidated companies as a total.

(b) the annual management report of the Board of Directors presents in a true and fair view the development, the performance and the financial position of "INFORM P. LYKOS HOLDINGS S.A.", as well as the companies consolidated as a total, including the description of the main risks and uncertainties they face.

Koropi Attica, 26th April 2022

The designees

Chairman of the Board of Directors & Group CEO	Vice Chairman of the Board of Directors	Defined Member of the Board of Directors
Panagiotis Spyropoulos	Ilias Karantzalis	Emmanouil – Evagelos Lekakis
I.D. No AI 579288	I.D. No AN 644777	I.D. No AI 008743

B) ANNUAL REPORT OF BOARD OF DIRECTORS

ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS TO THE GENERAL MEETING OF SHAREHOLDERS AND CORPORATE GOVERNANCE STATEMENT

Dear Shareholders,

The Board of Directors of INFORM P. LYKOS HOLDINGS S.A. hereby presents its Report on the Annual Separate and Consolidated Financial Statements for the year ended as of December 31st, 2021.

The Separate and Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards.

1. GROUP PROFILE

INFORM (LYK.ATH) was founded in 1897, is has been listed on the Athens Stock Exchange since 1994 and provides products and services for the secure document and information management, innovating in the digital transformation of companies and organizations by providing highly specialized solutions. It has 510 employees with four production units in Greece, Romania and Albania, while it holds a leading position in the Central and Eastern European markets in the Public and Private sector.

Is a member of AUSTRIACARD HOLDINGS, an Austrian group of high-tech IT in Hardware Embedded Security, which employs 1400 people and has an international presence in three Divisions, AUSTRIACARD, INFORM and NAUTILUS, in the fields of Digital Security, Information Management and IoT respectively. The Group AUSTRIACARD HOLDINGS has a very strong European business footprint, from the United Kingdom to Greece and Turkey, with eight production facilities and seven personalization centers in Europe, as well as two additional personalization centers in South America and the USA, which allow to serve its customers, wherever they are, in the best possible way. In 2021. The Group's consolidated revenues amounted to € 200 milion.

The principles of the Group are based on the commitment to personal care and support of customers. The passion for innovation and the satisfaction derived from well-served customers have been driven by the Lykos family over four generations. The company has been tried and evolved through turbulent and significant times in recent Greek history and the history of Europe. It has been trusted continuously for over 120 years for its high quality products, impeccable services and its integrity.

Our history demonstrates a commitment to progress and innovation, accompanied by a strong sense of responsibility towards, not only our customers, but also our employees and associates.

2. GROUP BUSINESS ACTIVITY

The entities and operations in the Information Management segment report to the parent company, INFORM P. LYKOS HOLDINGS S.A., headquarted in Greece. INFORM offers its products and solutions in the Information Management segment under the brand INFORM. It has four production facilities in Athens (Greece), Bucharest (Romania) and Tirana (Albania). INFORM P. LYKOS HOLDINGS S.A has been listed on the Athens Stock Exchange since 1994 and is a market leader in Central and Eastern Europe in the area of secure document and information management in Public and Private Sector, while at the same time innovating in the digital transformation of businesses and organizations by providing highly specialized solutions.

INFORM is one of the companies leading the developments in Electronic and Digital Printing Technology, incorporating added value and additional services, in order to continuously upgrade the offered solutions. The continuous upgrade of the offered solutions is a long-term factor of differentiation for keeping us at the top of our customers' preferences. Performance optimization and the integration of cutting-edge technologies is a solid foundation that not only defines our business direction, but also drives our competitive advantages for our core know-how.

INFORM offers highly specialized and technologically advanced solutions in order to support its customers in their own digital transformation. It is a leading provider of highly specialized digital transformation solutions whose services include Enterprise Document Management, Scanning & Archiving, as well as the provision of specialized and technologically advanced digitization solutions such as Digital Onboarding (DoB), OCR / Data Capture Solutions for Automatic Document Identification (Processation and Registration)) using Machine Learning (ML), Robotic Process Automation, and Cognitive Analytics Solutions.

INFORM has invested in specialized teams in all its offices for all the solutions it offers and invests steadily in strengthening its service portfolio and the know-how of its staff - maintaining a business culture that has been established since its inception and is evidenced by its actions over time.

3. GROUP BUSINESS PERFORMANCE
3.1 ECONOMIC ENVIRONMENT

Global growth is estimated at 5% in 2021. This is the faster pace in the 21st century, as easing pandemic-related constraints in many countries has helped boost demand compared to the -3.4% recession in 2020. COVID-19 pandemic relapses and widespread supply chain bottlenecks weighed heavily on global activity in the second half of last year, according to the World Bank's January 2022 Global Economic Prospects report. The report expects global economic growth declining from 5.5% in 2021 to 4.1% in 2022. The return to growth is heterogeneous depending on the success and speed of vaccinations and ongoing safeguarding fiscal, monetary and financial arrangements in the largest economies of the world. The crucial issue is how development will keep pace with the need for green infrastructure investment, as the fight against climate change becomes increasingly urgent. GDP in some developed economies, for example, may shrink in the first quarter, while growth is generally more likely to recover in the second half of the year, when large developed economies will have vaccinated at least two-thirds of their population.

In 2021, economic activity in Greece recovered rapidly, while forecasts for economic growth remain favorable for 2022. Both the Multiannual Financial Framework 2021-2027 and the European recovery instrument Next Generation EU (NGEU) will make a significant contribution to medium-term growth, which are expected to finance major structural reforms and investment projects. The continuation of the recovery of the Greek economy presupposes the strengthening of the financing of the real economy and the active participation of the banking sector. Therefore, the allocation of risk-sharing credits through low-interest loans of the Recovery and Resilience Facility (RRF) and the provision of guarantees by the Business Guarantee Fund of the Hellenic Fund for Entrepreneurship & Development will significantly contribute to the acceleration of the and in the implementation of the necessary investments, so that the Greek economy enters a trajectory of high and sustainable development.

INFORM as a leading provider of highly specialized digital transformation solutions has focused on supporting its existing customers as well as the integration of new customers for the implementation of Public and Private sector investment projects which will be funded by the Recovery and Resilience Facility by providing a wide range of services such as OCR / Data Capture Solutions using Machine Learning (ML), Robotic Process Automation, Natural Language Understanding and Cognitive Analytics Solutions, Intelligent chatbot journeys, Accounting Automations, Digital onboarding, Paperless branch concepts, Loyalty, and Digital Strategy Consulting Services.

3.2 SIGNIFICANT EVENTS OF THE FINANCIAL YEAR

The Group's main focus during 2021 was to maintain and secure our customer portfolio, while mitigating the challenges of the Covid pandemic and the cost increases associated with inflationary pressures on raw materials, transportation costs and in energy. The easing measures related to Covid pushed for a recovery of the internal consumption in the markets in which the Group operates compared to 2020, as a result of which satisfactory progress is observed in the markets. The shift of companies towards digitalization reduces the volumes in digital printing, but this decline is significantly offset by the provision of specialized digital transformation solutions to our customers.

Thanks to the effort, dedication and commitment of all employees, who are in their positions every day in extremely difficult conditions and the appropriate planning by the Management, we manage to collectively face the challenges, to continue our operation smoothly at every level. The health, safety and well-being of our employees remain a top priority, as health and safety measures remain in place. We continue with dedication to invest and develop new business lines, providing services in the field of electronic document management and digitization, automatic document recognition and registration and process automation.

In February 2021, INFORM signed an agreement for the acquisition of a majority stake of 56.5% of the share capital and at the same time the acquisition of control of the Cypriot company CLOUDFIN LTD at a price amounting to € 1 million.
With this investment, INFORM expands the range of services provided to its existing customers and the ability to reach new customers, providing management services, automatic identification and registration (Process Automation), all types of documents and other documents (purchase documents , expenses, contracts, etc.) using Machine Learning (ML) and interface with ERP systems. In addition, through the investment, INFORM provides Document Management services, including electronic archiving, as well as document recognition products for Know Your Customer / Business (KYC / KYB) processes, with authentication and extraction of data from identification documents (IDs, passports, driving licenses), tax, corporate and public utility documents.
The above mentioned services are fully connected and complementary to the existing activities of the INFORM Group in terms of automation of all business processes in collaboration with the solutions Digital Onboarding, digitization and document storage, Robotic Process Automation and Intelligent Chatbot Journeys.
CLOUDFIN has been active in the markets of Greece and Cyprus for the last (3) years with continuous business development and is a recognized service provider in the sector in which it operates. Among its main customers, PwC, Mazars and WTS are mentioned from the field of Auditing and Outsourcing, as well as a number of other large companies such as the PHC Franchised Restaurants Public Ltd group (Pizza Hut, Burger King, KFC, TACO BELL, Wagamama etc), Shipping Neptune Shipping Agencies, HotelBrain and other Private sector companies. In December 2021, an additional 5% of its share capital was acquired, and as a result INFORM now holds 61.5% of the Cypriot company CLOUDFIN LTD. The price for this acquisition amounted to € 150 thousand.

Also in the same month, INFORM LYKOS Romania increased by 15.52% and 14.55% its majority stake in the share capital of NEXT DOCS ECM EXPERT S.R.L. and NEXT DOCS CONFIDENTIAL S.R.L., respectively, with the result that the Group now owns 80.59% of NEXT DOCS ECM EXPERT S.R.L. and 80% of NEXT DOCS CONFIDENTIAL S.R.L. The total price for the above two acquisitions amounted to € 1.3 million. The activities of NEXT DOCS companies are related to the provision of document management services (including electronic archiving, workflow and business process development, meter reading, indexing, creation of internal documents, procedural control and access), as well as physical archiving and certified secure destruction of documents.

3.3 BASIC FINANCIAL DATA OF GROUP

The basic financial figures of the Group are as follows:

		GROUP			
		31/12/2021	31/12/2020	DEVIATION	%
Revenues		**74.980.809**	**69.778.540**	**5.202.269**	**7,5%**
Cost of materials		(46.134.464)	(43.668.860)	(2.465.605)	**5,6%**
Gross profit I		**28.846.344**	**26.109.680**	**2.736.664**	**10,5%**
	Gross margin I	*38,5%*	*37,4%*	*1,1%*	
Production cost		(15.436.689)	(13.991.818)	(1.444.871)	10,3%
Gross profit II		**13.409.656**	**12.117.862**	**1.291.794**	**10,7%**
	Gross margin II	*17,9%*	*17,4%*	*0,5%*	

Other income	1.451.528	1.484.367	(32.839)	-2,2%
Selling and distribution expenses	(5.302.967)	(4.941.092)	(361.875)	7,3%
Administrative expenses	(5.154.615)	(4.697.046)	(457.569)	9,7%
Research and development expenses	(466.384)	(764.613)	298.229	-39,0%
Other expenses	(1.141.811)	(1.268.497)	126.686	-10,0%
+ Depreciation & amortization	4.432.235	4.174.958	257.277	6,2%
Adjusted EBITDA	**7.227.643**	**6.105.940**	**1.121.703**	**18,4%**
Margin of adjusted EBITDA	*9,6%*	*8,8%*	*21,6%*	10,2%
- Depreciation & amortization	(4.432.235)	(4.174.958)	(257.277)	6,2%
adjusted EBIT	**2.795.408**	**1.930.982**	**864.425**	**44,8%**
Financial income	853	1.522	(669)	-44,0%
Financial expenses	(1.312.663)	(1.348.232)	35.570	-2,6%
Net finance costs	**(1.311.809)**	**(1.346.710)**	**34.901**	**-2,6%**
adjusted EBT	**1.483.598**	**584.272**	**899.326**	**153,9%**
Non-recurring expenses	(590.931)	(172.683)	(418.248)	242,2%
EBT	**892.667**	**411.589**	**481.078**	**116,9%**
Income tax expense	(433.596)	(465.008)	31.413	-6,8%
Profit (loss)	**459.071**	**(53.420)**	**512.491**	**959,4%**
Profit attributable to:				
Owners of the Company	(34.725)	(358.658)	323.933	90,3%
Non-controlling interests	493.796	305.238	188.558	61,8%
	459.071	**(53.420)**	**512.491**	**959,4%**

During the year 2021, Group sales increased by € 5.2 million or +7.5% compared to 2020 and reached € 75 million from € 69.8 million. This increase is mainly due to the contribution of the digital transformation solutions provided by the Group which increased by 68.0% compared to 2020, as well as the increase of all other product categories by 2.5% in total. Compared to the previous year, the key variances at the sales level were the following:
a) the significant increase in turnover of digital transformation solutions by + € 3.7 million compared to 2020,
b) the strengthening of the market share in the category of digital printing and postal services with the integration of new customers with a positive contribution of + € 1.4 million,
c) the higher demand for security forms in Romania and Greece in combination with the one-off project of general population census in Greece, which offset the losses of forms from the COVID-19 restrictions and led to a net positive variance of + € 0.8 million, and
d) the delay in the redesign of payment bank cards in Greece, which created a time lag in turnover of € -0.7 million.

Analysis by product category

Amounts in '000 €	Security Forms	Digital Printing & Postals	Bank products & payment solutions	Digital Tranformation Solutions	Total
Year 2021	**17.367**	**41.145**	**7.372**	**9.097**	**74.981**
Year 2020	**16.526**	**39.727**	**8.111**	**5.414**	**69.779**
Deviation	**840**	**1.418**	**(739)**	**3.683**	**5.202**
% Deviation	***5,1%***	***3,6%***	***-9,1%***	***68,0%***	***7,5%***

The focus of the Group and the investments in the development of specialized and technologically advanced solutions in order to support its customers in their own digital transformation is becoming obvious and the driver of the future growth, as the specific product category of digital transformation solutions is:
a) 71% of the increase in turnover for the year 2021, and
b) 12.1% of the total turnover 2021 compared to 7.8% in the previous year, recording an increase of 4.3 percentage points.

Gross profit margin I improved by 1.1 points from 37.4% in 2020 to 38.5% in 2021 with the cost of materials being affected by the rising of raw material prices and transport costs, which has not been fully absorbed by corresponding increases in product prices. The significant increase in sales combined with the unprecedented increase in the cost of materials and energy costs as well as the increased staff costs to support increased sales led to an improvement in gross profit of 10.7% compared to 2020, which amounted to € 13.4 million from € 12.1 million improved by € 1.3 million.

OPERATING EXPENSES	31/12/2021	31/12/2020	DEVIATION	%
Production expenses	(15.436.689)	(13.991.818)	(1.444.871)	10,3%
Selling and distribution expenses	(5.302.967)	(4.941.092)	(361.875)	7,3%
Administrative expenses	(5.154.615)	(4.697.046)	(457.569)	9,7%
Research and development expenses	(466.384)	(764.613)	298.229	-39,0%
+ Depreciation & amortization	4.432.235	4.174.958	257.277	6,2%
TOTAL	**(21.928.420)**	**(20.219.611)**	**(1.708.808)**	**8,5%**

% OPERATING EXPENSES ON SALES	29,2%	29,0%

Operating expenses excluding depreciation increased by € 1.7 million or 8.5% from € 20.2 million to € 21.9 million and as a percentage on revenue is stays at 29% same as in 2020. The most important factors in increasing operating costs are the empowerment of human resources to support and develop sales that are primarily related to digital transformation solutions as well as increased energy costs.

Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of the Group increased by 18.4% or € 1.1 million from € 6.1 million in 2020 to € 7.2 million in 2021 , driven by improved product mix, in particular from the significant contribution of digital transformation solutions despite the unprecedented increase in the cost of raw materials and energy. Adjusted earnings before tax (adjusted EBT) increased by € 0.9 million, primarily due to higher depreciation by € 0.2 million from acquisitions in Romania.

The Earnings before taxes (EBT) increased by € 0.5 million from € 0.4 million in 2020 to € 0.9 million in 2021, taking into account non-recurring expenses and other adjustments as presented in the table below

	GROUP	
NON - RECURRING EXPENSES	**31/12/2021**	**31/12/2020**
Exchange differences	143.931	172.683
Own shares benefit plan	447.000	0
Total	**590.931**	**172.683**

It should be noted that the above basic financial figures of the Group of the previous year are based on the publications of 2020 without taking into account the insignificant change due to the change of applicable accounting policy of IAS 19, the effect of which is analyzed as follows:

	GROUP		
	Published 31/12/2020	**Effect of IAS 19**	**Restated 31/12/2020**
Administrative expenses	(4.697.046)	(33.816)	(4.730.862)
EBT	(53.420)	(33.816)	(87.236)

Despite the great challenges the Group had to deal with related to the COVID-19 pandemic as well in 2021, we managed to double the earnings before tax (EBT) in the amount of € 0.9 million, rewarding the efforts of its management and the trust of its shareholders. Finally, the consolidated Earnings After Tax (EAT) amounted to € 0.5 million from a marginal loss of € 53 thousand. in 2020.

Analysis by geographical area

Printing sector	**Greece**				**Romania**			
	2021	**2020**	**DEVIATION**	**%**	**2021**	**2020**	**DEVIATION**	**%**
Revenues	29.306.221	28.098.042	1.208.178	4,3%	45.222.444	40.893.954	4.328.490	10,6%
Intersegment Reveues	768.082	724.864	43.218	6,0%	1.789.726	2.006.954	(217.228)	-10,8%
Segment Revenues	**30.074.303**	**28.822.907**	**1.251.396**	**4,3%**	**47.012.170**	**42.900.907**	**4.111.262**	**9,6%**
Cost of Sales	(24.789.313)	(23.779.555)	(1.009.757)	4,2%	(38.222.526)	(35.270.701)	(2.951.826)	8,4%
Gross Profit	**5.284.990**	**5.043.351**	**241.639**	**4,8%**	**8.789.643**	**7.630.207**	**1.159.437**	**15,2%**
Gross Margin	***17,6%***	***17,5%***			***18,7%***	***17,8%***		
Adjusted EBITDA	**1.599.107**	**1.725.917**	**(126.810)**	**-7,4%**	**5.590.701**	**4.323.495**	**1.267.206**	**29,3%**

Specifically, in relation to the business performance by main geographical markets, and excluding the intercompany transactions, Sales in Greece reached € 29.3 million compared to € 28.1 million reported in 2020, recording an increase of € 1.2 million or +4.3%. This increase came from a) the higher contribution of digital transformation solutions such as electronic document management and digitization, automatic identification and registration of documents, process automation by € 0.9 million, b) the attractions of new customers in the category of document management and postal services by € 2.4 million, as well as c) the one-off project of the general population census in Greece amounting to € 1.2 million. On the other hand, we had the following turnover reductions compared to the previous year from a) the delay in the redesign of payment bank cards in Greece, which created a time lag in turnover of € -0.7 million, and b) the revenue loss of € 2.6 million linked with COVID-19 pandemic. Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of 2021 reached € 1.6 million compared to € 1.7 million in 2020, marginally reduced by € 0.1 million, as well impacted by the unprecedented increase in the cost of raw materials and energy in the second half of the year.

In the Romanian market, the sales reached € 45.2 million compared to € 40.9 million reported in 2020, recording an increase of € 4.3 million or + 10.6%. This increase was mainly due to a) the increased contribution of digital transformation solutions by € 2.8 million in the area of electronic document management and digitization, as well as scanning and archiving services, and b) by € 1.5 million from the highest demand for security forms as the market responded positively to the easing of measures in relation to COVID-19 restrictions resulting in a recovery of the domestic consuming. Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) of 2021 amounted to € 5.6 million compared to € 4.3 million in 2020, significantly improved by € 1.3 million or +29.3%, as a result of higher sales with improved mix mainly driven by the digital transformation solutions.

Despite the current difficult situation related to the COVID-19 pandemic and the recent uncertainty in the global economy from rising inflation, rising energy prices and geopolitical tensions, the Group focuses on providing high technology solutions in the field of secure document and information management and constantly investing in specialized personnel to create new innovative services.

3.4. FINANCIAL POSITION

Financial Position Statement	31/12/2021	31/12/2020	DEVIATION	%
Non-current assets	53.715.289	54.729.319	(1.014.030)	-1,9%
Current assets	23.498.817	24.513.546	(1.014.729)	-4,1%
Total Assets	**77.214.106**	**79.242.866**	**(2.028.759)**	**-2,6%**
Total Equity	35.039.957	37.869.655	(2.829.698)	-7,5%
Non-current liabilities	17.874.829	19.385.028	(1.510.198)	-7,8%
Current Liabilities	24.299.321	21.988.183	2.311.137	10,5%
Total Equity and Liabilities	**77.214.106**	**79.242.866**	**(2.028.759)**	**-2,6%**
Capital expenditures excluding finance lease	**2.536.598**	**1.870.041**	**666.557**	**35,6%**

Group's assets decreased by € 2 million, mainly related to lower investments in comparison to the depreciations of the year. The Group implemented new investments worth of € 2.5 million of which € 0.8 million machinery and € 1.7 million software programs of which € 0.4 million developed internally reduced by the amortization of the year worth of € 4.4 million.

Working Capital	31/12/2021	31/12/2020	DEVIATION	%
Inventories	4.983.449	4.949.608	33.841	0,7%
Contract assets	1.437.287	1.275.001	162.285	12,7%
Current tax assets	387.051	256.491	130.560	50,9%
Trade receivables	12.566.864	11.656.898	909.966	7,8%
Other receivables	1.543.518	800.549	742.969	92,8%
	20.918.168	18.938.547	1.979.621	10,5%
Current tax liabilities	(159.174)	(241.946)	82.772	34,2%
Trade payables	(12.705.448)	(12.291.185)	(414.263)	-3,4%
Other payables	(2.016.295)	(1.737.622)	(278.673)	-16,0%
Contract liabilities	(536.777)	(493.241)	(43.536)	-8,8%
	(15.417.694)	(14.763.993)	(653.700)	-4,4%
Net Working Capital	**5.500.475**	**4.174.554**	**1.325.921**	**31,8%**

As of 31 December 2021, the Group's net working capital increased by € 1.3 million, mainly due to increased trade receivables by € 0.9 million due to increased sales in the last months of the year compared to the previous year.

Statement of Cash Flows	31/12/2021	31/12/2020	DEVIATION	%
Net cash from operating activities	4.232.866	5.488.303	(1.255.437)	-22,9%
Net cash from investing activities	(4.894.927)	(2.015.412)	(2.879.515)	-142,9%
Net cash from financing activities	(2.816.701)	(2.482.576)	(334.125)	-13,5%
Net increase (decrease) in cash and cash equivalents	**(3.478.762)**	**990.315**	**(4.469.077)**	**-451,3%**

Net Debt	31/12/2021	31/12/2020	DEVIATION	%
Cash and cash equivalents	(1.541.620)	(5.039.745)	3.498.125	-69,4%
Loan liabilities	23.197.461	23.639.352	(441.891)	-1,9%
Net Debt	**21.655.841**	**18.599.607**	**3.056.234**	**16,4%**

The Group operating cash flow generated in 2021 reached € 4.2 million compared to € 5.5 million in 2020. This decrease of € 1.2 million was mainly related to the increase in trade receivables due to higher sales in last months of the year. The Net Debt of the Group is reported at € 21.6 million in 2021 from € 18.6 million in 2020. This increase by € 3 million is related to the acquisitions and investments that took place in

2021. Specifically, the acquisition of 61.5% of the share capital in the Cypriot company CLOUDFIN LTD with consideration € 1.2 million as well as the consideration for the increase of the Group's participation by 15.52% and 14.55% respectively of NEXT DOCS ECM EXPERT S.R.L. and NEXT DOCS CONFIDENTIAL S.R.L. in Romania amounting to € 1.3 million. Both of the aforementioned investments are in companies with the sole object the provision of digital transformation solutions. In addition, the new investments of the Group in mechanical and other equipment and software amounted to € 2.5 million. The Net Debt ratio to EBITDA was 3x.

Financial performance ratios of the Group

According to the above, the financial performance ratios of the Group formed in 2021 compared to 2020, as follows:

Ratios of the Group	2021	2020	DEVIATION	%
Consolidated sales €	74.980.809	69.778.540	5.202.269	7,46%
Gross margin %	17,9%	17,4%	0,5%	
Adjusted EBITDA €	7.227.643	6.105.940	1.121.703	18,37%
Adjusted EBIT margin %	3,7%	2,8%	1,0%	
EBT margin %	1,2%	0,6%	0,6%	
Performance ratio of equity	1,3%	-0,1%	1,5%	
Performance ratio of assets	0,6%	-0,1%	0,7%	
Ratio of bank debt to equity	0,66	0,62	0,04	
Ratio of total liabilities to equity	1,20	1,09	0,11	
Ratio of liquidity	0,97	1,11	-0,15	

3.5. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

In thousand euro
31/12/2021

Parent company from / to subsidiaries	Sales of products / services	Purchases of products / services	Receivables	Liabilities	Dividends Receivables	Dividends
INFORM LYKOS (HELLAS) S.A.	630	0	79	0	0	0
INFORM LYKOS S.A. (ROMANI)	621	0	117	0	0	0
CLOUDFIN Ltd	0	0	255	0	0	0
TERRANE Ltd	0	0	0	0	850	2.070
INFORM ALBANIA Sh.p.k	18	0	2	0	62	0
Total	**1.269**	**0**	**453**	**0**	**912**	**2.070**

Regarding the above we note the following:

The sales of the parent company to its subsidiaries relate mainly to provision of advice and services in the fields of general administration, financial management, sales, marketing, IT, research and development, and in general any kind of service that enhances the know-how of the subsidiaries and will ensure their smooth and orderly operation, as well as their development always in accordance with the specifications set by the Group.

3.6. DIVIDENDS POLICY

The closing price of the share of INFORM P. LYKOS HOLDINGS S.A. as at 31/12/2021 was € 1,480 compared to € 1,325 closing price as at 31/12/2020, increased by +11.7%. The highest price of the year for the company's share was € 1,690 (14/05/2021) and the lowest € 1,210 (27/01/2021). The Volume Weighted Average Price was € 1,510.

The Board of Directors intends to propose to the 40th Annual General Meeting of Shareholders, the distribution of dividend.

4. L. 4548/2018 "NEW LAW ON SOCIETE ANONYME"

By decision of the Extraordinary General Meeting of the shareholders of INFORM P. LYKOS HOLDINGS S.A. that took place on May 7, 2020, the draft of Articles of Association, that was submitted by the management, was unanimously approved, for the "Adaptation / Harmonization of the company's Articles of Association in accordance with the provisions of Law 4548/2018, as applicable - Amendment, abrogation and renumbering of articles of the company's Articles of Association, rendering in the vernacular of all articles of the company's Articles of Association and its coding in a single text".

5. SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

The Russian invasion of Ukraine and the continuing instability at the international level are projected to affect the entire world economy by slowing down growth and increasing inflation. The longer the war lasts, the higher the economic costs and the greater the chance of leading

to higher inflation and slower growth. The Group has no operations in Ukraine, Russia or in areas directly affected by the conflict. However, it is affected by factors that can lead to a further increase in inflation. Energy prices are expected to remain at higher levels for a longer period of time and lead to a jump in raw material prices, disruption of the supply chain, and turmoil in the financial markets.
Although the impact of this global crisis can not be fully predicted, the Group's Management has already taken measures to reduce business risk, is closely monitoring the situation and will immediately modify its plan if required. Also, the Group's strategy to increase its geographical presence in new markets pays off as described in the assignment we received below and helps offset external factors such as the war we are experiencing in Europe.

Within the year 2022, INFORM undertakes the production of ballots for the elections in Kenya. It is a three-year project with a budget of € 28 million and an estimated quantity of more than 120 million ballots produced. Participation in this public tender is part of the Group's strategy to expand its activities to new markets, utilizing its know-how and productive infrastructure in the field of security printing. The production of the ballots will meet all the modern security standards, their special packaging, their mission, as well as the monitoring of their safe delivery by constituency. The production of the above ballots is part of the category of security forms in which INFORM has high specialization and proven long-term experience, resulting in the undertaking of this project by the Group through technical evaluation conducted, competing companies with international presence and relevant know-how.

On March 31, 2022 the subsidiary of the INFORM LYKOS Group of Romania acquired additional participations of 19.41% and 20% of the share capital of the existing subsidiaries NEXT DOCS ECM EXPERT S.R.L. and NEXT DOCS CONFIDENTIAL S.R.L., respectively, with the result that the Group now holds the entire share capital of these companies. The activities of NEXT DOCS companies are related to the provision of document management services (including electronic archiving, workflow and business process development, meter reading, indexing, creation of internal documents, procedural control and access), as well as physical archiving and certified secure destruction of documents.

Apart from the aforementioned events, there are no other events subsequent to 31/12/2021 that could have a significant impact on the financial statements of the Group.

6. FUTURE DEVELOPMENT AND RISK MANAGEMENT
6.1. PROSPECTS FOR 2022

The Group having extensive experience and know-how in integrated solutions-services has developed long term customer relationships offering high level products and services, at competitive prices, so as to be considered a strategic supplier of banking institutions, telecommunications and other organizations either in the Private sector or in the Public sector. Provides products and services for secure document and information management, innovating in the digital transformation of companies and organizations by providing highly specialized solutions.

The Group is constantly working to create added value to its shareholders in the following areas:

- **New markets and new customers**

It will continue to focus on the increase of market share of existing markets, on the development of exports, and also will focus at exploring and evaluating new growth opportunities at the sector of secure document management and information, with main areas of interest Europe, Africa and Middle East. In the markets of the Middle East and Africa will focus on providing solutions for Security Forms and upgrading the solutions provided by local governments to citizens.

- **New products and services**

It will continue to focus on developing higher value-added services, such as Enterprise Document Management, Scanning & Archiving services, as well as providing highly specialized and technologically advanced digitalization solutions such as Digital Onboarding (DoB), OCR / Data Capture Solutions, Process Automation using Machine Learning (ML), Robotic Process Automation, Natural Language Understanding and Cognitive Analytics Solutions, to support existing and new customers in their own digital transformation,

- **Efficiency improvement**

It will continue to improve efficiency and continue to invest in new technologies, which will increase productivity while reducing operating costs, to enhance profitability.

- **Potential strategic co-operation opportunities**

It will continue to explore potential opportunities for strategic partnerships, as well as identifying companies that could join the Group in order to enhance the participation of Digital Transformation Solutions in the mix of services provided, with the ultimate goal of further strengthening its position in the wider European market which is mainly active.

For 2022, the Management of the Group monitors the developments of international environment such rising inflation, energy prices and geopolitical tensions and with the adaptability shown by the management of the spread of the COVID-19 pandemic during the years 2020 and 2021, expects to successfully face any new conditions that will arise in the economic environment. The Group having proved its ability to adapt to rapidly changing and unpredictable European market conditions, in which operates, faces challenges and also sees opportunities from the faster transition to digital transformation of enterprises, look to the future with optimism and expects the market normalization in 2022, so to be recorded in the growth indicators the significant effort made by all the teams of the Organization.

INFORM has proven know-how in order to implement investment projects that will be announced with the support of the European Next Generation EU (NGEU), which is expected to finance the implementation of major structural reforms. The granting of risk-sharing credits through low-interest loans of the Recovery and Resilience Facility (RRF) and the provision of guarantees by the Business Guarantee Fund of the Hellenic Development Bank will significantly contribute to the acceleration of bank financing and necessary investments, so that the Greek economy enters a trajectory of high and sustainable growth. INFORM is considered a strategic provider in the axis of the digital transition program, regarding the digital transformation of the state and companies, both in Greece and in Romania, which will be the markets where we have the infrastructure that will be required for the implementation of investment projects.

6.2. RISK MANAGEMENT

The Group is exposed to risks as it strives for continuous and profitable growth, which it seeks to limit by closely monitoring the effects of this exposure. Therefore, risk management is a fundamental part of the process of designing and implementing our strategy. Risk policies, internal audit and risk management are defined by management and are evident in our monthly reports. The monthly results are closely analyzed. Appropriate risk management measures are identified and monitored at management meetings.

The Group uses financial instruments for commercial, financing and investment purposes. The use of financial instruments by the Group, substantially affects the financial position, profitability and cash flows.

The main risks arising from the financial instruments of the Group are, basically, the following:

- Market risk (exchange rate risk and interest rate risk)
- Credit risk
- Liquidity risk

Market risk

Regarding this risk, arising from the general market conditions, the Group has reduced the exposure to this risk due to the geographical dispersion of an equal allocation of sales between Greece, Romania and other countries with significant exposure to the markets of Central and Eastern Europe. A significant part of these sales is addresed to the financial sector especially in Banks. However, the products we offer to our customers in both private and public sector are considered essential for their daily operation and growth. The markets in which we operate are characterized by a high degree of competition. We face the intense pricing pressure arising from the competitive market situation with continuous measures to increase efficiency and reduce costs, while at the same time we are constantly facing new growth opportunities, through the introduction of new innovative products & services.

Regarding the risks arising from the volatility of interest rates and exchange rates:

Exchange rate risk

The main part of economic transactions of the Group companies (Greece, Romania and Albania) is denominated in the currency of the main economic environment, where each company operates in (operating currency). In Romania, part of the obligations of the company is denominated in RON and in Albania is denominated in ALL

An exposure to exchange rate fluctuations exists regarding the value of the Group's investments in Romania, only at the time of consolidation of financial statements and their translation from the functional currency RON into the presentation currency Euro.

Interest rate risk

All bank debt of the Group is connected with fluctuating interest rates, maintaining however the option to convert into fixed interest rates, depending on the market conditions. With the Group's funds benchmark at 31/12/2021, in a hypothetical increase or decrease of Euribor by +/- 1% the Group's results would be affected negatively or positively, respectively, by approximately € 232 thousand.

The company does not use financial derivatives. As in the previous year, other financial assets and other financial liabilities are not affected by interest rates.

Credit risk

The Group has established and applied credit control procedures to minimize bad debts. Sales are directed mainly to large public and private organizations with evaluated credit rating. In any case, the Group assesses credit risk on the basis of approved policies and procedures and recognizes a provision for impairment.

The Group applies the simplified approach for the customer receivables and the contract assets for the calculation of expected credit losses. Therefore, in every reference date, the Group measures the provision for a financial instrument for an amount equal to the expected credit losses over the lifetime. For determining the expected credit losses, a chronological analysis and percentages table is applied using historical data and reasonable assumptions.

Liquidity risk

The Group manages its liquidity needs through careful follow-up of debts, long-term financing obligations and payments. Liquidity needs are monitoring on a daily basis and planning of payments on a weekly and monthly basis. Special attention is paid to management of stocks, receivables and liabilities in order to achieve the highest possible liquidity for the Group.

The central financial department of the company is responsible for the risk management, which operates following certain rules approved by the Board of Directors.

The Board of Directors through its executives:
(a) Establish and apply procedures and regulations that allow identification of risks, connected to activities, procedures and systems of operation of the Company (mainly credit risk, market risk and operational risk),
(b) Determine the acceptable level of risk,
(c) Ensure that the Group maintains the required capital adequacy and appropriately manages the risks arising from its operation.

7. NON-FINANCIAL INFORMATION

This section refers to the issues of Corporate Responsibility and Sustainable Development of INFORM P. LYKOS HOLDINGS S.A., which will hereinafter be referred to as the INFORM Group, or the Group or INFORM.
The Group has integrated the principles of Sustainable Development in its business activities, recognizing that these principles are a prerequisite for its long-term development. The care for the Health and Safety of the employees, the respect and protection of the natural environment, the complete coverage of the needs of the customers and the harmonious coexistence with the local communities next to which it operates, are the main themes of its Sustainable Development. The Group's long-term commitment to Sustainable Development has already led to its participation (2020) in the new ATHEX ESG index of the Athens Stock Exchange, in the initial composition of which 35 companies participate, including the INFORM Group.

In addition, the Group recognizes that ESG ratios are a strategic tool to support investors in identifying risks and opportunities associated with the viability of their investment portfolio and at the same time responds to the challenges of the new environment, builds a Sustainable Development Strategy, aiming to minimize the negative impact that its activities may have.

INFORM has integrated the principles of Sustainable Development into its business activities, recognizing that these principles are a prerequisite for its long-term development. The care for the Health and Safety of the employees, the respect and protection of the natural environment, the complete coverage of the needs of the customers and the harmonious coexistence with the local communities next to which it operates, are the main themes of the Sustainable Development of the Company.

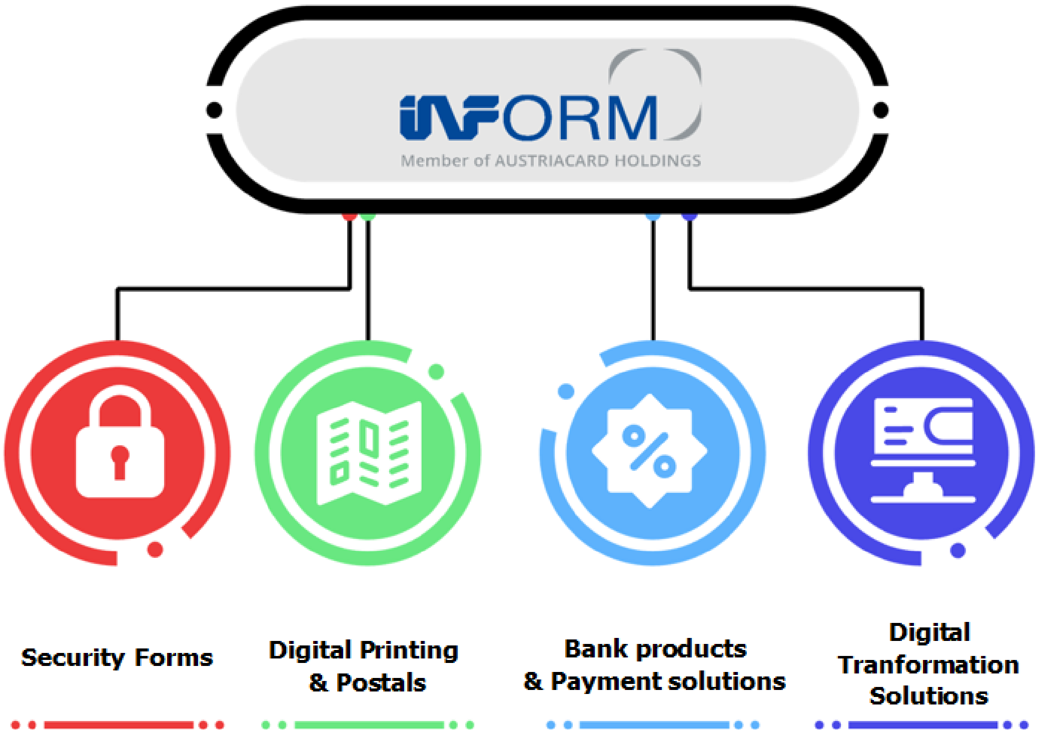
Business model
INFORM (LYK.ATH) was founded in 1897, is listed on the Athens Stock Exchange since 1994 and provides products and services for the secure management of documents and information, innovating in the digital transformation of companies and organizations by providing highly specialized solutions. It has 510 employees with four production units in Greece, Romania and Albania, while it holds a leading position in the Central and Eastern European markets in the Public and Private sector.

• Products and services

INFORM is one of the companies leading the developments in Electronic and Digital Printing Technology, incorporating added value and additional services, in order to continuously upgrade the offered solutions. The continuous upgrade of the offered solutions is a long-term factor of differentiation for keeping us at the top of our customers' preferences. Performance optimization and the integration of cutting-edge technologies is a solid foundation that not only defines our business direction, but also drives our competitive advantages for our core know-how.

INFORM offers highly specialized and technologically advanced solutions in order to support its customers in their own digital transformation. It is a leading provider of highly specialized digital transformation solutions whose services include Enterprise Document Management, Scanning & Archiving, as well as the provision of specialized and technologically advanced digitization solutions such as Digital Onboarding (DoB), OCR / Data Capture Solutions for Automatic Document Identification (Processation and Registration)) using Machine Learning (ML), Robotic Process Automation, and Cognitive Analytics Solutions.

INFORM has invested in specialized teams in all its offices for all the solutions it offers and invests steadily in strengthening its service portfolio and the know-how of its staff, maintaining a business culture that has been established since its inception and is proven by its actions over time.



- **Types of Clients**

The Group leads the market in business solutions (B2B) in Eastern and Southeastern Europe, offering services to organizations that manage sensitive data and information, such as financial institutions, governments, public services, telecommunications companies, and industry and retail. The main categories of customers are:

- Bank institutions
- Telecommunication companies
- Retail
- Public services
- Government agencies

Policies and Management Systems

Based on Sustainable Development, INFORM has developed and adopted specific policies and puts into practice adequate management systems and procedures that uphold responsible operation and define the way in which the Company's goals are achieved. More specifically, the Company has established and implements, among others, the following policies and codes:

- Internal Operating Regulation
- Occupational Health and Safety Policy
- Environmental Policy
- Quality Policy

The management of Corporate Responsibility by INFORM is based on the development and implementation of certified management systems to all of its operations and facilities, while attaining high performance in all segments. Specifically, the following systems are applied:

- Quality management system in accordance with ISO 9001
- Environmental Management System in accordance with ISO 14001
- Workplace Health and Safety Management System in accordance with ISO 45001 (OHSAS 18001)
- Information Security Management System, according to the ISO 27001
- Printing and Production Management System FSC (Forest Stewardship Council), in accordance with FSC Chain of Custody (FSC-STD-40-004)
- Security Print Management Production System, according to the ISO 14298 / INTERGRAF
- Business Continuity Management System, according to the ISO 22301 standard (concerns the provision of digitization, documentation, registration, data collection and optical character recognition services)

All production units have been audited and certified according the above Management Systems. For INFORM, management systems are dynamic tools allowing the Company to secure its regular operation and achieve continuous improvement. The implementation of certified management systems plays a very important role in achieving the goals set by the Company, and secures all their operations in light of the ongoing requirements for effective risk management.

Quality and service certifications

The Group carries out systematic and effective quality controls at all stages of the production process, and by combining the appropriate means with its well-trained staff, it successfully meets the requirements of customers. In addition, the Group's customers themselves are able, due to the sensitive data they manage, to certify its services. In addition to the management systems mentioned extensively above, Inform is FSC certified, as recorded by the FSC on the basis of the certified members of the "FSC Surveillance Chain" as it meets the requirements to be met by companies wishing to demonstrate respect for the environment and commit to their involvement in responsible forest management.

Inform is also certified according to the international standard ISO 14298, for the printing of high security forms and documents. The certification concerns the possibility of printing securities, which are special printing products, under the supervision of INTERGRAF (International Confederation of Printing and Related Industries).

Materiality Assessment

During the process of identifying the essential issues, the Group carried out a quality, electronic survey of representatives of its Stakeholders in order to examine all the important issues related to its activities and affect the ESG - Environment, Society and Governance, as well as to systematize dialogue with them on these issues.

The Group also recognizes the importance of the 17 Global Goals for Sustainable Development and, through its activities, seeks to contribute maximally to achieving them. The following are the key issues and their relevance to the 17 Sustainable Development Goals (SDGs).

- Financial Performance (Profitability) - Sustainable Development Goals (SDGs) 8 and 9
- Fight against corruption - SDG 16
- Anti-competitive behavior - SDG 16
- Environmental legislation - SDG 12
- Energy - SDG 12 and 13
- Emissions - SDG 12 and 13
- Employee Benefits (Employment) - SDG 3,8 and 10
- Employee Health and Safety - SDG 3 and 8
- Employee Training - SDG 4 and 8
- Diversity and Equal Opportunities - SDG 5 and 8
- Avoidance of discrimination - SBA 5 and 8
- Support of Local Communities - SBA 11
- Dealing with the effects of COVID-19 - SVA 3

Research and Development

The Group's research and development strategy focuses on the following objectives:

- Innovative products and market-oriented solutions as the basis for the continuation of growth strategy
- Optimizing the use of resources and production processes.

Especially in the digital era, effective research and development is important as product cycles are short and the requirements of partners and end customers are evolving. This is particularly valid for the digital printing sector. We perceive these changes as opportunities and rely on Research & Development experts so that we can offer unique services to our customers that will help us grow in the short and long term.

INFORM innovates by developing higher value-added services, such as CCM (Customer Communication Management) services or Enterprise Document Management and Scanning & Archiving services, as well as providing highly specialized and technologically advanced digitalization solutions such as Digital Onboarding (DoB) , OCR / Data Capture Solutions, Process Automation using Machine Learning (ML), Robotic Process Automation, Natural Language Understanding and Cognitive Analytics Solutions, to support existing and new customers in their own digital transformation.

Environmental Responsibility

INFORM has carried out the assessment of its environmental aspects, confirming that there is not a significant burden on the environment deriving from its operations. However, recognizing the importance of environmental protection for all of its stakeholders, the Company is stepping up its efforts to monitor and improve its environmental performance. In this context, INFORM has implemented an Environmental Management System, certified according to ISO 14001 and a Printing and Production Management System FSC (Forest Stewardship Council).

The purpose of implementing an Environmental Management System, is to effectively manage any significant environmental aspects and impacts that arise from the Company's operations in order to minimize any possibility of environmental spill. In addition, the Environmental Management System ensures the harmonization of the Company's operation with the relevant environmental legislation, while achieving continuous environmental improvement.

- **Waste management**

The Group pays particular attention to the waste resulting from the operation of its facilities, with the aim of finding the best way to manage them. The group's main waste categories, as well as the quantities of waste for the year 2021, are analyzed in the following tables:

Hazardous waste 2021 (tn)	4,2
Ink waste containing hazardous substances (%)	53%
Packages containing or contaminated with residues of dangerous substances (%)	23%
Machine cleaning cloths (%)	24%
% reduction of the amount of hazardous waste in 2021 compared to 2020	46,19%

Non-hazardous waste 2021 (tn)	199,40
Paper (%)*	71%
Reduce paper waste from 2020 to 2021	31%

** All quantities of waste paper are recycled.*

In 2021, a 31% reduction in the quantities of paper discarded was achieved, while the amount of hazardous waste generated also decreased by 46.19% compared to 2020.

- **Resource Consumption**

INFORM recognizes that resource consumption must be carried out in an efficient manner. For this reason, it highlights the issue by promoting initiatives and behaviours to improve the balance of energy demand and supply and to reduce energy consumption.

Consumed liters of oil 2021 (lit)	18.001
% increase in oil consumption 2021 compared to 2020	24%
Electricity Consumption 2021 (MWh)	2.805,16
Mwh per tn spent paper (MWh/tn)	1,27
Water consumption 2021 (m^3)	1.587,00
% Reduction in water consumption 2021 compared to 2020	19%

Social & Labor Issues

The Company focuses on making continuous investments in human capital, by encouraging initiative taking for synergies, and on continuous development through training. INFORM keeps relations of trust with all employees, while seeking to maintain a safe and discrimination-free working environment that offers at all times training opportunities and fair rewarding.

The Company's main concern is to secure optimum working environment demonstrating fairness and equal reward, showing respect for human rights, diversity and equal opportunities to all employees. The policies and initiatives of INFORM that concern human resources aim at the effectively recruitment, development and retaining of employees. Steadily oriented to human values, the Company strives to implement responsible management practices by focusing on material issues such as:

- ensuring of the health and safety of its employees
- creating a work environment of fair reward, respecting human rights and diversity
- safeguarding of jobs
- providing equal opportunities for all employees
- ensuring ongoing training and education
- providing additional benefits

Human Resources Data in Group

The Group's human capital is the Group’s driving force. In 2021 the Group employed 508 employees, 53% men and 47% women. In total, the Group’s personnel reached 508 employees at 31/12/2021 from 517 on 31/12/2020.

Group’s Human Capital per gender		
	2021	**2020**
Men	270	263
Women	238	254
Total	**508**	**517**

Employees per age group in 202			
	<30	**30-50**	**51+**
Men	27	155	88
Women	23	153	62
Total	**50**	**308**	**150**

INFORM seeks to recruit, develop and retain the most competent individuals so as to ensure that business goals and priorities are achieved. Equality and meritocracy are among the values that govern the operation of the Group and are the basic criteria for the evaluation of its employees.

Employee Benefits (Employment)

The Group also offers several additional eployee benefits both for the employee himself and for his family. As part of this policy, several social security and health benefits programs have been implemented and continuously improved, while at the same time significant additional resources are available each year aimed at enhancing general social prevention and the continuous improvement of health and safety at work. In addition, it covers the transportation of staff to and from central points, for all work shifts.

Employee Health and Safety

As the Group recognizes its employees as the biggest investment, it takes every precaution to protect their Health and Safety. During 2021, 8 seminars were held on health and safety issues lasting a total of 384 hours, which were attended by 12 of our employees.

Dealing with the effects of COVID-19

The COVID-19 pandemic reminded everyone that health is the most important and can not be taken for granted. In order to protect our employees, we have implemented various protection measures to increase hygiene and avoid close contact in all facilities of the Group. In 2021, almost 150 molecular tests (PCR) have been performed on the Group's employees to ensure and protect the health of the employees, their families and the wider society. As a result, there was no interruption of the Group's operations during 2021.

Local Community Support

INFORM and all its employees take care to establish long-term relationships with local communities. The commitment of the management is reflected through the financial support of Non-Governmental Organizations and other organizations, regarding educational, social, cultural and environmental actions. In addition INFORM, through its responsible operation and activity, contributes to the economic and social well-being, not only of local communities, but also of other stakeholder groups, including employees and suppliers. In particular, some of the organizations that the Company has sponsored are the following:

- ELEPAP Rehabilitation for The Disabled
- Together for Children (TFC)
- Medecins Sans Frontiered (MSF)
- Thracian Art Foundation

The Company also donates computers every year to local schools.

Corporate governance issues

The Group recognizes that Corporate Governance concerns a set of principles regarding the adequate organization, the proper operation and management of an organization. Based on these principles, the Group sets long-term goal of maximizing its value, as well as safeguarding the legitimate interests of all associated memebers with the group. The Group operates responsibly under the Corporate Governance framework, as defined by Greek law, the Hellenic Capital Market Commission and international standards, under the corporate behavior framework of listed companies on the Athens Stock Exchange. In this context, the Group ensures the implementation of proper operating rules and the adoption of principles of good corporate governance, in accordance with the requirements of Law 4706/2020 and the relevant decisions and instructions of the Hellenic Capital Market Commission.

Internal control

An independent Internal Audit department evaluates the adequacy and efficiency of the internal control systems, as well as the quality and reliability of the information provided by the Management to the Board of Directors. Regarding the internal control system. It also ensures that the risk recognition and management procedures applied by the Management are adequate. More specifically, the main objectives of internal control are total compliance with legislation, achieving all operational objectives, maintaining the credibility of the administrative information system, and safeguarding operational resources.

Risk Management

The Group has developed and implemented policies and procedures, which ensure the effective management of risks related to its activities, supporting the internal control system and financial information. In the context of effective risk management, areas that are considered high risk are monitored through appropriate security systems. For example, the existence of the Internal Rules & Regulations, organizational charts with clear definition of responsibilities, as well as detailed procedures and approval limits. Also, in addition to the control mechanisms applied by each department, all the activities of the Group are supervised by the Internal Audit department, while the results of these audits are presented, through the Audit Committee, to the Board of Directors.

Personal data protection

Taking into consideration the activities of the Group, which are connected to products and services in big organizations for the management sensitive and personal data, have developed strict valves of security. More specifically, has developed an adequate framework of monitoring and control of information systems of the Group, with individual audit mechanisms, policies and procedures and which identified adequately as from approved Operation Regulation, as in Internal Audit Manual. Also, provided specific procedure for the assurance from any problems in information systems of the Group, through the plan of Business Continuity. Finally, the Group has fully complied with General Data Protection Regulation (GDPR) of European Union which has set in force since May of 2018.

Enhancement of transparency and combat of corruption

In the Group received preventive actions related to undertaking and definition of limits of responsibility and influence of every executive, the development of security valves for prevention of corruption phenomena as well as the fulfillment of relevant controls of its whole activities. Additionally, applies relevant policies and procedures, through which ensures the prevention of cases conflict between same interests of Board of Directors, of executives and other employees in the Group.

Analytical data for the performance in issues of Corporate Responsibility, the activities and actions of the Group, are presented to the Corporate Social Responsibility report 2021 of INFORM which will be issued according to international framework of instructions GRI Standards of international organization Global Reporting Initiative (GRI) and will be suspended in corporate site www.informlykos.com.
The Corporate Social Responsibility report, consists a significant information tool, because imprints the way by which the Group responds to important issues and expectations of its interested parties.

Notifications according to article 8 of Taxonomy regulation

EU Taxonomy

The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. The EU Taxonomy is a classification system, of activities that can under certain conditions be considered as environmentally sustainable or as activities that enable the transition to environmental sustainability.

Under the Taxonomy regulation, companies and organizations can attract funds to develop their sustainable activities as well as expand them further, provided they meet certain criteria. The compliance with said criteria is monitored continuously and reported on an annual basis, included in the non-financial section of the respective annual report.

The current section is included in the Non-Financial Information Report for the first time, as stipulated in EU Regulation 2020/852. The information presented herein abide by the Regulation's requirements and the Delegated Acts issued as of the time of this publication. The related guidelines have a relative margin of interpretation and are constantly evolving to adjust to the needs of the process. Following this, INFORM Group will pay close attention to the related developments and will adjust its approach accordingly regarding the assumptions and applicable methodology.

Taxonomy-eligible economic activity means an economic activity that is described in the delegated acts supplementing the Taxonomy Regulation.

The Key Performance Indicators ("KPIs") include the turnover KPI, the CAPEX KPI and the OPEX KPI. For the reporting period 2021, the KPIs related to Taxonomy-eligible economic activities, according to Art. 8 of the Taxonomy Regulation and Art. 10 (2) of the Delegated Act of the Art. 8, are as follows:

	Eligible	Non-Eligible
	%	%
Turnover	50,9%	49,1%
CAPEX	30,5%	69,5%
OPEX	9,4%	90,6%

Information and communication services are included in EU Taxonomy due to their great potential for future development in the field of climate change as well as their already relatively low footprint.

Qualitative Information

Accounting Policy

Turnover KPI. The proportion of Taxonomy-eligible economic activities from the total turnover has been calculated based on the net turnover from services corresponding to Taxonomy-eligible activities (numerator), divided by the total net turnover (denominator), both of which referring to FY2021. The denominator of the turnover KPI is based on the net turnover in accordance with IAS 1.82(a). Specifically, the total turnover of INFORM Group is presented in Note "6. Revenues" in the "Annual Financial Report from January 1 to December 31, 2021"

CAPEX KPI. The CapEx KPI is defined as the Taxonomy-eligible CapEx (numerator) divided by the total CapEx (denominator). As for the reporting period 2021, we only report in the numerator on CapEx from taxonomy-eligible economic activities, as there are no CapEx plans to upgrade a taxonomy-eligible economic activity to become taxonomy-aligned or to expand a taxonomy-aligned economic activity. In addition, we have not reported purchases of output from taxonomy-eligible economic activities and individual measures, enabling certain target activities, as reliable statements on the taxonomy-alignment of our suppliers' output are currently not available and we are not obliged to assess the taxonomy-alignment of our individual measures for the purposes of the simplified reporting. The total capital expenditure contains the additions to property, plant and equipment as well as intangible assets and right-of-use assets during the fiscal year, before accounting for depreciation, amortization and any re-measurements, including those resulting from any revaluations and impairments. The total capital expenditure of the Group is reconciled in Note "5. Operating segments" in the "Annual Financial Report from January 1 to December 31, 2021".

OPEX KPI. It is defined as the Taxonomy-eligible OpEx (numerator) divided by the total OpEx (denominator). The definition of EU Taxonomy for the operational expenses includes expenses for research and development, renovation of buildings, maintenance and repair, as well as any other direct expenses related to the day-to-day maintenance of property, plant and equipment. Total OpEx consists of direct non-capitalised costs relating to repair and maintenance and short-term leases (denominator). It does not include expenditures relating to the day-to-day operation of PP&E such as: raw materials, cost of employees operating the machine, electricity or fluids that are necessary to operate PP&E. Similar to CapEx above, for the reporting period 2021 we only report in the numerator on OpEx from taxonomy-eligible economic activities, as there are no OpEx plans to upgrade a taxonomy-eligible economic activity to become taxonomy-aligned or to expand a taxonomy-aligned economic activity. In addition, we have not reported purchases of output from taxonomy-eligible economic activities and individual measures, enabling certain target activities, as reliable statements on the taxonomy-alignment of our suppliers' output are currently not available and we are not obliged to assess the taxonomy-alignment of our individual measures for the purposes of the simplified reporting.

The financial report of INFORM Group has been prepared in accordance with International Accounting Standards ("IAS") / International Financial Reporting Standards ("IFRS") as adopted by the European Union (E.U.). The accounting principles used in the preparation of the table presented above are outlined in Notes 34-38 in the "Annual Financial Report from January 1 to December 31, 2021".

According to EU Taxonomy Regulation 2020/852, INFORM Group's eligible activities are Information and Communication Services and activities described below:

Data processing, hosting and related activities

Taxonomy Activity Description

This activity consists of the storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centers, including edge computing.

Eligible INFORM activity description

INFORM Group leads the developments in the Technology of Electronic and Digital Communication, incorporating added value and additional services, in order to continuously upgrade the offered solutions. INFORM offers highly specialized and technologically advanced solutions in order to support its customers in their own digital transformation. It is a leading provider of highly specialized digital transformation solutions whose services include Enterprise Document Management, Scanning & Archiving. The above activities as well as others corresponding to them in the context of the provided digital solutions of the Group are considered to be collectively described by the definition of the Taxonomy economic activity "8.1. - Data processing, hosting and related activities". Therefore, the relevant amounts for the reference period 2021 are included in the KPI numerator (and denominator) that we publish in this report.

Computer programming, consultancy and related activities

Taxonomy Activity Description

This activity consists of the provision of expertise in the field of information technologies: writing, modifying, testing and supporting software; planning and designing computer systems that integrate computer hardware, software and communication technologies; on-site management and operation of clients' computer systems or data processing facilities; and other professional and technical computer-related activities.

Eligible INFORM activity description

One of the most growing service categories of the Group is the Digital Transformation Solutions with focus on providing specialized and technologically advanced digitization solutions such as Digital Onboarding (DoB), OCR/Data Capture Solutions for automatic document recognition and posting (Process Automation) with use of Machine Learning (ML), Robotic Process Automation, and Cognitive Analytics Solutions. These services as well as others similar to them in the context of digital transformation are considered to be collectively described by the definition of the Taxonomy economic activity "8.2. - Computer programming, consultancy and related activities". Therefore, the relevant amounts for the reference period 2021 are included in the KPI numerator (and denominator) that we publish in this report.

In addition, INFORM Group undertakes the postal service of printing products, according to EU Taxonomy Regulation 2020/852 this service is part of the following activity:

Freight transport services by road

Taxonomy Activity Description

This activity consists of the Purchase, financing, leasing, rental and operation of vehicles designated as category N1, N2 or N3 falling under the scope of EURO VI, step E or its successor for freight transport services by road.

Eligible INFORM activity description

INFORM Group is highly recognized in the printing products market and supports companies, financial institutions and governments throughout the document life cycle. Although printing services are not currently covered by the EU Taxonomy, the support services provided during the document life cycle largely include physical and digital postal services. For the provision of postal services, INFORM does not have privately owned vehicles but utilizes the services of third parties (subcontractors), recognizing though the turnover of these activities within its turnover in accordance with the provisions of IAS 1.82a as it considers that it controls the conditions under which this activity is carried out by the subcontractor. We consider the above services to be collectively described by the definition of the Taxonomy economic activity "6.6. - Freight transport services by road". Therefore, the relevant amounts for the reference period 2021 are included in the KPI numerator (and denominator) that we publish in this report.

Minimum safeguards

INFORM Group develops its business activity based on its mission and values, while recognizing that the principles of Sustainable Development are an integral part of its responsible course and continuous development. In this context and in order to fulfill its commitments to all its participants, the Group focuses on the following three pillars: Economy, Environment and Society.

Based on those pillars, the Group plans and implements all its actions focusing on responsible financial development and customer satisfaction, through the high quality of its products and services. At the same time, it takes care of the protection of the environment, implements responsible work practices, while at the same time implements support actions for the local community.
In this concept, the Group implements a Human Resources Management Policy based on the provision of equal opportunities without discrimination due to gender, nationality, religion, age and educational level.

INFORM vision and policy are based on the corporate approach to promoting environmental responsibility throughout the Group's operations. INFORM is able to identify current and future environmental risks, through the continuous control of monitoring and evaluation systems of environmental indicators. This allows it to quickly manage and develop new training programs and invest in resources to manage or reduce these risks.
In order to achieve its goals and vision, INFORM Group has developed an Environmental Policy and according to this is committed to a) control, mitigate or eliminate the environmental impacts of its activities, products and services; and
b) adopt environmentally friendly practices from which it will be possible to reduce operating costs by saving resources.

More information about the Group's CSR actions and programmes can be found on the corporate website.

8. BRANCHES

The Company does not maintain branches.

9. OWN SHARES

The Company on 31/12/2021 held 162,758 own shares. Based on the share register of April 26, 2022, it holds 271,193 own shares. The General Meeting of 18/06/2021 approved the free distribution of three hundred thousand (300,000) shares of the Company to senior management personnel of the Company as an incentive to achieve specific goals set by the decision of the Company's Board of Directors dated 08/01/2021. The valuation of these amounted to € 447 thousand.

10. EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ACCORDING TO ARTICLE 4 PAR. 7 AND 8, LAW 3556/2007

(a) Share capital structure

As at December 31st 2021, the Company's share capital amounted to € 12.758.591,88 divided by 20.578.374 common nominal shares of nominal value € 0,62 each.

According to the shareholders registry as at December 31st, 2021, the share capital structure of the company was the following:

Shareholder	Number of shares	%
AUSTRIACARD HOLDINGS AG	14.568.053	70,793%
Olga Lykos	1.937.856	9,417%
Other shareholders (<5%)	4.072.465	19,79%
Total	**20.578.374**	**100,00%**

According to the shareholders registry as at April 26th, 2022, the share capital structure of the company was the following:

Shareholder	Number of shares	%
AUSTRIACARD HOLDINGS AG	14.568.053	70,793%
Olga Lykos	1.937.856	9,417%
Other shareholders (<5%)	4.072.465	19,79%
Total	**20.578.374**	**100,00%**

Mr. Nikolaos Lykos is the major shareholder of AUSTRIACARD HOLDINGS AG holding 96,221% of its shares.
All (100%) the shares of the Company are common, nominal and undivided and there are no special categories of shares. Rights and obligations related to the shares are those according to the provisions of L.4548/2018 as currently effective, in conjunction with the provisions of the Company's Articles of Association, have as follows:

1. Each share, offers a right to the distribution of the company's earnings and the result of liquidation of the company's assets, in case of termination by the rate of paid capital of the share divided by the total paid share capital.

2. In every case of share capital increase, not paid (a) by contribution of items or (b) by bonds issue bearing rights to convert in shares or (c) by Stock Option Plan for acquiring shares, a right of preference is offered to the total new capital or bond loan in favour of the existing shareholders at the time of share issue, proportional to their participation to the current share capital.

3. After an inquiry of any shareholder, the Board of Directors is obliged to offer to the General Meeting all the required information about the company's affairs to the extent necessary for the real evaluation of the issues of the daily agenda.

4. After an inquiry of shareholders, representing one twentieth (1/20) of paid share capital (a) the Board of Directors is obliged to call for a special General Meeting, (b) the Board of Directors is obliged to include additional issues in the schedule of the General Meeting, (c) the Board of Directors provides the shareholders before the date of General Meeting, with drafts of decisions, that are submitted by shareholders, for issues have been included in daily agenda, (d) the President of the Meeting is obliged to postpone only once the decisions of the General Meeting, regular or not, for all or certain matters, (e) the Board of Directors is obliged to announce at the General Meeting of shareholders the amounts which over the last two years have been paid for any reason by the Company to the members of the Board of Directors or the managers and also every other benefit to these individuals or every existing contract of the company with them of any kind, (f) the decision on a matter in the General Meeting is taken by nominal vote. Shareholders representing one twentieth (1/20) of paid share capital have the right to ask for audit of the company by the Court in case there are indications of illegal actions or against the company's Articles of Association or decisions of the General Meeting.

5. After an inquiry of shareholders, representing one tenth (1/10) of paid share capital, the Board of Directors is obliged to provide to the General Meeting information on the company course of development and its property status. Furthermore, the shareholders of the Company, representing one fifth (1/5) of the share capital may request from the Court to conduct audit of the Company if in the cause of the Company development it is believed that the management of the corporate affairs was not exercised as required by sound and prudent management.

6. In the above cases 3, 4 and 5, the requiring shareholders ought to prove that they own the shares offering the above (3, 4 and 5) rights.

7. Responsibility of shareholders is limited to their contribution, which is the nominal capital of their shares.

(b) Limitation on shares transfer

1. There are no limitations according to the Company's Articles of Association on the transfer of its shares.
2. According to article 4 of Law 3016/2002, as effective until the entry into force of the relevant provisions of L.4706 / 2020, the independent not executive members of the BoD of the Company cannot at the same time own company's shares higher than 0.5% of the share capital.

(c) Significant direct or indirect participations according to Law 3556/2007

As at April 26th 2022, AUSTRIACARD HOLDINGS AG and Mrs Olga Lykos owned a percentage of 70,793% and 9,417% respectively of the Company's share capital. Mr. Nikolaos Lykos holds a percentage 96,221% of the share capital of AUSTRIACARD HOLDINGS AG.

The company is not aware of any other shareholders, who own directly or indirectly a percentage higher than 5% of the share capital of INFORM P. LYKOS HOLDINGS S.A.

It is noted that, as at April 26th 2022, INFORM P. LYKOS HOLDINGS S.A. does not participate in the share capital of any other company listed in the Athens Stock Exchange.

(d) Shareholders possessing special control rights

There are no company shares offering special control rights.

(e) Limitations on voting rights - Time schedule of exercising such rights

There are no limitations on voting rights.

1. According to the Company's Articles of Association, the ownership of a share offers one voting right.

2. The responsibilities and ways of taking decisions of the General Meeting, the process of convening the General Meeting and the required majority for decision-making are provided by the provisions of L. 4548/2018 as currently effective, in conjunction with the provisions of the Company's Articles of Association.

(f) Agreements between shareholders for limitations on transfer of shares or exercise of voting rights

The Company is not aware of any such agreements for limitations on transfer of shares or exercise of voting rights.

(g) Rules of placement / replacement of members of the BoD when different from those under provisions of Law 4548/2018

Under provisions of L. 4548/2018 and the relative articles of the Company's Articles of Association:

The Board of Directors consists of five to nine (5 to 9) Members who are elected by the General Meeting of Shareholders. The term of service of the Board of Directors, after the amendment of the relevant article of the Articles of Association by the Ordinary General Meeting of shareholders of July 9, 2020, is five (5) years and which can be automatically extended until the expiration of the term, within which the next Ordinary General Meeting shall convene until the relevant decision is taken, but may not exceed six years. The term of service of the current Board of Directors expires on June 18, 2026.

The members of the Board of Directors at expiration can be elected again without any limitation and are freely recalled.

In case a member dies or resigns or loses for any reason the ability to participate in the Board of Directors, then the remaining members of the Board, provided they are at least (3), elect a substitute member until the expiry of the Board. This election of new members of the Board of Directors is announced at the first regular or Extraordinary General Meeting that follows. The Director, elected in order to replace another director, sustains his/her capacity until the expiration of the Board. The remaining members of the Board of Directors, given there are at least three (3) of them, can continue managing and representing the Company without the aforementioned replacement of the missing members of the Board of Directors on condition that their number exceeds half of the number of the members of the Board of Directors existing prior to the aforementioned replacement. In any case, the remaining members of the Board of Directors, notwithstanding their number, can proceed with the conduct of the General Meeting for the exclusive purpose of electing the new Board of Directors.

The BoD members elect the President and Vice President of the Board of Directors.

When the President is absent and cannot perform his/her duties, he/she is replaced by the Vice President. The Managing Director can be at the same time an executive member of the Board of Directors and, especially, the President of the BoD or the Vice President.

The Board gathers and consist a body right after election by the General Meeting. At this meeting the President, Vice President and Managing Director are elected.

The President, Vice President and Managing Director can be elected again without limitations.

(h) Acquisition of own shares

The Company is forbidden to acquire own shares, except for the cases and conditions approved by the provisions of the legislation effective. The Company, according to the General Meeting dated 18/06/2021, implements a program for the purchase of three hundred thousand (300,000) of its own shares within the next twelve months at a price from € 0.62 to € 3.00. In this context, the Company on 31/12/2021 held 162,758 own shares. Based on the share register of April 26, 2022, it holds 271,193 own shares.

i) Significant agreements of the company effective / modified / terminated in case of change in the control over the company after a public offering.

There are no significant agreements effective, modified or terminated in case of change in the control over the company.

(j) Agreements for compensation of members of the B.o.D or employees in case of resignation / firing without reason or termination of service / employment because of public offering.

There are no agreements of compensation of members of the BoD or employees for any reason.

Koropi, April 26st, 2022

Panagiotis Spyropoulos Chairman of the Board of Directors & Group CEO	Ilias Karantzalis Vice Chairman of the Board of Directors

Corporate Governance Statement

General

Corporate Governance pertains to a total of principles, on which basis there is facilitated sufficient organization, operation, management and control of an entity, at a long term objective of maximizing its value and safeguarding the legitimate interests of all those connected with it.

In Greece, the corporate governance framework has been developed mainly through adoption of binding regulations, such as Law 3016/2002, as effective until the entry into force of the respective provisions of Law 4706/2020, which requires the participation of non-executive and independent non-executive members of the BoD of Greek listed companies, establishment and operation of internal control department and adoption of internal regulations procedures. In addition, a variety of other acts were incorporated in the Greek legal framework of European company law directives, thus creating new corporate governance rules, such as the Law 3884/2010 relating to rights of shareholders and additional corporate disclosure obligations to shareholders under preparation of the General Meeting, the Law 3873/2010, which incorporated into Greek legislation EU Directive 2006/46 / EC of the European Union on annual and consolidated accounts of certain types of entities and the Law 4449/2017, which introduced new provisions for the establishment, structure, staffing, responsibilities and duties of the Audit Committee. Finally, in Greece, as in most other countries, the Law on public limited companies (L. 4548/2018) contains their basic governance regulations.

Voluntary Compliance of the Company with the Corporate Governance Code

Our company fully complies with the requirements and provisions of the aforementioned legislative texts which constitute the minimum content of any Corporate Governance Code and constitute (the aforementioned provisions) an informal code.

The Company has adopted the Greek Corporate Governance Code (GCCG) for listed companies issued in October 2013 by the Greek Council of Corporate Governance (hereinafter "The Code") and has already been updated (issue June 2021) in the context of its periodic review and harmonization with the requirements of the legislation of the Hellenic Capital Market. The above Code is adapted to the Greek legislation and the business reality, has been drafted based on the principle of "comply or explain" and is posted on the website of the Hellenic Corporate Governance Council, at the address: http: / /www.esed.org.gr.

Deviations from the Corporate Governance Code and explanations

The Company states that it faithfully and strictly implements the provisions of the Greek legislation (Law 4548/2018, Law 3016/2002, as effective until the entry into force of the respective provisions of Law 4706/2020 and Law 4449/2017) which form the minimum requirements to be met by any Corporate Governance Code applied by companies, whose shares are traded on a regulated market.

These minimum requirements are incorporated in this Corporate Governance Code (GCCG) to which the Company is subject; however, this Code contains a number of additional (beyond the minimum requirements) specific practices and principles. In connection with such additional practices and principles, there are effective, at present, some deviations (including the cases of non-implementation), which are briefly analyzed and explained.

On case basis, the company diverges from or does not apply as a total several provisions of the Code recorded in the current document in *italics*.

- Regarding the size and composition of the Board of Directors:

the Board consists of five (5) to nine (9) members. The specific number of members covers the needs of the company in terms of proper and effective corporate governance as well as the size and organization of the Company do not require the existence of a more numerous board. *(2.1.2)*

- Regarding the role and the required qualities of the Chairman of the Board:

The BoD has not appointed a Chairman from its independent non-executive Members in order to facilitate the proper operation of the Board of Directors and the achievement of the objectives of the Company. Since the Chairman is an executive member of the Board, the Board has, according to par. 2 of article 8 of Law 4706/2020, appointed a Vice Chairman from among its non-executive members who does not replace the Chairman in his executive duties. *(2.2.21, 2.2.22, 2.2.23)*

- Regarding the general operation of the BoD:

a) there is no specific regulation for the operation of the BoD, as the provisions of the existing Operating Regulations of the company are evaluated as sufficient for the organization and operation of the BoD. *(1.15)*
b) the Board of Directors at the beginning of each calendar year does not adopt a meeting calendar and a 12-day action plan, which is revised according to the needs of the Company, as the company considers that the operation of the Board is adequately covered by the existing Rules of Procedures and relevant provisions. . In addition, the convening of the Board of Directors is particularly easy, due to objective circumstances, when required by the needs of the company or the law, without the existence of a predetermined action plan. *(1.17)*
c) there is no provision for the existence of introductory information programs for the new Members of the Board but also for the continuous professional training and education for the other Members, since persons with competent and proven experience and organizational are proposed to be elected as Members of the Board - management skills. *(3.3.13)*

- Regarding the General Meeting of the Shareholders:

There is no special practice of electronic voting or voting by mail, due to the inexpensive and easy access to the company's headquarters, the venue of the General Meeting.

Corporate Governance Practices in Addition to Those Defined in the Legislation or the Code

Within the framework of implementing a structured and efficient system of corporate governance, the Company has implemented certain corporate governance practices some of which are those provided by the relevant laws (4548/2018, 3016/2002, as effective until the entry into force of the respective provisions of Law 4706/2020 and 4449/2017).

The company keeps updated and approved by the Board, Operating Regulations, which include clear references to corporate governance, the role and function of the Board, the General Meeting and other matters relating to the proper management of the Company.

The spirit of the Operation Regulations promotes compliance with laws and internal company policies to avoid risks and other legal consequences for the Company and each member of the staff, including the members of the Management.

The main objectives of the Regulations are as follows:
1. Prevention of delinquent behaviour
2. Compliance with the policies to reduce the risks around the reputation and public image of the Group
3. On-going education of staff regarding the dangers posed by acts of corruption, fraud, misuse of personal data, deterioration of financial statements, leakage of confidential information, etc.
4. Identification of deviations relating to compliance issues, their investigation and making proposals and taking corrective actions or measures that are required.

Due to the nature and the objective of the Company, it has developed policies and procedures under ISO, obtaining the relative certifications.

Main Characteristics of Internal Control and Risk Management System regarding the Preparation of Financial Statements and Financial Reports

The Internal Audit and Risk Management System of the Company regarding the preparation of financial statements and financial reports includes the control procedures and mechanisms at various levels of the Organization as described below:

a) Control systems at corporate level

Recognition, assessment, measurement and management of risks:

The size and complexity of the Group's operations requires a complex system for identifying and managing risks that apply to all subsidiaries of the Group.

Recognition and assessment of risks are primarily carried out under the stage of preparation of strategic planning and annual business plan. The examined issues vary depending on market conditions and industry and include political developments in the markets (where the Group operates or which are important sources of raw materials), changes in technology, macroeconomic indices and competitive environment.

Planning and monitoring / Budget:

The company development is monitored through a detailed budget per activity sector and specific market. Given the nature of the Group's operations, the development of the financial results depends largely on external factors clearly influenced by the overall economic slowdown and uncertainty surrounding the Greek and the global market. In this context, the Group has already taken the appropriate steps to respond to new circumstances and exploit new market conditions. For all these reasons, the budget is adjusted periodically, taking these changes into account. The management monitors the development of financial sizes of the Group through regular reports, comparisons to budget and meetings of the management team.

Sufficiency of Internal Audit System:

The Management has designed and performs on-going supervisory activities, which are incorporated into the operation of the Company and which ensure that the Internal Audit System maintains its effectiveness over time. The Company carries out regular individual assessments of the adequacy of Internal Audit System, carried out primarily by the Internal Audit Department.
The Company has an independent Internal Audit Department, which among other things ensures that the identification procedures and risk management systems implemented by management are sufficient to ensure effective functioning of the Internal Audit System and the quality and reliability of the information provided by the Management to the Board of Directors regarding the Internal Audit System. The preparation of the Plan (or Manual) of Audit Department is based on the risk assessment carried out for these purposes as well as the issues identified by the Management and the Audit Committee. The Plan (or Manual) shall be submitted for approval to the Audit Committee. The risk assessment process is conducted annually and takes into account the risk assessment carried out under the responsibility of the Board within the framework of risk management of the Company.

The sufficiency of the Internal Audit System is monitored on a regular basis by the Audit Committee through quarterly reports submitted to it by the Internal Audit Department.

Reports of the Management and Internal Audit Department provide an assessment of major risks and effectiveness of Internal Audit System to manage them. Any weaknesses identified are disclosed through reports, including the impact they had or may have as well as the Management actions to correct them.
To ensure the independence of the statutory audit of financial statements of the Company, the Audit Committee recommends to the General Meeting the statutory auditors or audit firms to be appointed in accordance with Article 16 of Regulation (EU) 537/2014.

Roles and responsibilities of the BoD:

The role, the authority and the relative responsibilities of the BoD are described in the Internal Regulations of the Company approved by the BoD.

Prevention and control of financial fraud:

In the context of risk management, the areas, considered as those of high risk for financial fraud, are monitored under appropriate monitoring systems and accordingly increased control systems. Indicatively, there is mentioned the existence of detailed organizational structure, operating regulations and detailed procedures and approval limits. Also, in addition to the control mechanisms applicable by every department, all the company's operations are subject to audits by the Internal Audit Service, whose results are presented through the Audit Committee to the Board of Directors.

Internal Operation Regulations:

The Company, as mentioned above, has established the relevant Internal Operation Regulations, which are approved by the Board of Directors. Within the framework of the Regulations, there are also defined the authorities and the responsibilities of the key working positions, thereby promoting an adequate segregation of responsibilities within the Company.

b) Control systems in IT systems and the protection of personal data

The Company has developed an adequate framework to monitor and control information systems, defined by different control mechanisms, policies and procedures, sufficiently defined by the approved Internal Operation Regulations and the Internal Audit Manual. Also, there is projected a specific procedure safeguarding against any problems in the systems through a program of the Business Continuity (including off-site storage of crucial items of the Company to recover its functionality in a direct course of time). Also, there have been set specific rights (Access Rights) to various information systems for all the employees depending on the position and the role they occupy, while also maintaining the entry log in the systems of the Company. Finally, the Company has fully complied with the European Union's General Data Protection Regulation (GDPR), which has been in force since May 2018.

c) Control systems regarding the preparation of financial statements and financial reports

As part of procedures for preparation of financial statements of the Company, there are effective specific control systems, which are associated with the use of tools and methodologies based on commonly accepted international practices. The main areas in which the control systems, relating to the preparation of financial reports and financial statements of the Company, operate are as follows:

Organization - Allocation of Duties

- Allocation of duties both in upper management of the company and in the middle and inferior officers ensures the strengthening of the effectiveness of internal control system, while maintaining the required segregation of duties.
- Proper staffing of financial services with the individuals who possess the requisite technical knowledge and experience regarding the responsibilities entrusted to them.

Accounting monitoring and preparation of financial statements procedures

- Existence of uniform policies and the way of monitoring of accounting departments disclosed to the Group's subsidiaries, including definitions, accounting principles used by the Company and its subsidiaries, instructions for the preparation of financial statements and financial reporting, consolidation etc.
- Automated audits and verifications carried out between different information systems, when there is required specific approval of accounting treatment of non-recurring transaction.

Assets safeguarding procedures

- Existence of control procedures for fixed assets, inventories, cash equivalents and other assets of the company, such as, indicatively, physical security of the cash or warehouses and inventories, and a comparison of the measured quantities with those of accounting books and records.
- Schedule of monthly physical inventories to confirm the balances of physical inventories and accounting books and records and existence of analytical manual for conduct of physical inventories.

Approval limits of transactions

- Existence of Chart of Authorities, depicting the assigned authorities to various executives of the company to carry out specific transactions or transactions (e.g. payments, receipts, legal acts, etc).

General Meeting and Rights of the Shareholders

The role, responsibilities, convening, participation, collective and individual minority rights, ordinary and extraordinary quorum and majority of the participants, the Bureau, the Agenda and the general operation of the General Meeting Shareholders are determined by the mandatory provisions of Law 4548/2018 as currently effective, in conjunction with the provisions of the Company's Articles of Association.

The Company, with shares listed on the Athens Exchange, is obliged to publish announcements, in compliance with Regulation (EU) No 596/2014 of the European Parliament and of the Council on Market Abuse, Greek Laws 4443/2016 and 3556/2007 regarding the relevant issues, the decisions of the Hellenic Capital Market Commission and the Athens Stock Exchange Regulation. The publication of such information is made in a way that ensures the rapid and equal access to it by the investing public.
All relevant publications / announcements are available on the Athens Stock Exchange website and the Company's website.

The Shareholders' Department is responsible for the monitoring and management of the Company's relations with its shareholders and the investing public and ensures, among other things, the valid and equitable information of investors and financial analysts in Greece and abroad.

Composition and Functioning of the Board of Directors, Supervisory Bodies and Committees of the Company

Board of Directors (BoD)

General

The elected Board of Directors on June 21, 2019 by the Regural General Meeting consists of (1) executive member, three (3) members are non-executive, and the (2) members are non-executive and independent. The term of the said Board of Directors ended with the election by the Regulatory General Meeting of June 18, 2021, of a new seven-member with a five-year term ending on June 18, 2026, consisting of one (1) executive member, three (3) non-executive members and three (3) members independently non-executive. After the death of the non-executive Chairman Mr. Panagiotis Lykos on 28.07.2021, the Board of Directors on 06.08.2021 unanimously decided (a) to continue the management and representation of the company by the Board of Directors without replacing the above deceased, according to article 8 par. 1 of the articles of association, (b) the assumption by the CEO of the company Mr. Panagiotis Spyropoulos of the duties of the Chairman of the Board and (c) the nomination of the non-executive member of the Board. Mr. Elias Karantzalis to Vice President, and thus became six members.

In particular, the Board of Directors and their respective capacities at the end of 2021, are as follows:

I/N	Name - surname	Capacity	Date of undertaking duties (most recent)	End of term of office
1	Panagiotis Spyropoulos, father's name – Ioannis	Chairman of the BoD & Managing Director – Executive member	18/06/2021	18/06/2026
2	Ilias Karantzalis, father's name - Georgios	Vice Chairman of the BoD – Non-executive member	18/06/2021	18/06/2026
3	Georgios Triantafyllidis, father's name – Ioannis	Member of the BoD – Non-executive member	18/06/2021	18/06/2026
4	Emmanouil – Evagelos Lekakis father's name - Nikolaos	Member of the BoD – Independent Non-executive member	18/06/2021	18/06/2026
5	Ioannis Menagias, father's name - Andreas	Member of the BoD – Independent Non-executive member	18/06/2021	18/06/2026
6	Eleni wife's name – Alexandros Paulidis	Member of the BoD – Independent Non-executive member	18/06/2021	18/06/2026

BoD meetings
The Board met fourteen (28) times in 2021 and the meetings, at the legal quorum, were attended by the members in person or through proxy. The Board manages the Company as a collective body, taking decisions in accordance with the principles of Corporate Governance as outlined in the Company Operation Regulations, the legislation Inc., the securities laws, S.A. regulations provisions of A.S.E and provisions of the supervisory authorities. Members of the Board, obtain any relevant information in relation to the operation of the Company. They are to act in good faith, focusing on the interests of the Company and its Shareholders.
The participation of the members of the Board of Directors within the year 2021 in the meetings of the body, was distinguished per member as follows:

I/N	Name - Surname	Capacity	Period	Participation in the Meetings
1	Panagiotis Lykos, father's name – Nikolaos	Chairman of the BoD – Non-Executive member	01/01/2021-28/07/2021	12/20

2	Panagiotis Spyropoulos, father's name – Ioannis	Vice Chairman of the BoD & Managing Director – Executive member	01/01/2021-06/08/2021	20/20
	Panagiotis Spyropoulos, father's name – Ioannis	Vice Chairman of the BoD & Managing Director – Executive member	06/08/2021-31/12/2021	08/08
3	Ilias Karantzalis, father's name - Georgios	Member of the BoD – Non-executive member	01/01/2021-06/08/2021	20/20
	Ilias Karantzalis, father's name - Georgios	Member of the BoD – Non-executive member	06/08/2021-31/12/2021	08/08
4	Georgios Triantafyllidis, father's name – Ioannis	Member of the BoD – Non-executive member	01/01/2021-31/12/2021	28/28
5	Emmanouil – Evagelos Lekakis father's name - Nikolaos	Member of the BoD – Independent Non-executive member	01/01/2021-31/12/2021	24/28
6	Ioannis Menagias, father's name - Andreas	Member of the BoD – Independent Non-executive member	01/01/2021-31/12/2021	28/28
7	Eleni wife's name – Alexandros Paulidis	Member of the BoD – Independent Non-executive member	18/06/2021-31/12/2021	14/14

Roles and responsibilities of the Board of Directors

The Board is the supreme governing body of the Company and primarily sets the strategy and development policy, supervises and controls the management of the assets of the Company. The composition and capacities of members of the Board are established by Law and Articles of Association. The prime duty and responsibility of BoD members is the constant pursuit of enhancing long-term financial value of the Company and protection of the general corporate interests.

To achieve the corporate objectives and sound operation of the Company, the Board may delegate part of its authority, except those requiring collective action, and management, administration or management of the affairs and representation of the Company, to the Chairman of the Board, CEO, one or more members (executive and non-executive members), Directors or executives of the Company.
Members of the Board and any third party entrusted with responsibilities, must promptly disclose to the other members of the Board their own interests, which may arise from transactions within the Company, and any other conflict of interests with those of the Company or its affiliated companies, arising in the course of their duties.

Election and electability of Board of Directors members
The Board is elected by the General Meeting (regular or extraordinary).
The Board members shall be persons fully able to perform their responsibility. Inability to perform the duties leads to inability to exercise company management and hence be a member of the Board of Directors of the company.

The Board is elected by the General Meeting (regular or extraordinary).
The Board members shall be persons fully able to perform their responsibility. Inability to perform the duties leads to inability to exercise company management and hence be a member of the Board of Directors of the company.
Board of Directors members cannot be:

- Members of Parliament
- Prosecutors, judges, assistants of judges, magistrates, secretaries of the courts
- Civil servants
- Brokers, who cannot exercise delegation of limited company whose shares are listed

Withdrawal of Board of Directors Members
Members of the Board are freely withdrawn by the General Meeting. The withdrawal, even not stated explicitly, can arise indirectly following the General Meeting appointing the new Board of Directors before the end of its term of office. The withdrawal can be made by Regular or Extraordinary General Meeting.

In case of withdrawal, a Board member is not entitled to compensation as in the capacity of the Board member.
The withdrawal of Members shall not have any consequences in respect of termination the relationship of the members with the company,

which is based on separate contract or salaried service. Therefore, if the withdrawal is accompanied by contingent termination of the labour contract, the non-elected consultants may demand compensation in accordance with the provisions of labour law.

The withdrawal of the Board automatically entails the withdrawal of the member or third persons, entrusted, under the Board decision, with total or partial management or representation of the company.

Resignation of Board of Directors members
Members of the Board of Directors of the Company may freely resign. The resignation is effective as soon as it is disclosed to the company.

The disclosure to the company is made under written notification to the Chairman of the Board.

Incomplete Board of Directors
In the event of resignation, death or any other way of losing the status of Member or Members of the Board of Directors, the other members may continue to manage and represent the company without the replacement of the missing members, provided that their number exceeds half of the members, as they were before the above events. In any case, these members may not be less than three (3).
In case of election of a replacement, the decision of the election is submitted to the public of article 13 of law 4548/2018, as it is currently valid and it is announced by the Board of Directors in the next General Assembly, which can replace the elected, even if it does not have a relevant item on the daily agenda.

Authority and responsibilities of the Board of Directors
The Board manages the company as a collective body, taking decisions in accordance with the provisions of Law 4548/2018 as currently effective.
The Board of Directors is responsible for the company legal and practical representation. All members have one vote and all responsibility for decisions taken.
The responsibilities of the Board are defined by law or in the Articles of Association.

The Board is accountable to the General Meeting of the company shareholders and has the following authorities:

- Decisions on any transaction relating to the company's management, management of the company property and general pursuit of its objective.
- Making proposals for distribution of profits and keeping balances necessary for the operation and viability of the company's reserves.
- Approval of the balance sheet and income statement.
- Approval of six month and annual financial statements of the company.
- Preparation of the BoD Report for every fiscal year.
- Keeping private and confidential information concerning the company.
- Approval of the organisational chart of the company.
- Approval of Internal Operation Regulations and potential amendments.
- Appointment of internal auditor.
- Receiving periodic reports on internal audit.
- Strategic planning of the business policy of the company.
- Ensuring the long-term growth and profitability of the company.
- Enhancing the economic value and profitability of the company and shareholders.
- Keeping the Board Meetings minutes
- Authorization of the company's representation, issue, endorsement and reimbursement of the company or third person checks.
- Approval of recruitment of senior executives and approval of any fixed term contracts.
- Comprehensive understanding of the Board of Directors members of the specific provisions adopted by the Capital Market Commission.
- Approval of important agreements relating to acquisitions and mergers.

Responsibilities - Duties of Board of Directors members
The foremost obligation and duty of members is the enhancing long-term financial value of the company and protection of general corporate interests.

Due to the increased dispersion of the share capital among the investment public, there is imposed protection of minority shareholders and making decisions that are free from any other motivation than the company interests.

The Board members must not only pursue short-term reinforcement of the market value of shares and shall not be pursuing interests contrary to those of the company.

Every Board member shall be liable to the company under managing the corporate affairs for any fault. He is also held responsible if the balance sheet contains false statements or omissions that conceal the true condition of the company.

Every Board member is obliged to strictly keep the confidential information regarding the company.

The members of the Board of Directors shall not be permitted to perform, on occasion or by profession, without the authorization of the General Meeting of shareholders of the company, either on their own behalf or on behalf of third parties, acts falling within the object of the company. When such an issue arises, an Extraordinary General Meeting shall be convened, which is authorised to provide the permission in question. In case of violation of this prohibition, the company is entitled to claim damages from the members who carried out the violation or to require the benefit be provided to it.

Members of the Board and any third party entrusted with responsibilities, must disclose to the other Board members their own interests that may arise from transactions within the company, and any other conflict of interests with those of the company or its affiliated companies which arise in the course of their duties.

The Board of Directors annually prepares reports detailing the company's transactions with affiliates.

Meetings of the Board of Directors
The Board meets at regular intervals in accordance with the Articles of Association, and when required by extraordinary circumstances, at the headquarters of the company.

The Board of Directors shall meet at the headquarters of the company.

The Board is in quorum and convenes validly when there are present or represented one more than half the number of members.

A member of the Board may, following a written authorization that can be authenticated, simple or plain paper fax validly represent only one member thereof. The representative appointed may not be a person, who is not a member of the Board.

Unless otherwise provided by law, the Board of Directors shall take its decisions by absolute majority of the members present or represented.

For following procedures are effective regarding the Board meetings:

- The meeting is convened by the Chairman of the Board through notifying the members at least two days before the meeting.
- The notice shall include clearly identified items on agenda, otherwise the decision taking is permitted, only if all members of the Board of Directors are present or represented at the meeting and none of them objects to taking of decisions.
- A quorum of the Board shall be deemed to be present.
- Discussions and decisions of the Board are recorded in a special registry.
- Copies of minutes of meetings of the Board, for which there is a requirement of registration in the Companies Register such as election of new Board members, composition of the body of the Board etc., are submitted to the competent Generam Commercial Registry (G.E.MI.) within twenty (20) days after the meeting, in compliance with the provisions of the law.

Remuneration of Board of Directors members
The fees paid to the Board of Directors members, Executive and Non-Executive, and their form are approved by the General Meeting, following a proposal by the BoD, in accordance with the provisions of Law 4548/2018 in combination with the provisions of the Articles of Association of the Company do not violate the above Law.

The Company has established a remuneration policy for the Members of the Board of Directors, the second version of which was approved by the Ordinary General Meeting of shareholders of June 18, 2021 and has been posted on the company's website, https://www.informlykos.com.

The remuneration of the Board of Directors members for the year 2021is included in note 32 of the annual financial report for the year 2021.

Chairman of the Board

The Chairman of the Board of Directors presides over and directs the meetings of the Board of Directors and acts in accordance with each act of his competence provided by the Law, the Articles of Association and the Internal Operation regulations.

CEO

The CEO is the senior executive of the Company. The CEO presides over all the departments of the Company and directs their work. As part of operational planning, regulations and decisions of the board governing the operation of the Company, he takes all the necessary decisions, submits to the Board of Directors of the Company's proposals and recommendations needed to implement the objectives of the Company.

The brief curriculum vitaes of the Board members are presented in the Appendix to this report.

Audit Committee

The Regular General Meeting of Shareholders of June 18, 2021 appointed the Audit Committee as a committee of the Board of Directors of the Company, which will be three members consisting exclusively of three (3) members, who meet the criteria of par. 1 of article 44 of law 4449/2017, two (2) of which will be independent non-executive members and one (1) non-executive, authorized the Board of Directors to appoint from its members the persons who will participate in the said committee, of the Chairman of the committee elected by its members and appointed the term of the Audit Committee ending at the same time as the term of the existing Board of Directors, ie the June 18, 2026. The Board of Directors on July 7, 2021 appointed, from its members, Mr. Emmanuel - Evangelos Lekakis, Ioannis Menagias and Ilias Karantzalis as members of this committee, which was formed on the same day and had December 31, 2021 as follows:

I/N	Name - Surname	Capacity	Date of undertaking duties (most recent)	End of term of office
1	Emmanouil – Evagelos Lekakis father's name - Nikolaos	President of the Audit Committee, Member of the BoD - Independent Non executive member	18/06/2021	18/06/2026
2	Ioannis Menagias , father's name – Andreas	Member of the Audit Committee, Member of the BoD - Independent Non executive member	18/06/2021	18/06/2026

3	Ilias Karantzalis father's name – George	Member of the Audit Committee, Member of the BoD - Independent Non executive member	18/06/2021	18/06/2026

The Audit Comittee held two (14) meetings in 2021 attended by all its members and the following topics were discussed:

- Meeting of 18/01/2021: Discussion on the Preliminary Report of the Certified Public Accountant for the year 2021
- Meeting of 25/01/2021: Overview of internal audit findings for the Fourth Quarter of the year 2020 - Audit of cash of the subsidiary INFORM LYKOS (HELLAS) SA - Discussion on the Annual Report of the Internal Audit Unit for the year 2020
- Meeting of 18/03/2021: Approval of the provision of non-audit services by the auditing company GRANT THORNTON S.A.
- Meeting of 22/03/2021: Discussion on the Supplementary Report of the Certified Public Accountant for the year 2021
- Meeting of 16/04/2021: Overview of internal audit findings for the first quarter of 2021 - Financial consequences of Covid-19
- Meeting of 24/05/2021: Examination of the Operating Regulations of the Internal Audit Unit
- Meeting of 27/05/2021: Preparation of a Report of the Acts of the Audit Committee for the fiscal year 2020
- Meeting of 31/05/2021: Proposal for the election of Certified Public Accountants for the year 2021
- Meeting of 07/07/2021: Establishment of the Audit Committee in a body
- Meeting of 16/07/2021: Meeting with the Certified Public Accountant for the year 2021
- Meeting of 23/07/2021: Overview of internal audit findings for the 2nd Quarter of the year 2021 - Implementation of Law 4706/2020 on corporate governance - Banking agreements, payment procedures through e-banking and VAT control. of the subsidiary INFORM LYKOS (HELLAS) SA
- Meeting of 05/08/2021: Discussion on the Semi-Annual Financial Report of the Certified Public Accountant for the period 01.01.2021 - 30.06.2021
- Meeting of 22/10/2021: Overview of internal audit findings for the Third Quarter of the year 2021 - Audit of the subsidiary INFORM LYKOS (HELLAS) SA.
- Meeting of 22/12/2021: Evaluation and approval of the Audit Plan of the Internal Audit Unit for the year 2022

For the responsibilities and duties of the Audit Committee, all the provisions of the Law 4449/2017 and the updated Internal Operation regulations are applied.
The Audit Committee among others:

- To inform the BoD of the outcome of the regular audit and explains how regular audit contributed to the integrity of financial information and which was the role of the Audit Committee in the process.
- To monitor the financial reporting process and make recommendations or suggestions to ensure its integrity.
- To monitor the effectiveness of the Company's Internal Audit systems, Quality Assurance and Risk Managemen, in relation to the Company's fianancial reporting.
- To monitor the regular audit of the annual consolidated financial statements and in particular the performance.
- To review and monitor the independence of statutory auitors or audit firms and in particular the suitability of providing non-audit services to the Company.
- It is responsible for the process of selecting auditors or audit firms and proposes the statutory auditors or auditors to be appointed.
- To inform the shareholders during the General Assembly Meeting on its activities.

Remuneration & Nomination Committee

The Board of Directors on July 16, 2021 (a) decided that, the responsibilities of the Remuneration Committee and the Nomination Committee of articles 11 and 12 respectively of Law 4706/2020, be assigned to a committee which will be composed of three members and will consist exclusively of Independent non-executive members of the Board, with a term ending at the same time as the term of the existing Board of Directors, ie on 18.06.2026, (b) approved the Rules of Procedure of the said committee and (c) appointed by its members, Mr K. Emmanuel - Evangelos Lekakis, Ioannis Menagias and Eleni Palidis as members of this committee, which was formed on the same day and had the 31st of December 2021 as follows:

I/N	Name - Surname	Capacity	Date of undertaking duties (most recent)	End of term of office
1	Emmanouil – Evagelos Lekakis father's name - Nikolaos	President of the Remuneration & Nomination Committee, Member of the BoD - Independent Non executive member	16/07/2021	18/06/2026
2	Ioannis Menagias , father's name – Andreas	Member of the Remuneration & Nomination Committee, Member of the BoD - Independent Non executive member	16/07/2021	18/06/2026
3	Eleni wife's name – Alexandros Palidis	Member of the Remuneration & Nomination Committee, Member of the BoD - Non executive member	16/07/2021	18/06/2026

The Remuneration & Nomination Committee held two (2) meetings in 2021 attended by all its members and the following topics were discussed:
- Meeting of 16/07/2021: Formation in a body
- Meeting of 17/12/2021: Evaluation of the existing Remuneration Policy

The Remuneration & Nomination Committee supports the Board of Directors in fulfilling its obligations to the shareholders, regarding the assurance that the nomination of candidates for the Board of Directors is done in a meritocratic and objective manner, in order to ensure the smooth succession of its members and top management. for the long-term success of the Company. In the context of its role, the Remuneration & Nomination Committee nominates and proposes to the Board of Directors persons suitable for the acquisition of the status of Board Member, based on a procedure provided in its Rules of Procedure. For the selection of the candidates, it takes into account the factors and criteria determined by the Company, in accordance with the Suitability Policy that it adopts.

Reference to the Suitability Policy

The Company has a Suitability Policy of the members of the Board of Directors which is approved by the Board of Directors and is submitted for approval to the General Meeting of Shareholders. The 1st issue of the Suitability Policy was approved by the Regulatory General Meeting of Shareholders on June 18, 2021 and has been posted on the Company's website, https://www.informlykos.com. The Suitability Policy aims to ensure the quality staffing, efficient operation and fulfillment of the role of the Board of Directors based on the overall strategy and medium-term business aspirations of the Company in order to promote corporate interest and includes at least the following:

- the principles concerning the election or replacement of the members of the Board of Directors, as well as the renewal of the term of office of existing members,
- the criteria for assessing the suitability of the members of the Board of Directors, in particular as regards the guarantees of morality, reputation, adequacy of knowledge, skills, independence of judgment and experience for the performance of the tasks assigned to them. The selection criteria for the members of the Board of Directors include at least the sufficient representation per gender in a percentage that is not less than twenty-five percent (25%) of the total members of the Board of Directors. In the case of a fraction, this percentage is rounded to the previous whole,
- the provision of diversity criteria for the selection of the members of the Board of Directors.

It is the responsibility of the Board of Directors to formulate and monitor the implementation and effectiveness of the Suitability Policy. An effective contribution in shaping and monitoring the implementation of the Policy can be provided by the Internal Audit Unit and the Remuneration and Nomination Committee where required. The Suitability Policy is evaluated periodically at regular intervals (annually) or when significant events or changes occur. The results of the Conformity Policy assessment as well as the actions to be taken to address any deficiencies identified are recorded.

Information required by Article 10, paragraph 1 of Directive 2004/25/EC on takeover bids.

Disclosure of information required under Article 10 paragraph 1 of Directive 2004/25/EC on takeover bids is as follows,

- Share Capital Structure

On December 31, 2021, the Company's share capital amounted to € 12.758.591,88 divided into 20.578.374 ordinary shares of nominal value of € 0,62 each.

Shareholder	Number of shares	%
AUSTRIACARDHOLDINGS AG	14.568.053	70,793%
Olga Lykos	1.937.856	9,417%
Other shareholders (<5%)	4.072.465	19,79%
Total	**20.578.374**	**100,00%**

The total (100%) of the Company's shares are common, nominal and undivided and there are no special categories of shares. The rights and obligations arising from the shares, are those provided by the Law 4548/2018 as currently effective, in conjunction with the provisions of the Articles of Incorporation of the Company if they do not conflict with the aforementioned Law.

- Restrictions on transfer of securities and agreements between shareholders

There are no restrictions on the right to transfer securities of the Company, is aware of.

- Significant agreements of the Company effective / amended / terminated in the event of a change in control of the Company after a takeover bid.

There are no such agreements, which are effective, amended or terminated in the event of a change in control of the Company after a takeover bid.

- Securities providing special control rights

There are no shares of the Company providing special control rights.

- Significant direct or indirect equity of the Company is as follows:

On April 26th 2022, AUSTRIACARD HOLDINGS AG and Mrs. Olga Lykos held 70,793% and 9,417% respectively of the share capital of the Company. Mr. Nikolaos Lykos held 96,221% of AUSTRIACARD HOLDINGS AG.

There are no other shareholders who hold directly or indirectly more than 5% of the share capital of INFORM P. LYKOS HOLDINGS S.A. and the Company is aware of.

It is noted that on April 26th 2022, INFORM P. LYKOS HOLDINGS S.A. does not participate in the share capital of any company listed on the ASE.

- Restrictions on voting rights

There are no known restrictions on voting rights (such as restrictions on voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems under which, in cooperation with the company, the financial rights attached to securities are distinguished by holding securities).

- Rules regarding appointment and replacement of memmers of Board of Directors

There are no rules that differ from those under the provisions of the articles pf Law 4548/2018.

- Specific authorities of the Board of Directors members

There are no special authorities of the Board of Directors members regarding issuance or repurchase of shares.

In more detail, the issues regarding information required under Article 10 paragraph 1 c, d, f of Directive 2004/25/EC as at 21 April 2004 on takeover bids and in particular significant direct or indirect equity, the holders of any securities with special control rights and a description of these rights and restrictions on voting rights are analytically presented in the unit "EXPLANATORY STATEMENT PURSUANT TO LAW NO 4.7-8 3556/2007" of the Report of the Board of Directors.

It is noted that the members of the Board of Directors and the main executives do not hold shares of the Company.

The current Corporate Governance Statement constitutes an integral and special part of the annual Management Report of the Board of Directors of the Company.

Appendix
I. Brief biographies of members of the Board of Directors and the Audit Committee

Panagiotis I. Spyropoulos
Chairman of the BoD and CEO
He holds a degree in Economics from the National Kapodistrian University of Athens. He joined the management of INFORM Group as CEO in 2011 while, from 2002 to 2005, he was also the CFO of the Group. Has more than 30 years of experience in the fields of Administration & Finance, in various fields, such as service delivery, retail, industry and consumer goods. In total, he has worked for 25 years in listed companies, of which the last 15 years as CEO or Group CEO, and the previous 10 years as CFO or Group CFO. At the end of 2013, he took over the position of CEO of Austria Card GmbH, while he is a member of the Board of Directors and CEO of AUSTRIACARD HOLDINGS AG since mid-2013.

Ilias Karantzalis
Vice Chairman of the BoD – Non Executive Member
He is a graduate of the Law School of Athens and holds a postgraduate degree in DEA Droit des Affaires et Droit Economique and a postgraduate degree in DESS Banques et Finances of the Universite Paris I Pantheon - Sorbonne. He is a lawyer, a member of the Athens Bar Association, and has been working as a Legal Advisor to companies since 1984 with main areas of specialization: company law, securities law, merger & acquisition law, commercial and tax law. He is a member of the Board of Directors of the Company since 2003 and member of the Supervisory Board of AUSTRIACARD HOLDINGS AG since its establishment.

Georgios Triantafyllidis
Non-Executive Member
Georgios Triantafyllidis is a graduate of Athens University of Economics and Business. He has worked since 1977 as a sales executive in well known Greek and multinational companies in Greece and abroad in different sectors in markets B2C and B2B. He has been working in the company since 1987 and has served as CEO and Board member in subsidiaries of the Group.

Emmanouil - Evaggelos Lekakis
Independent Non-Executive Member
Emmanouil - Evaggelos Lekakis has been an independent and non-executive member of Inform Lykos since March 2016. He is a graduate of Athens University of Economics and Business. He holds extensive experience as Finance and General Manager in large listed on ASE companies.

Ioannis A. Menagias
Independent Non-Executive Member
He is an independent non-executive member of the Board of Directors of the Company since May 2018. He is a graduate of the Glion Institute of Higher Education. He worked for the company from 1984 to 2015. He has extensive experience as Sales - Export Manager in the field of Information Printing Systems.

Eleni wife of A. Palidi
Independent Non-Executive Member
She is an independent non-executive member of the Board of Directors of the Company since June 2021. She holds a Bachelor's degree in Business Administration (Marketing) from Deree College. She has extensive experience as a Bank Employee in major Financial Institutions.

II. Brief biographies of senior executives

Emmanouil P. Kontos
Managing Director
He is the Managing Director of INFORM Group. He is a highly experienced C-Level executive with an extensive track record in many markets and industries. Prior to joining INFORM, he held management positions at General Mills, reaching the role of CEO of the Middle East and Africa regions, where he led the regional strategy, business development planning, management of external stakeholders with impressive results. Prior to that, he held senior management positions in large organizations, with international activity and presence, such as Korres Natural Products, Coca Cola Hellenic and Colgate Palmolive. He has a bachelor degree in Economics from the National University of Athens and a postgraduate degree in Business Administration

Alexandra I. Adam
Chief Financial Officer (CFO)
She is the Financial Services Director of the INFORM Group. He joined the management of the Company in October 2005. He has over 25 years of experience in the field of Finance in industry, as well as in the construction sector. She has significant know-how in ERP systems, in the design, development and implementation of processes in the organization. He is a graduate of Economics of EKPA.

Dimitrios G. Alexandris
Chief Intelligence Officer (CIO)
He is the Director of Informatics, Security and Quality of the parent company AUSTRIACARD HOLDINGS AG, and Director of Systems and Processes of the Company. He joined INFORM in May 1989. He has over 35 years of experience in the respective fields, and has managed and participated in IT, Security, Quality and Certification projects by International Organizations, in Group companies. He is a graduate of Deree College Business Administration / Computer Information Systems and holds an MBA from the University of Sunderland, UK.

Konstantinos I. Fiakas
Chief Strategy Officer (CSO)
He is the Chief Strategy Officer (CSO) of the INFORM Group, after a successful 20-year career in the IT and Telecommunications industries. Previously, he was the Country Manager of Cognity Romania, where under his leadership the company expanded organically as well as in business in various industries. Prior to that he was the Commercial Director of the subsidiary Intracom Telecom in Romania, while he also held various managerial positions in Business Development in SEE. He holds a BSc in Computer Science and an MSc in Business Administration, Innovation and Technology.

Konstantinos G. Gkrekis
Chief Commercial Officer (CCO)
He is the Chief Commercial Officer (CCO) of the INFORM Group. He has extensive experience in the digital & security printing industry since 1990. Until 2012 he was General Manager and shareholder in a large printing company in Greece. Today it has undertaken the commercial development of INFORM in all markets in which it operates.

Panagiotis M. Virvilios
Marketing Manager & Head of Communications
He is the Marketing Director of the parent company AUSTRIACARD HOLDINGS AG. Has more than 15 years of experience in managing marketing teams and conducting statistical information surveys. His career includes management positions in companies in the United Kingdom and Greece and has important skills related to digital marketing, strategic analysis and the design and implementation of loyalty programs. He holds a BSc in Applied Mathematics and an MA in Marketing Management from Middlesex University (London).

III. Annual report of the activities of the Audit Committee

About the Audit Committee

The Audit Committee (hereinafter "AC") of INFORM P. LYKOS HOLDINGS S.A. (hereinafter referred to as the "Company"), is established with the aim of supporting the Board of Directors (hereinafter "BoD") of the Company in its duties regarding financial information, internal audit, supervision of the regular audit as well as supervision of the Company's monitoring process for its compliance with the applicable legal and regulatory framework.
The Board authorizes the EU, within its competences:

• To have unhindered and full access to the information needed in the exercise of its responsibilities,
• To monitor and inspect the correct operation and evaluate the work, the adequacy and the efficiency of the Internal Audit Unit (hereinafter "I.A.U."),
• To be responsible for the selection process of Certified Public Accountants or Auditing Companies and nominate the Certified Public Accountants or Auditing Companies to be appointed.
The Company's Management is responsible for providing the EU with all those resources that are necessary for the implementation of its project.

Purpose of the Audit Committee

The A.C. within the framework of its responsibilities, maintaining the full responsibility of the members of the Board of Directors, in accordance with the current legislation:
a) Informs the BoD of the audited entity for the result of the statutory audit and explains how the statutory audit contributed to the integrity of the financial information and what, was the role of the A.C. in that process,
b) Monitors the financial information process and submits recommendations or proposals when needed to ensure its integrity,
c) - Proposes to the BoD the head of the I.A.U., - Proposes the Rules of Operation of the I.A.U. for approval to the BoD, - Approves the annual control program of the I.A.U. - Presents and submits to the BoD. (together with its observations) the quarterly reports of the Internal Auditor on the audits performed (either regular or extraordinary), - Monitors the effectiveness of the Company's Internal Audit, Quality Assurance and Risk Management Systems and, where applicable, of its I.A.U. in respect of the financial information of the audited entity, without prejudice to the independence of that entity,
d) Monitors the statutory audit of the annual and consolidated financial statements and in particular its performance, taking into account any findings and conclusions of the competent authority in accordance with paragraph 6 of Article 26 of Regulation (A.C.) no. 537/2014. Additionally receives from the Certified Auditors report on the design stage - audit work in progress,
e) Supervises and monitors the independence of Certified Public Accountants or Auditing Companies in accordance with Articles 21, 22, 23, 26 and 27, as well as Article 6 of Regulation (A.C.) no. 537/2014 and in particular the adequacy of the provision of non-audit services to the audited entity in accordance with Article 5 of Regulation (A.C.) no. 537/2014. For this reason the A.C. has meetings with the team of Certified Public Accountants,

f) It is responsible for the selection process of Certified Public Accountants or Auditing Companies and proposes the Certified Public Accountants or Auditing Companies to be appointed in accordance with Article 16 of Regulation (A.C.) no. 537/2014, unless par. 8 of article 16 of Regulation (A.C.) no. 537/2014
g) Informs the shareholders at the Regulatory General Meeting about its activities and submits the relevant Report.

Audit Committee meetings

The A.C. is a committee of the Board of Directors, consists exclusively of three (3) members who meet the criteria of par. 1 of article 44 of Law 4449/2017, two (2) of which are independent non-executive members and one (1) non-executive. The members of the Audit Committee as a whole, have proven sufficient knowledge in the field in which the company operates.
The A.C. meets at regular intervals and at least once every three months and extraordinarily when required, and may invite Members of Management, Auditors and the Internal Audit Unit and any other executive or expert, whose presence is required at its discretion.
The frequency and timing of A.C. meetings are proportional to the extent of its responsibilities taking into account, inter alia, the activity, size, business environment and business model of the Company.
The E.E. keeps minutes of the meetings with the participation of all its members.

During the year 2021, the A.C. met fourteen (14) times. Depending on the topics of the meetings, the heads of the units responsible for Financial Information, Internal Audit, Sustainable Development and the Certified Public Accountants were invited to participate. The relevant information material (internal audit reports, administrative reports, Auditors' reports and presentations, financial and non-financial information, etc.) was distributed in time to the members of the Committee for study in order to express an opinion.
In particular, regarding the fiscal year 2021:

1. **Regarding the supervision of the regular audit**, the A.C.:
- Provided her consent for the proposal of the BoD to the General Meeting of Shareholders for the re-appointment of the auditing company GRANT THORNTON SA for the regular audit of the Company and the consolidated financial statements for the year 2021.
- Met with the Certified Public Accountant of the Company, once (1) after his appointment for the regular audit of the year 2021, once (1) once for the purpose of information on the schedule and the planned audit procedures, two (2) times before publication of financial statements, semi-annual and annual.
- Examined the audit program and the audit approach of the regular audit of GRANT THORNTON Certified Auditors SA for the year 2021.
- Upon completion of the annual regular audit, it received from the regular auditor the Supplementary Report based on article 11 of Regulation (A.C.) 537/2014 with the results of the regular audit and informed the BoD about the above.
- He monitored the services provided by the Certified Public Accountants in the context of the regular audit and evaluated their performance, taking into account any findings and conclusions of ELTE.
- Reviewed and monitored the implementation of the procedure "Approval of the receipt of non-audit services by the Audit Company that carries out the mandatory audit of the individual and consolidated financial statements of the Group companies", in order to ensure the independence of the Certified Auditors.

2. Regarding **the financial information process and the system of internal control, regulatory compliance and risk management**, the A.C.:
- Prior to their approval by the Board of Directors, it examined the financial statements (annual and consolidated) of the Company for the year 2021, and taking into account the content of the Supplementary Report of the Certified Auditor, positively evaluated their completeness and consistency and informed the BoD.
- He was informed extensively by the competent bodies of the Management and the Certified Auditors about the important audit issues, the important crises, assumptions and estimates during the preparation of the financial statements.
- Evaluate the adequacy and effectiveness of the Internal Audit System, taking into account the content of the Audit Reports of I.A.U.
- Evaluate the adequacy and effectiveness of the Risk Management System and especially the risks arising from the COVID-19 pandemic.
- Evaluate the adequacy and effectiveness of the Regulatory Compliance System.

3. Regarding **the supervision of the I.A.U**., the A.C.:

- Approved the annual audit program of the I.A.U., evaluating the process of its formation. It confirmed that the annual audit program 2021 was prepared based on the main risks (financial information, operational, regulatory compliance, financial risks) faced by the Group companies.
- It monitored the implementation of the annual audit plan and evaluated the effectiveness of the I.A.U., through the quarterly reports of its head.
- It monitored the progress and effectiveness of the audit work, evaluating, through the quarterly reports, the findings identified, the corrective actions agreed to address the findings and the progress of their implementation

Sustainable Development Policy

Management objectives

The Company has incorporated the principles of Sustainable Development in its business activities and in the way it operates, recognizing that these principles are a prerequisite for its long-term growth. The care for the health and safety of the employees, the respect and protection of the environment, the integrated coverage of the needs of the customers and the harmonious coexistence with the local communities in which it operates, are its main issues.
The Company's Management is committed to its employees, its customers, its suppliers, its partners and the local communities in which it operates, for a business model that leads to the creation of a Group a point of reference in its sector in the local and international community, pioneering and adopting any innovation and technological development that offers a continuously improved level of services provided.
The main axes of sustainable development are:

Human Rights and Labour
The Society provides equal opportunities to all people regardless of gender, age, ethnic origin, religion, color or political beliefs. Particular sensitivity is shown to the employment of people with disabilities in appropriate jobs. The Company and its subsidiary companies reject any form of forced labor. All work performed in companies is voluntary. INFORM prohibit work for people under the applicable legal minimum age for work.

Health and Safety
INFORM Group employs Safety Technicians and Occupational Physicians for occupational safety requirements and their implementation. The employees of the INFORM Group companies are constantly informed by the Safety Officer and the Occupational Doctor about the implementation of preventive measures for health prevention programs (special emphasis is given to infections that can cause epidemics) and safety at work. The Group's Technical Services supervise and maintain the main equipment and support systems (fire safety, etc.), in such a condition that they are always fully operational and effective

Economic development
The Company aims to achieve positive financial results, implements a system of good corporate governance, evaluates and manages business risks in order to safeguard the interests of shareholders. Its main axes in economic development are (a) Innovation, (b) Customer satisfaction (c) Compliance with legislation and standards and (d) New markets & investments.

Fight against corruption and bribery
The Company demonstrates particular importance in the fight against corruption / bribery and has therefore established a strong relationship of trust with its employees, customers, suppliers, shareholders, investors and society. The delinquent behavior in relation to corruption and bribery that takes place either within the narrow boundaries of the INFORM Group or outside it, with the participation of associates, is in no way acceptable and is a reason for the interruption of cooperation and the adoption of the measures provided for by law. The observance of transparency is an absolute priority for the Company and although no case of corruption has been reported, the Management aims at continuous improvement.

Local Community
The Company stands by the local community and responds sensitively to issues that concern it, having developed a close relationship based on dialogue and cooperation. The Company implements actions that meet the basic needs of society, in matters of work, development, education, health, environment, and culture. It encourages volunteering and supports initiatives for the sustainable development of the local community.

Environment
The Company in the field of environmental management applies the principle of prevention and carries out systematic actions in order to minimize its environmental footprint. The proper environmental management of all production and storage facilities is one of the most important objectives and is absolutely essential for the sustainable development of the Group's activities. It operates in full compliance with the applicable national and community environmental legislation, as well as with the specific environmental conditions of operation of each plant. INFORM based on its assessment of the environmental aspects, does not cause a particularly significant burden on the environment with its operations. However, recognizing the importance for all its stakeholders of the protection of the environment, it is intensifying its efforts to record and improve its environmental performance. In this context, it has proceeded to the implementation of an Environmental Management System, which has been certified according to the criteria of the international standard ISO 14001 and a System of Production and Management of Printing certified FSC (Forest Stewardship Council).

Research and Development
The Group's research and development strategy focuses on the following objectives:

- Innovative products and market-oriented solutions as the basis for the continuation of growth strategy
- Optimizing the use of resources and production processes.

Especially in the digital era, effective research and development is important as product cycles are short and the requirements of partners and end customers are evolving. This is particularly valid for the digital printing sector. We perceive these changes as opportunities and rely on Research & Development experts so that we can offer unique services to our customers that will help us grow in the short and long term.
INFORM innovates by developing higher value-added services, such as CCM (Customer Communication Management) services or Enterprise Document Management and Scanning & Archiving services, as well as providing highly specialized and technologically advanced digitalization solutions such as Digital Onboarding (DoB) , OCR / Data Capture Solutions, Process Automation using Machine Learning (ML), Robotic Process Automation, Natural Language Understanding and Cognitive Analytics Solutions, to support existing and new customers in their own digital transformation.

C) INDEPENDENT AUDITOR'S REPORT

To the Shareholders of INFORM P. LYKOS HOLDINGS S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of INFORM P. LYKOS HOLDINGS S.A. (the Company) and its subsidiaries, which comprise the separate and consolidated statements of financial position as at December 31,2021, the separate and consolidated income statements, statements of comprehensive income, statements of changes in equity and cash flow statements for the year then ended, including a summary of significant accounting policies and selected explanatory notes to the financial statements.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company INFORM P. LYKOS HOLDINGS S.A. and its subsidiaries (the Group) as at December 31, 2021, the financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated into the 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 are independent of the Company and its subsidiaries, during the whole period of our audit, in accordance with the International Ethics Standards Board for Accountants "Code of Ethics for Professional Accountants" as incorporated into the Greek Law and we have fulfilled our ethical responsibilities in accordance with current legislation requirements and the aforementioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate and consolidated Financial Statements of the current period. These matters and the relevant risks of material misstatement 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 Matters	How our audit addressed the key audit matter
Impairment on non-current assets (Goodwill and intangible assets)	
As at December 31, 2021, the Group recognized Goodwill amounting to € 4.0 mil., Software, Patents and Licenses amounting to € 2.8 mil., Development Costs amounting to € 0.5 mil. and Customer Relationships amounting to € 4.6 mil. Goodwill arising from the business combination is allocated in cash generating units that are expected to be benefited from the synergies of the combination. According to the requirements of IAS 36, goodwill and intangible assets with indefinite useful life are tested for impairment at least annually, while intangible assets with finite useful life are tested for impairment when there are indications of impairment. This assessment requires significant judgment. An impairment loss is recognized when the carrying amount of the cash generated unit exceeds the recoverable amount.	Our audit procedures in relation to this matter mainly include: • Evaluation of the management's assessment of whether there are indications of impairment of these assets. • Evaluation of the appropriateness of management's methodology for the identification of cash generating units. • Evaluation of reliability of management's estimations, by comparing the actual performance with the previous estimations. • Assessment of the reasonableness of management assumptions and estimates. • Examination of the accuracy in the calculation of the discounted cash flows models.

The impairment test includes the estimation of the recoverable amount of each CGU as the greater value between the fair value less costs to sell and the value in use. This estimation requires management's judgment regarding the future cash flows of the CGUs (related to variables such as revenue growth rate, capital and operating expenditures and the requirements of the legal framework governing their operation) and the discount rates used for the projection of future cash flows. The basic management assumptions are based mainly on the future events and parameters, as the actual operating results, future business plans, financial extensions and market data (statistical or not). Based on the results of the impairment test, during the year ended 31 December 2021, there was no need to impair any CGU. Due to the significance of the aforementioned non-current assets and the use of management assumptions and estimates, the determination of the recoverable amount of those non-current assets was considered as a key audit matter. During the year ended at 31 December 2021 there was no indication for impairment of the cash generate unit. For accounting policies, Group's assumptions and estimates refer to the following notes of Financial Statements: 4.i., 14., 36.A., 36.I. and 36.IE.	• For the procedures mentioned above, it was considered necessary to have the input of an internal valuation specialists in order to examine the technical adequacy of the impairment tests performed. • Assessment of the adequacy of the attached disclosures in the financial statements.

Recoverability of Trade Receivables

As at 31/12/2021, the Group Trade Receivables are of amount € 15,0 mil. (€ 13,5 million as at 31/12/2020), while the cumulative allowance for doubtful accounts is of amount € 1,2 mil. (€ 1,2 mil. as at 31/12/2020), as mentioned in Financial Statements (note 16). At the end of each reporting period, the management evaluates the recoverability of the Group's trade receivables, in order for them to be recognized in their recoverable amount, based on the requirements of IFRS 9. Due to the significance and the level of judgement used in the key assumptions by management, it was considered as a key audit matter. , For the Group's disclosures regarding the nature of the receivables and the estimates used for the assessment of the recoverability of doubtful accounts, that are included in Financial Statements refer to notes 4.iii, 16, 25.B and 36.IC&IE.	Our audit procedures in relation to this matter mainly include: • Evaluation of the key assumptions and methodology used by the management regarding the definition of recoverability of doubtful receivables. • Evaluation whether the policy and methodology applied by the management are appropriate and consistent with IFRS 9. • Comprehension and assessment of Group's credit control procedures and the policies regarding the credit limit of customers. • Examined the legal letter for existing bad debts during the year and identify if there are any indicators that further balances may not be recoverable in the future. • Inspection of trade receivables ageing at the year end and evaluated the amount of allowance of doubtful accounts. • Evaluation of the recoverability of amounts by comparing the closing balances with subsequent to year-end collections/settlements. • Assessment of the adequacy of the attached disclosures in the financial statements.

Other Information

Management is responsible for the other information. The other information included in the Annual Financial Report is the Annual Report of the Board of Directors, for which reference is made in the "Report on Other Legal and Regulatory Requirements" and the declarations of the Members of the Board of Directors, but does not include the separate and consolidated Financial Statements and our Auditors' Report thereon.

Our opinion on the Separate and Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Separate and Consolidated Financial Statements, our responsibility is to read the other information 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. If, on the based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these Separate and Consolidated Financial Statements in accordance with the International Financial Reporting Standards as adopted by the European Union and for such internal control as Management 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (article 44 L.4449/2017) is responsible for overseeing the Company's and Group's financial reporting process.

Auditors' 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, as incorporated into the Greek Law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users, taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, which have been incorporated in Greek Legislation, 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 management.
- Conclude on the appropriateness of management's 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 or 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 of the 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 and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, 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 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 to 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.

Report on other Legal and Regulatory Requirements

1. Board of Directors' Report

Taking into consideration that Management is responsible for the preparation of the Management Report of the Board of Directors and Corporate Governance Statement that is included therein, according to the provisions of paragraph 5 of article 2 of Law 4336/2015 (part B), we note the following:

a. The Management Report of the Board of Directors includes a Corporate Governance Statement that provides the information required by Article 152 of Law 4548/2018.
b. In our opinion, the Management Report of the Board of Directors has been prepared in accordance with the legal requirements of articles 150-151 and 153-154 and paragraph 1 (c and d) of Article 152 of the Law 4548/2018 and the content of the report is consistent with the accompanying financial statements for the year ended December 31, 2021.
c. Based on the knowledge we obtained during our audit of the Company INFORM P. LYKOS HOLDINGS S.A. and its environment, we have not identified any material misstatements in the Management Report of the Board of Directors.

2. Complementary Report to the Audit Committee

Our audit opinion on the accompanying separate and consolidated financial statements is consistent with the complementary report to the Company's Audit Committee, in accordance with Article 11 of the European Union (EU) Regulation 537/2014.

3. Provision of non-Audit Services

We have not provided to the Company and its subsidiaries any prohibited non-audit services referred to in Article 5 of EU Regulation 537/2014.

4. Appointment of Auditor

We were appointed for the first time as Certified Auditors of the Company based on the decision of the Annual General Shareholders' Meeting dated at 20/06/2006. Our appointment has been renewed uninterruptedly for a total period of 16 years based on the annual decisions of the General Shareholders' Meetings.

5. Bylaws (Internal Regulations)

The Company has in effect Bylaws (Internal Regulations) in conformance with the provisions of Article 14 of Law 4706/2020.

6. Assurance Report on European Single Electronic Format

We examined the digital records of the Company INFORM P. LYKOS HOLDINGS S.A., (the Company or/and the Group) prepared in accordance with the European Single Electronic Format (ESEF) as defined by the European Commission Delegated Regulation 2019/815, amended by the Regulation (EU) 2020/1989 (ESEF Regulation), which comprise the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in XHTML format (213800P8775JBN5FEO47-2021-12-31-en), as well as the provided XBRL file (213800P8775JBN5FEO47-2021-12-31-en.zip) with the appropriate mark-up, on the aforementioned consolidated financial statements.

Regulatory Framework

The digital records of the ESEF are prepared in accordance with the ESEF Regulation and the Commission Interpretative Communication 2020/C379/01 of November 10, 2020, in conformance with Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (ESEF Regulatory Framework).

In summary, this framework includes, inter alia, the following requirements:

- All annual financial reports shall be prepared in XHTML format.
- For the consolidated financial statements in accordance with IFRS, financial information included in the statements of comprehensive income, financial position, changes in equity and cash flows shall be marked-up with XBRL tags, in accordance with the effective ESEF Taxonomy. ESEF technical specifications, including the relevant taxonomy, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF Regulatory Framework constitute the appropriate criteria for expressing a conclusion of reasonable assurance.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in accordance with the requirements of ESEF Regulatory Framework, and for such internal control as management determines is necessary to enable the preparation of digital records that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to design and conduct this assurance engagement in accordance with No. 214/4/11-02-2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines on the auditors' engagement and reasonable assurance report on European Single Electronic Format (ESEF) for issuers whose securities are admitted to trading on a regulated market in Greece" as issued by the Institute of Certified Public Accountants of Greece on 14/02/2022 (hereinafter "ESEF Guidelines"), in order to obtain reasonable assurance that the separate and consolidated financial statements of the Company and the Group, prepared by the management in accordance with ESEF, are in compliance, in all material respects, with the effective ESEF Regulatory Framework.

We conducted our work in accordance with the Code of Ethics for Professional Accountants (IESBA Code) issued by the International Ethics Standards Board for Accountants, as incorporated in Greek legislation and we have complied with the ethical requirements of independence, in accordance with Law 4449/2017 and EU Regulation 537/2014.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and our procedures are limited to the requirements of ESEF Guidelines. Reasonable assurance is a high level of assurance, but is not a guarantee that this work will always detect a material misstatement of non-compliance with the requirements of ESEF Regulation.

Conclusion

Based on the procedures performed and the evidence obtained, the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in XHTML format (213800P8775JBN5FEO47-2021-12-31-en), as well as the provided XBRL file (213800P8775JBN5FEO47-2021-12-31-en.zip) with the appropriate mark-up on the above consolidated financial statements, have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

Athens, 26 April 2022

The Certified Public Accountant

Nikos Garbis

Registry Number SOEL 25011

Grant Thornton

Chartered Accountants Management Consultants

58, Katehaki Av., 115 25 Athens, Greece

Registry Number SOEL 127

D) ANNUAL FINANCIAL STATEMENTS FOR THE YEAR 1/1 - 31/12/2021

The attached annual financial statements were approved by the Board of Directors of the issuer (hereinafter INFORM P. LYKOS HOLDINGS S.A. or the Company) on 26/04/2022 and have been published on the Company's website www.informlykos.com, as well as on the ASE website where they will remain at the disposal of investors for at least ten (10) years from their preparation and publication date. It is noted that the annual financial statements, audit reports of the statutory auditor and the reports of the board of directors of the subsidiaries are posted at the website www.informlykos.com.

Consolidated statement of financial position

The statement of financial position of the Group for the year ended at 31/12/2021 and the respective comparative figures of the previous year are the following:

	Notes	GROUP 31/12/2021	GROUP 31/12/2020
Assets			
Property, plant and equipment	13	41.505.920	43.802.419
Intangible assets and goodwill	14	11.983.086	10.624.899
Other receivables	16	28.131	27.741
Deffered tax assets	12	198.152	274.260
Non current assets		**53.715.289**	**54.729.319**
Inventories	15	4.983.449	4.949.608
Contract assets	22	1.437.287	1.275.001
Current income tax assets	12	387.051	256.491
Trade receivables	16	12.566.864	11.656.898
Other receivables	16	1.543.518	800.549
Receivables from related parties	16	1.039.029	535.254
Cash and cash equivalents	17	1.541.620	5.039.745
Current assets		**23.498.817**	**24.513.546**
Total assets		**77.214.106**	**79.242.866**
Equity			
Share capital	18	12.758.592	12.758.592
Share premium	18	9.436.797	9.436.797
Reserves	18	12.626.693	13.444.876
Retained profits		(184.725)	1.998.857
Equity attributable to owners of the Company		**34.637.356**	**37.639.122**
Non-controlling interests		402.601	230.533
Total Equity		**35.039.957**	**37.869.655**
Liabilities			
Loans and borrowings	20	16.293.096	17.562.496
Employee benefits	10	592.998	549.035
Other payables	21	14.108	16.883
Deffered tax liabilities	12	974.627	1.256.613
Non-current liabilities		**17.874.829**	**19.385.028**
Current income tax liabilities	12	159.174	241.946
Loans and borrowings	20	6.904.365	6.076.856
Trade payables	21	12.705.448	12.291.185
Other payables	21	2.030.180	1.737.622
Contract liabilities	23	536.777	493.241
Liabilities to related parties	21	1.963.377	361.496
Provisions	24	0	785.838
Current Liabilities		**24.299.321**	**21.988.183**
Total Liabilities		**42.174.150**	**41.373.211**
Total Equity and Liabilities		**77.214.106**	**79.242.866**

The following explanatory notes (pages 55 to 100) constitute an integral part of these annual financial statements.

The comparative amounts for the Group and the Company for the year 2020 have been restated due to the change in accounting policies for IAS 19. (note 38.)

Company's statement of financial position

The statement of financial position of the Company for the year ended at 31/12/2021 and the respective comparative figures of the previous year are the following:

		COMPANY	
	Notes	31/12/2021	31/12/2020
Assets			
Property, plant and equipment	13	100.421	73.578
Intangible assets and goodwill	14	80.883	112.538
Investments in subsidiaries	26	36.172.132	35.015.132
Deffered tax assets	12	196.273	214.437
Non current assets		**36.549.709**	**35.415.685**
Current income tax assets	12	184.361	176.402
Other receivables	16	251.811	3.089
Receivables from related parties	16	1.364.759	1.208.667
Cash and cash equivalents	17	149.681	734.583
Current assets		**1.950.613**	**2.122.741**
Total assets		**38.500.322**	**37.538.426**
Equity			
Share capital	18	12.758.592	12.758.592
Share premium	18	9.436.797	9.436.797
Reserves	18	13.481.409	13.019.967
Retained profits		1.476.813	1.682.639
Total Equity		**37.153.610**	**36.897.994**
Liabilities			
Loans and borrowings	20	843.608	23.332
Employee benefits	10	102.199	109.721
Other payables	21	14.108	16.883
Non-current liabilities		**959.915**	**149.936**
Current income tax liabilities	12	19.425	85.746
Loans and borrowings	20	120.160	13.642
Trade payables	21	70.763	59.923
Other payables	21	176.449	114.654
Liabilities to related parties	21	0	216.530
Current Liabilities		**386.797**	**490.495**
Total Liabilities		**1.346.711**	**640.432**
Total Equity and Liabilities		**38.500.322**	**37.538.426**

The following explanatory notes (pages 55 to 100) constitute an integral part of these annual financial statements.

The comparative amounts for the Group and the Company for the year 2020 have been restated due to the change in accounting policies for IAS 19. (note 38.)

Consolidated income statement

The income statement of the Group for the year 1/1 - 31/12/2021 and the respective comparative figures of the previous year are the following:

	Notes	GROUP 01/01 - 31/12/2021	01/01 - 31/12/2020
Revenue	6	74.980.809	69.778.540
Cost of sales	7	(61.571.153)	(57.660.678)
Gross profit		**13.409.656**	**12.117.862**
Other income	7	1.451.528	1.484.367
Selling and distribution expenses	7	(5.302.967)	(4.941.092)
Administrative expenses	7	(5.601.615)	(4.730.862)
Research and development expenses	7	(466.384)	(764.613)
Other expenses	7	(1.141.811)	(1.268.497)
+ Depreciation		4.432.235	4.174.958
EBITDA		**6.780.642**	**6.072.123**
- Depreciation		(4.432.235)	(4.174.958)
EBIT		**2.348.407**	**1.897.166**
Financial income	8	853	1.522
Financial expenses	8	(1.456.593)	(1.520.915)
Net finance costs		**(1.455.740)**	**(1.519.393)**
EBT		**892.667**	**377.773**
Income tax expense	12	(433.596)	(465.008)
Profit (loss)		**459.071**	**(87.236)**
Profits / (losses) attributable to:			
Owners of the Company		(34.725)	(392.474)
Non-controlling interests		493.796	305.238
		459.071	**(87.236)**

The following explanatory notes (pages 55 to 100) constitute an integral part of these annual financial statements.

Company's income statement

The income statement of the Company for the year 1/1 - 31/12/2021 and the respective comparative figures of the previous year are the following:

		COMPANY	
	Notes	01/01 - 31/12/2021	01/01 - 31/12/2020
Revenue	6	1.269.829	1.157.984
Cost of sales	7	0	0
Gross profit		**1.269.829**	**1.157.984**
Other income	7	1.040	1.888
Selling and distribution expenses	7	0	(204)
Administrative expenses	7	(1.762.506)	(1.357.011)
Other expenses	7	(5)	(5.778)
+ Depreciation		56.157	53.221
EBITDA		**(435.485)**	**(149.902)**
- Depreciation		(56.157)	(53.221)
EBIT		**(491.642)**	**(203.123)**
Financial income	8	2.075.007	2.501.217
Financial expenses	8	(15.746)	(4.847)
Net finance costs		**2.059.261**	**2.496.370**
EBT		**1.567.619**	**2.293.247**
Income tax expense	12	(24.283)	(73.409)
Profits / (losses)		**1.543.336**	**2.219.838**

The following explanatory notes (pages 55 to 100) constitute an integral part of these annual financial statements.

Consolidated statement of comprehensive income

The statement of comprehensive income of the Group for the year 1/1 - 31/12/2021 and the respective comparative figures of previous year are the following:

	Notes	GROUP 01/01 - 31/12/2021	GROUP 01/01 - 31/12/2020
Profits / (Losses)		**459.071**	**(87.236)**
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Revaluation of property, plant and equipment	13	0	643.401
Related tax		0	(154.013)
Remeasurements of defined benefit liability	10	37.464	39.563
Related tax		(8.242)	(2.050)
		29.222	**526.901**
Items that are or may be reclassified to profit or loss			
Foreign operations – foreign currency translation differences		(301.120)	(383.574)
		(301.120)	**(383.574)**
Other comprehensive income, net of tax		**(271.898)**	**143.328**
Total comprehensive income		**187.173**	**56.092**
Total comprehensive income attributable to:			
Owners of the Company		(305.480)	(244.228)
Non-controlling interests		492.653	300.319
		187.173	**56.092**

The following explanatory notes (pages 55 to 100) constitute an integral part of these annual financial statements.

The comparative amounts for the Group and the Company for the year 2020 have been restated due to the change in accounting policies for IAS 19. (note 38.)

Company's statement of comprehensive income

The statement of comprehensive income of the Company for the year 1/1 - 31/12/2021 and the respective comparative figures of previous year are the following:

		COMPANY	
	Notes	01/01 - 31/12/2021	01/01 - 31/12/2020
Profits / (Losses)		**1.543.336**	**2.219.838**
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Remeasurements of defined benefit liability	10	18.515	(69.262)
Related tax		(4.073)	16.371
Other comprehensive income, net of tax		**14.442**	**(52.891)**
Total comprehensive income		**1.557.778**	**2.166.947**

The following explanatory notes (pages 55 to 100) constitute an integral part of these annual financial statements.

The comparative amounts for the Group and the Company for the year 2020 have been restated due to the change in accounting policies for IAS 19. (note 38.)

Consolidated statement of changes in equity

The statement of changes in equity of the Group is the following:

THE GROUP	For the year ended 31 December 2021									
	Share capital	Share premium	Translation reserve	Revaluation reserve	IAS 19 reserve	Other reserve	Retained earnings	Total	Non-controlling interest	Total
Balance at 31 December 2020	**12.758.592**	**9.436.797**	**(2.815.570)**	**16.446.306**	**(234.377)**	**0**	**1.546.529**	**37.138.278**	**230.533**	**37.368.811**
Adjustment as a result of the change in accounting policies for IAS 19	0	0	0	0	48.516	0	452.328	**500.844**	0	**500.844**
Balance at 1 January 2021	**12.758.592**	**9.436.797**	**(2.815.570)**	**16.446.306**	**(185.861)**	**0**	**1.998.857**	**37.639.122**	**230.533**	**37.869.655**
Profits / (losses)	0	0	0	0	0	0	(34.725)	**(34.725)**	493.796	**459.071**
Other comprehensive income	0	0	(299.965)	0	29.209	0	0	**(270.755)**	(1.143)	**(271.898)**
Total comprehensive income	**0**	**0**	**(299.965)**	**0**	**29.209**	**0**	**(34.725)**	**(305.480)**	**492.653**	**187.173**
Own shares acquisition (note. 18)	0	0	0	0	0	447.000	0	**447.000**	0	**447.000**
Transfer of revaluation reserve (note. 18)	0	0	23.572	(1.018.000)	0	0	994.428	**0**	0	**0**
Acquisition of shares in subsidiaries (note.26)	0	0	0	0	0	0	(1.394.141)	**(1.394.141)**	57.230	**(1.336.911)**
Distribution of dividends (note. 18.C)	0	0	0	0	0	0	(1.749.144)	**(1.749.144)**	(377.816)	**(2.126.960)**
Balance at 31 December 2021	**12.758.592**	**9.436.797**	**(3.091.962)**	**15.428.306**	**(156.651)**	**447.000**	**(184.725)**	**34.637.356**	**402.601**	**35.039.957**

THE GROUP	**For the year ended 31 December 2020**								
	Share capital	**Share premium**	**Translation reserve**	**Revaluation reserve**	**IAS 19 reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total**
Balance at 31 December 2019	**12.758.592**	**9.436.797**	**(2.436.962)**	**16.001.048**	**(205.390)**	**3.716.990**	**39.271.075**	**139.427**	**39.410.502**
Adjustment as a result of the change in accounting policies for IAS 19	0	0	0	0	(17.982)	486.144	468.162	0	468.162
Balance at 1 January 2020	**12.758.592**	**9.436.797**	**(2.436.962)**	**16.001.048**	**(223.372)**	**4.203.134**	**39.739.237**	**139.427**	**39.878.664**
Profits / (losses)	0	0	0	0	0	(392.475)	**(392.475)**	305.239	**(87.236)**
Other comprehensive income	0	0	(378.608)	489.345	37.511	0	**148.248**	(4.920)	**143.328**
Total comprehensive income	**0**	**0**	**(378.608)**	**489.345**	**37.511**	**(392.475)**	**(244.228)**	**300.319**	**56.092**
Distribution of dividends	0	0	0	0	0	(1.852.054)	**(1.852.054)**	(209.104)	**(2.061.158)**
Other transactions	0	0	0	(44.087)	0	40.252	**(3.834)**	(109)	**(3.943)**
Balance at 31 December 2020	**12.758.592**	**9.436.797**	**(2.815.570)**	**16.446.306**	**(185.861)**	**1.998.857**	**37.639.122**	**230.533**	**37.869.655**

The following explanatory notes (pages 55 to 100) constitute an integral part of these annual financial statements.

The comparative amounts for the Group and the Company for the year 2020 have been restated due to the change in accounting policies for IAS 19. (note 38.)

Company's statement of changes in equity

The statement of changes in equity of the Company is the following:

THE COMPANY	For the year ended 31 December 2021					
	Share capital	Share premium	IAS 19 reserve	Other reserve	Retained earnings	Total
Balance at 31 December 2020	**12.758.592**	**9.436.797**	**(52.848)**	**13.074.144**	**1.675.623**	**36.892.307**
Adjustment as a result of the change in accounting policies for IAS 19	0	0	(1.329)	0	7.015	**5.687**
Balance at 1 January 2021	**12.758.592**	**9.436.797**	**(54.177)**	**13.074.144**	**1.682.639**	**36.897.994**
Profits / (losses)	0	0	0	0	1.543.336	**1.543.336**
Other comprehensive income	0	0	14.442	0	0	**14.442**
Total comprehensive income	**0**	**0**	**14.442**	**0**	**1.543.336**	**1.557.778**
Distribution of dividends	0	0	0	0	(1.749.162)	**(1.749.162)**
Own shares acquisition (note. 18)	0	0	0	447.000	0	**447.000**
Balance at 31 December 2021	**12.758.592**	**9.436.797**	**(39.735)**	**13.521.144**	**1.476.813**	**37.153.610**

THE COMPANY

	Share capital	Share premium	IAS 19 reserve	Other reserve	Retained earnings	Total
Balance at 31 December 2019	**12.758.592**	**9.436.797**	**0**	**13.074.144**	**1.309.009**	**36.578.542**
Adjustment as a result of the change in accounting policies for IAS 19	0	0	(1.286)	0	5.845	**4.559**
Balance at 1 January 2020	**12.758.592**	**9.436.797**	**(1.286)**	**13.074.144**	**1.314.854**	**36.583.101**
Profits / (losses)	0	0	0	0	2.219.838	**2.219.838**
Other comprehensive income	0	0	(52.891)	0	0	**(52.891)**
Total comprehensive income	**0**	**0**	**(52.891)**	**0**	**2.219.838**	**2.166.947**
Distribution of dividends	0	0	0	0	(1.852.054)	**(1.852.054)**
Balance at 31 December 2020	**12.758.592**	**9.436.797**	**(54.177)**	**13.074.144**	**1.682.639**	**36.897.994**

The following explanatory notes (pages 55 to 100) constitute an integral part of these annual financial statements.

The comparative amounts for the Group and the Company for the year 2020 have been restated due to the change in accounting policies for IAS 19. (note 38.)

Consolidated statement of Cash Flows

Cash flows of the Group for the year 1/1 - 31/12/2021 and the respective comparative figures of the previous year are the following:

	GROUP	
	01/01 - 31/12/2021	**01/01 - 31/12/2020**
Cash flows from operating activities		
Profits / (Losses) before taxes	892.667	377.773
Adjustments for:		
– Depreciation & amortisation	4.432.235	4.174.958
– Net finance cost	1.311.809	1.519.393
– Gain on sale of property, plant and equipment	(326)	(8.778)
– Foreign exchange differences included in EBIT	143.931	(86.600)
– (Reversal of) impairment losses on property, plant and equipment	0	5.000
– Change in long term employee benefits (included in EBIT)	75.937	82.025
– Other	(687.098)	555.408
	6.169.156	**6.619.179**
Changes in:		
– Inventories	(33.841)	1.288.241
– Trade and other receivables	(2.449.555)	(189.898)
– Trade and other payables	2.352.238	(429.218)
Changes in:	**6.037.998**	**7.288.305**
Taxes paid	(733.207)	(639.872)
Interest paid	(1.071.925)	(1.160.129)
Cash generated from operating activities	**4.232.866**	**5.488.303**
Cash flows from investment activities		
Interest received	81	1.259
Proceeds from sale of property, plant and equipment	1.715	0
Acquisition of subsidiaries, business, net of cash acquired	(2.396.052)	0
Acquisition of property, plant and equipment & intangible assets	(2.500.670)	(2.016.671)
Net cash from (used in) investing activities	**(4.894.927)**	**(2.015.412)**
Cash flows from financing activities		
Proceeds from loans & borrowings	2.982.713	3.500.000
Payment of loans	(2.459.899)	(3.165.203)
Payment of finance lease liabilities	(1.242.786)	(876.447)
Dividends paid to non-controlling interest	(858.416)	(629.801)
Dividends paid to owners of the Company	(1.238.314)	(1.311.125)
Net cash from (used in) financing activities	**(2.816.701)**	**(2.482.576)**
Net increase (decrease) in cash and cash equivalents	**(3.478.762)**	**990.315**
Cash and cash equivalents at 1 January	**5.039.745**	**4.066.858**
Effect of movements in exchange rates on cash held	(19.363)	(17.428)
Cash and cash equivalents at 31 December	**1.541.620**	**5.039.745**

The following explanatory notes (pages 55 to 100) constitute an integral part of these annual financial statements.

Company's statement of Cash Flows

Cash flows of the Company for the year 1/1 - 31/12/2021 and the respective comparative figures of the previous year are the following:

	COMPANY	
	01/01 - 31/12/2021	**01/01 - 31/12/2020**
Cash flows from operating activities		
Profit (Loss) before tax	1.567.619	2.293.247
Adjustments for:		
– Depreciation & amortisation	56.157	53.221
– Net finance cost	(2.059.261)	(2.496.370)
– (Reversal of) impairment losses on property, plant and equipment		5.000
– Change in long term employee benefits (included in EBIT)	9.896	4.302
– Other	447.000	(14.246)
	21.411	**(154.846)**
Changes in:		
– Trade and other receivables	(162.774)	105.669
– Trade and other payables	(157.288)	(1.693.210)
Cash generated from operating activities	**(298.651)**	**(1.742.387)**
Taxes paid	(85.472)	(68.834)
Interest paid	(14.649)	(4.847)
Net cash from (used in) operating activities	**(398.772)**	**(1.816.069)**
Cash flows from investment activities		
Interest received	3	1.206
Dividend received	2.070.045	2.500.011
Proceeds from sale of property, plant and equipment	(2.662)	(39.929)
Acquisition of property, plant and equipment & intangible assets	(1.157.000)	0
Net cash from (used in) investing activities	**910.387**	**2.461.288**
Cash flows from financing activities		
Proceeds from loans and borrowings	900.000	0
Granted loans to related parties	(250.000)	0
Payment of finance lease liabilities	(22.625)	(19.887)
Dividends paid to non-controlling interest	(480.625)	(512.376)
Dividends paid to owners of the Company	(1.243.266)	(1.311.125)
Net cash from (used in) financing activities	**(1.096.517)**	**(1.843.387)**
Net increase (decrease) in cash and cash equivalents	**(584.902)**	**(1.198.168)**
Cash and cash equivalents at 1 January	**734.583**	**1.932.751**
Cash and cash equivalents at 31 December	**149.681**	**734.583**

The following explanatory notes (pages 55 to 100) constitute an integral part of these annual financial statements.

Notes to the Financial Statements

Basis of preparation

1. Reporting Entity

The Group INFORM is a fastgrowing Group of companies, forming the market in the business area of Information Management under the brand INFORM. Nowadays, the Group is activated internationally and is a leader in the field of secure documents and information management, in the markets of Central and Eastern Europe in the Public and Private Sector. It has four production units in Athens (Greece), Bucharest (Romania) and Tirana (Albania). The entities and activities of the Information Management sector refer to the parent company INFORM P. LYKOS HOLDINGS S.A. based in Greece.

The registered office of the parent company INFORM P. LYKOS HOLDINGS S.A. (the Company) is in Koropi Attica, 5th km. of Varis-Koropiou Avenue.

The financial statements for the year 1/1 - 31/12/2021 were approved by the Board of Directors on 26/04/2022.

2. Basis of Accounting

The accompanying separate and consolidated financial statements (hereinafter "financial statements"), have been prepared by the Management based on historic cost principal, as modified following the adjustment of certain assets and liabilities at fair values and the going concern principle and are in accordance with the International Financial Reporting Standards (hereinafter ≪IFRS≫) and the International Accounting Standards (hereinafter ≪IAS≫), as adopted by the European Union (according to the Regulation (EC) No. 1606/ 2002 of the European Parliament and the Council of the European Union at July 19th, 2002) and published by the International Accounting Standards Board (IASB), and also their interpretations, as published by the International Financial Reporting Interpretation Committee (I.F.R.I.C.) of the IASB. The period of application of each IAS/IFRS is set by the regulations published by the competent commission of the European Union.

Details of the Group's accounting policies and methods, including changes that took place during the year 2021, are included in notes 34 - 38.

3. Fuctional and presentation currency

The separate and consolidated financial statements are presented in euro, which is the functional currency of the Company. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

4. Use of judgement and estimates

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses, as also and the notes to the financial statements. They also affect disclosures of contingent assets and liabilities as at the financial statements preparation date as well as the publicized amounts of revenue and expenses.

Judgments, estimates and assumptions are based on the experience from previous years and other factors, included the expectations of future events that are considered reasonable under the particular conditions, while estimates and underlying assumptions are reviewed on an ongoing basis, making the best use of all the available data. Actual results may differ from these estimates.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment at amounts of assets, liabilities, income and expenses is included in the following notes:

i. Testing for goodwill impairment of total participations or other assets

Group monitors annually whether goodwill has suffered any impairment and assesses the events or the conditions may trigger impairment, such as a significant adverse change in the business environment or a decision to sell or dispose of a unit or functional area. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The basic estimates in applying value in use, the Group relies on a number of factors, including actual operating results, future business plans, economic projections and discount rates that are used in the calculations. It should be noted that the Group, during the assessment of impairment indications and the formation of prices on which the impairment tests were based, took into account the present and any possible future financial conditions due to the impact of the Covid-19 pandemic.

If analysis indicates a need for impairment of goodwill, measuring of impairment requires a fair value estimate of each identified tangible asset. In this case, using the cash flow approach, referred above, by independent appraisers when appropriate. See note 14.

ii. Useful life of depreciable assets

The Group assesses the actual useful lives of the assets annually. At the end of the reporting period of the annual financial statements, the management of the Group estimates that the useful lives of the depreciable assets represent the expected utility of those assets. See notes 36 (I) and (J).

iii. Recoverability of receivables and provisions for expected credit losses

Doubtful accounts receivables are displayed with amounts that are likely to be recovered. Estimations for recoverable amounts of receivables are based on objective indications, the counterparty's financial condition as well as past experience. The Group applies the simplified approach for customer receivables and contract assets for the calculation of expected credit losses. Therefore, at each reporting date, the Group measures the provision for a financial instrument for an amount equal to the expected credit losses over the lifetime. For determining the expected credit losses, a chronological analysis and rates table is used with historical data and reasonable assumptions.

iv. Employee benefits

The present value of pension obligations depends on a number of factors determined using actuarial methods and assumptions. Such actuarial assumption is the discount rate used to calculate the cost of benefit. The Group determines the appropriate discount rate at each year end. This is the interest rate that should be used to determine the present value of future cash flows, which are expected to be required to meet the obligations of the pension plans. For determining the appropriate discount rate, the Group uses the interest rate of high quality corporate bonds that are converted to the currency in which the benefits will be paid, and whose expiry date is approaching that of the relevant pension liability. Other key assumptions of pension obligations are based in part on current market conditions. See notes 10, 36 (E) and 38.

v. Fair value measurement

As part of the implementation of IFRS, the Group has an obligation or option to revalue assets and liabilities at fair value.

The fair value measurement is based on the market and not on a particular entity. For certain assets and liabilities may be available observable market transactions or market information. For other assets and liabilities may not be available observable market transactions or market information. However, the objective of measuring fair value is the same in both cases to estimate the price at which it would take place a normal transaction to sell the asset or transfer the liability between market participants at the measurement date under current market conditions (ie an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Even when there is no observable market to provide pricing information on the sale of an asset or transfer a liability at the measurement date, the fair value measurement should consider that a transaction occurs on that date, considering the transaction from the perspective of a market participant that holds the asset or owes the liability. This alleged transaction constitutes the basis for valuation of the sale price of the asset or transfer the liability. Especially for liabilities if no observable market to provide pricing information on the transfer of a liability (eg when the contractual and other legal restrictions prevent the transfer of such data) may be observable market for such obligation if the other party holds as an asset (eg corporate bonds).

The assets and liabilities of the Group are measured at fair value are mainly non-financial assets.

To improve the consistency and comparability in fair value measurements and related disclosures, the Group is adopting relevant requirements of IFRS 13, which had determined the fair value hierarchy that categorizes into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to the official prices (unadjusted) in markets with significant volume of transactions for identical assets or liabilities (level 1 inputs) and minimum priority to unobservable inputs (Level 3 inputs).

The Level 1 inputs are the official quoted prices (unadjusted) in active markets for identical assets or liabilities to which the entity has access at the measurement date.

The Level 2 inputs are inputs other than formal quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. If the asset or liability has a specified (contractual) term, a second input level must be observable for the full life of the asset or liability.

The Level 3 inputs are not based on observable market data (unobservable inputs) for the asset or liability.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 13 Property, plant and equipment
- Note 25 Financial Instruments

It is noted that the Group has certain financial assets (eg cash and cash equivalents) the historical values for which, due to their short-term nature, do not differ essentially from the fair value that would be determined by using valuation techniques.

Performance of the Year

5. Operating segments

i. Basis of segmentation

The Group maintains one strategic segment, the "Information Management" (printing segment), which is its reportable segment. Every unit of the segment offers same products and services, and requires unique technology and marketing strategies.

The activity of the printing segment mainly extents geographically in two countries Greece and Romania. This geographic allocation is the designated factor for the segmentation of printing segment.

These operating segments are monitored by the Head of Risk and Strategic decisions of the Group (Group CEO).

Information related to each reportable segment is set out below. Segment "profit before tax" is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments.

01/01 - 31/12/2021	**Greece**	**Romania**	**Other**	**Eliminations**	**Total**
Revenues	29.306.221	45.222.444	452.144	0	74.980.809
Intersegment revenues	768.082	1.789.726	0	(2.557.808)	0
Segment revenues	**30.074.303**	**47.012.170**	**452.144**	**(2.557.808)**	**74.980.809**
Cost of sales	(24.789.313)	(38.222.526)	(455.340)	1.896.027	(61.571.153)
Consolidated Cost of sales	**(24.789.313)**	**(38.222.526)**	**(455.340)**	**1.896.027**	**(61.571.153)**
Gross profit	**5.284.990**	**8.789.643**	**(3.197)**	**(661.781)**	**13.409.656**
Other income	518.885	898.095	77.748	(43.200)	1.451.528
Selling and distribution expenses	(2.992.339)	(2.491.828)	0	181.200	(5.302.967)
Administrative expenses	(3.011.728)	(2.600.588)	(141.771)	599.472	(5.154.615)
Research and development expenses	(466.384)	0	0	0	(466.384)
Other expenses	(246.204)	(894.070)	(1.537)	0	(1.141.811)
+ Depreciation & amortization	2.511.886	1.889.449	30.900	0	4.432.235
Adjusted EBITDA	**1.599.107**	**5.590.701**	**(37.857)**	**75.691**	**7.227.642**
- Depreciation & amortization	(2.511.886)	(1.889.449)	(30.900)	0	(4.432.235)
Adjusted EBIT	**(912.779)**	**3.701.251**	**(68.756)**	**75.691**	**2.795.407**
Financial income	66	(10.005)	5.700	5.092	853
Financial expenses	(855.051)	(454.254)	(9.412)	6.055	(1.312.663)
Net finance costs	**(854.985)**	**(464.259)**	**(3.712)**	**11.146**	**(1.311.809)**
Adjusted EBT	**(1.767.765)**	**3.236.992**	**(72.468)**	**86.838**	**1.483.598**
Non-recurring expenses	(450.067)	(135.687)	(5.177)	0	(590.931)
Profit / (loss) before tax	**(2.217.831)**	**3.101.305**	**(77.645)**	**86.838**	**892.667**
Income tax expense	180.978	(615.601)	(2)	1.030	(433.596)
Profit / (loss)	**(2.036.853)**	**2.485.704**	**(77.647)**	**87.868**	**459.071**

01/01 - 31/12/2020	**Greece**	**Romania**	**Other**	**Eliminations**	**Total**
Revenues	28.098.042	40.893.954	786.543	0	69.778.540
Intersegment revenues	724.864	2.006.954	0	(2.731.818)	0
Segment revenues	**28.822.907**	**42.900.907**	**786.543**	**(2.731.818)**	**69.778.540**
Cost of sales	(23.779.555)	(35.270.701)	(645.509)	2.035.088	(57.660.678)
Consolidated Cost of sales	**(23.779.555)**	**(35.270.701)**	**(645.509)**	**2.035.088**	**(57.660.678)**
Gross profit	**5.043.351**	**7.630.207**	**141.034**	**(696.729)**	**12.117.862**
Other income	576.831	950.735	0	(43.200)	1.484.367
Selling and distribution expenses	(2.691.906)	(2.434.665)	0	185.479	(4.941.092)
Administrative expenses	(2.646.262)	(2.518.980)	(121.869)	556.249	(4.730.862)
Research and development expenses	(764.613)	0	0	0	(764.613)
Other expenses	(189.068)	(1.077.748)	(1.681)	1	(1.268.497)
+ Depreciation & amortization	2.363.767	1.773.947	37.243	0	4.174.958
Adjusted EBITDA	**1.692.101**	**4.323.495**	**54.727**	**1.800**	**6.072.124**
- Depreciation & amortization	(2.363.767)	(1.773.947)	(37.243)	0	(4.174.958)
Adjusted EBIT	**(671.667)**	**2.549.548**	**17.484**	**1.800**	**1.897.166**

Financial income	1.271	(6.108)	46.409	(40.049)	1.522
Financial expenses	(794.609)	(548.239)	(48.936)	43.552	(1.348.232)
Net finance costs	**(793.338)**	**(554.347)**	**(2.527)**	**3.503**	**(1.346.710)**
Adjusted EBT	**(1.465.005)**	**1.995.201**	**14.957**	**5.303**	**550.456**
Non-recurring expenses	(2.899)	(160.335)	(9.449)	0	(172.683)
Profit / (loss) before tax	**(1.467.904)**	**1.834.866**	**5.507**	**5.303**	**377.773**
Income tax expense	90.653	(551.044)	(4.618)	0	(465.008)
Profit / (loss)	**(1.377.250)**	**1.283.822**	**890**	**5.303**	**(87.236)**

The allocation of assets, liabilities, capital expenditure and depreciation to operating segments is as follows:

31/12/2021	**Greece**	**Romania**	**Other**	**Eliminations**	**Total**
Assets	56.698.113	35.961.435	381.039	(15.826.480)	77.214.107
Liabilities	22.939.311	19.978.095	992.538	(1.735.795)	42.174.149
Capital expenditures	1.281.498	1.522.598	6.249	0	2.810.345
Depreciation & amortization	2.511.886	1.889.449	30.900	0	4.432.235

31/12/2020	**Greece**	**Romania**	**Other**	**Eliminations**	**Total**
Assets	57.643.113	40.877.505	578.555	(19.856.307)	79.242.866
Liabilities	22.871.612	18.481.377	1.242.505	(1.222.283)	41.373.211
Capital expenditures	1.122.350	893.850	472	0	2.016.672
Depreciation & amortization	2.363.767	1.773.947	37.243	0	4.174.958

Revenue/Analysis per product category

31/12/2021	**Security Forms**	**Digital Printing & Postals**	**Bank products & payment solutions**	**Digital Tranformation Solutions**	**Total**
Revenues Segment	17.366.590	41.145.080	7.371.942	9.097.196	74.980.809
Cost of sales	(14.973.570)	(34.826.592)	(6.076.316)	(5.694.674)	(61.571.153)
Gross profit	**2.393.020**	**6.318.488**	**1.295.626**	**3.402.522**	**13.409.656**
Gross Margin %	**13,8%**	**15,4%**	**17,6%**	**37,4%**	**17,9%**

31/12/2020	**Security Forms**	**Digital Printing & Postals**	**Bank products & payment solutions**	**Digital Tranformation Solutions**	**Total**
Revenues Segment	16.526.265	39.726.695	8.111.248	5.414.331	69.778.540
Cost of sales	(14.709.804)	(32.871.146)	(6.550.399)	(3.529.328)	(57.660.677)
Gross profit	**1.816.461**	**6.855.550**	**1.560.849**	**1.885.003**	**12.117.862**
Gross Margin %	**11,0%**	**17,3%**	**19,2%**	**34,8%**	**17,4%**

The following geographical information analyzes the Group's revenues in Grecce and other countries:

	31/12/2021	**31/12/2020**
Romania	45.151.385	40.756.708
Greece	27.901.251	25.930.390
Austria	684.948	1.326.152
Albania	527.839	915.924
Marocco	247.587	317.525
Cyprus	244.390	52.084
Spain	99.970	1.312
Hungary	77.841	43.092
Bulgaria	22.249	56.714

France	19.800	422.146
Malta	0	3.600
Other countries Central & Eastern Europe	0	3.537
Germany	0	1.000
Adjustment IFRS 15	3.549	(51.642)
Total	**74.980.809**	**69.778.540**

6. Revenues

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Revenues from sales of goods	24.250.531	26.135.288	0	0
Revenues from services	40.463.797	34.445.923	1.269.829	1.157.984
Revenues from sale of merchandise	10.266.481	9.197.328	0	0
Total	**74.980.809**	**69.778.540**	**1.269.829**	**1.157.984**

7. Income and expenses

A. Other income

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Government grants	31.467	35.340	0	0
Gain on sale of property, plant and equipment	3.779	8.778	0	0
Rentals from property and machinery	584.924	586.436	0	0
Reversal of accruals	24.975	4.262	0	0
Capitalised development expenses	395.089	432.779	0	0
Other income	411.294	416.773	1.040	1.888
Total	**1.451.528**	**1.484.367**	**1.040**	**1.888**

B. Cost of Sales

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Employee compensation and expenses	6.695.727	6.034.665	0	0
Cost of inventories recorgnised as expense	11.866.416	13.061.242	0	0
Cost of mailings	25.667.276	23.017.627	0	0
Cost of merchandise	8.600.772	7.589.991	0	0
Third party fees	2.011.512	1.309.004	0	0
Utilities and maintenance expenses	1.680.211	1.621.878	0	0
Rentals from property and machinery	233.764	*218.001*	0	0
Tax and duties	98.498	118.559	0	0
Transportation expenses	30.472	28.209	0	0
Other consumable materials	1.252.007	1.280.196	0	0
Depreciation and amortisation	3.157.784	3.077.007	0	0
Other expenses	276.713	304.298	0	0
Total	**61.571.153**	**57.660.678**	**0**	**0**

C. Selling and Distribution Expenses

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Employee compensation and expenses	2.709.727	2.549.045	0	0
Third party fees	246.915	254.123	0	0
Commissions paid	627.316	557.753	0	0
Utilities expenses	179.479	144.251	0	0
Rentals from property and machinery	19.774	12.069	0	0
Tax and duties	43.539	34.666	0	6
Transportation expenses	657.408	638.004	0	0
Other consumable materials	35.658	23.349	0	0
Depreciation and amortisation	588.017	540.451	0	0
Other expenses	195.135	187.380	0	198
Total	**5.302.967**	**4.941.092**	**0**	**204**

D. Administrative expenses

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Employee compensation and expenses	2.900.863	2.427.913	989.336	557.967
Third party fees	1.514.585	1.299.328	547.703	576.572
Utilities expenses	386.765	371.455	136.811	127.586
Rentals from property and machinery	61.669	47.427	0	0
Tax and duties	45.233	47.617	10.497	12.758
Transportation expenses	1.655	632	0	0
Other consumable materials	7.902	6.632	0	0
Depreciation and amortisation	524.335	372.179	56.157	53.221
Other expenses	158.607	157.679	22.002	28.906
Total	**5.601.615**	**4.730.862**	**1.762.506**	**1.357.011**

E. Research and Development Expenses

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Employee compensation and expenses	224.048	478.700	0	0
Third party fees	66.965	73.146	0	0
Utilities expenses	6.342	16.525	0	0
Tax and duties	473	2.822	0	0
Transportation expenses	0	220	0	0
Other consumable materials	5.259	237	0	0
Depreciation and amortisation	162.099	185.321	0	0
Other expenses	1.198	7.642	0	0
Total	**466.384**	**764.613**	**0**	**0**

F. Other expenses

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Loss of the customer contract term	209.330	5.382	0	687
Impairment loss on trade receivables	50.255	95.119	0	0
Losses from write-downs of inventories	150.000	75.374	0	0
Reinvoiced expences	302.991	261.439	0	0
Other expenses	429.235	831.184	5	5.091
Total	**1.141.811**	**1.268.497**	**5**	**5.778**

8. Net Finance Costs

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Interest income from loans and receivables	151	1.511	4.962	1.206
Dividend income	76	11	2.070.045	2.500.011
Other finance income	626	0	0	0
Financial income	**853**	**1.522**	**2.075.007**	**2.501.217**
Interest expense	1.118.047	1.185.774	13.190	3.551
Commissions of letters of guarantee	174.362	129.822	0	0
Losses from foreign exchange differences (from financing)	143.931	172.683	0	0
Other financial expenses	20.253	32.636	2.556	1.296
Finance costs	**1.456.593**	**1.520.915**	**15.746**	**4.847**
Net finance costs recognised in profit or loss	**(1.455.740)**	**(1.519.393)**	**2.059.261**	**2.496.370**

9. Earnings / (losses) per share

A. Basic earnings or basis (losses) per share

All shares of the Company are ordinary (see note 19). The calculation of earnings / (losses) per share is based on the following earnings / (losses) per share attributable to the ordinary shareholders and the weighted average number of ordinary outstanding shares.

	GROUP	
	01/01 - 31/12/2021	01/01 - 31/12/2020
Profits / (losses) attributable to the owners of the Company	(34.725)	(358.658)

B. Weighted-average number of ordinary shares

	2021	2020
Issued ordinary shares at 1 January	20.578.374	20.578.374
Changes during the fiscal year	(162.758)	-
Weighted - average number of ordinary shares at 31st December	**20.537.917**	**20.578.374**

C. Earnings per share

	2021	2020
Profits / (losses) per share	(0,0017)	(0,0191)

Employee Benefits

10. Employee Benefits

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Net defined benefit liability	592.998	549.035	102.199	109.721
Total employee benefit liabilities	**592.998**	**549.035**	**102.199**	**109.721**

Social security contributions are included in other liabilities and are analyzed in note 21.

Salaries and personnel costs are detailed in note 11.

The balance of account employee benefits is formed from the Group's defined benefit plan that applies to employees in Greece. Obligations resulting from this program concern compensation of staff retirement arising from the provisions of Law 2112/20, as amended by Law 4093/12. According to the Greek legislation, establishing and funding is not provided in the form of contributions, specific fund (reserve) to cover the severance compensation laws 2112/20 and 3026/54, as amended by Law 4093/12, and for other related benefits. As a result, a special fund is not created, from which the settlement of the liability could be made. The compensation provided by the laws 2112/20 and 3026/54, as amended by Law 4093/12 are exclusively one-off indemnities which are given only in cases of normal retirement, redundancy and for those subject to Law 3026/54, in death and voluntary retirement under conditions.

The above program exposes the Group to actuarial risks, including the risk of longevity assumptions and discount rate assumptions.

The comparative amounts for the Group and the Company for the year 2020 have been restated due to the change in accounting policies for IAS 19. (note 38)

A. Movement in net defined benefit liability

The following table presents the reconciliation of the opening and closing of the reporting periods of the liabilities arising from the program:

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Balance at 1 January	**549.035**	**512.037**	**109.721**	**36.157**
Included in profit or loss				
Current service cost	75.937	71.440	9.896	3.940
Interest cost (income)	5.490	5.121	1.097	362
	81.427	**76.561**	**10.993**	**4.302**
Included in OCI				
Remeasurements loss (gain):				
- financial assumptions	0	1.069	0	1.069
- experience adjustment	(37.464)	(40.632)	(18.515)	68.193
Total amount included in OCI	**(37.464)**	**(39.563)**	**(18.515)**	**69.262**
	43.963	**36.998**	**(7.522)**	**73.564**
Balance at 31 December	**592.998**	**549.035**	**102.199**	**109.721**

B. Actuarial assumptions

The following were the principal actuarial assumptions at 31/12/2021 (expressed as weighted averages):

	31/12/2021	31/12/2020
Discount rate	1,0%	1,0%
Future salary growth	2,0%	2,0%
Rate of compensation increase	1,8%	1,8%

The weighted-average duration of the defined benefit obligation for the fiscal year 2021 was 7.3 years (2020: 7.9 years).

C. Sensitivity analysis

A reasonably possible change of 1% of the discount rate used in the valuation would result the following changes to the defined benefit obligation for the staff leaving indemnity.

	31/12/2021		31/12/2020	
Effect in euro	**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(45.621)	34.452	(39.162)	43.297
Future salary increase (1% movement)	33.598	(45.621)	42.414	(39.162)

	31/12/2021		31/12/2020	
Effect in euro	**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(11.551)	(3.234)	(6.011)	6.459
Future salary increase (1% movement)	(3.319)	(11.551)	6.329	(6.011)

11. Employee expenses

	GROUP		COMPANY	
	01/01 - 31/12/2021	**01/01 - 31/12/2020**	**01/01 - 31/12/2021**	**01/01 - 31/12/2020**
Wages & Salaries	9.917.393	9.333.438	427.735	441.338
Social security contributions	1.335.567	1.403.362	104.108	111.015
Other expenses for personnel	754.469	671.499	598	1.313
Expenses related to defined benefit plans & termination benefits	75.937	48.209	9.896	5.472
Total	**12.083.366**	**11.456.508**	**542.336**	**559.137**

The number of employees in the Group and the Company at 31/12/2021 amounted to 508 and 5 (31/12/2020: 517 and 6 respectively).

Income Taxes

12. Income Taxes

	GROUP		COMPANY	
	01/01 - 31/12/2021	01/01 - 31/12/2020	01/01 - 31/12/2021	01/01 - 31/12/2020
Current tax expense				
Current year income tax	(564.962)	(487.742)	0	(64.927)
Adjustment for prior years	(10.184)	(158.600)	0	(3.924)
	(575.147)	**(646.341)**	**0**	**(68.851)**
Deferred tax expense (income)				
Origination and reversal of temporary differences	205.672	181.333	(6.279)	(4.558)
Change in tax rate	(6.086)	0	(18.003)	0
Change in recognised deductible temporary differences	(58.035)	0	0	0
	141.551	**181.333**	**(24.283)**	**(4.558)**
Total	**(433.596)**	**(465.008)**	**(24.283)**	**(73.409)**

A. Reconciliation of effective tax rate

	GROUP				COMPANY			
	31/12/2021		31/12/2020		31/12/2021		31/12/2020	
EBT restated		**892.667**		**377.773**		**1.567.619**		**2.293.247**
Adjustment as a result of the change in accounting policies for IAS 19		**0**		**33.816**		**0**		**1.170**
EBT published		**892.667**		**411.589**		**1.567.619**		**2.294.417**
Tax using the Company's domestic tax rate	22%	(196.387)	24%	(98.781)	22%	(344.876)	24%	(550.099)
Effect of tax rates in foreign jurisdictions		238.154		104.064		0		0
Reduction in tax rate		(6.086)		0		(18.003)		0
Non-deductible expenses		(252.640)		(262.155)		(109.969)		(119.386)
Tax-exempt income		39.645		54.003		455.400		600.000
Tax incentives		0		14.399		0		0
Current-year losses for which no deferred tax asset is recognised		(183.969)		(125.174)		(3.020)		0
Change in recognised deductible temporary differences		(58.315)		(13.067)		0		0
Deferred tax related to Intangible assets		0		20.303		0		0
Changes in estimates related to prior years		(13.999)		(158.600)		(3.814)		(3.924)
		(433.596)		**(465.008)**		**(24.283)**		**(73.409)**

According to paragraph 120 of Law 4799/2021, Profits from business activity generated by legal entities and legal entities that keep double-entry books, with the exception of credit institutions, are taxed at a rate of 22% for income for the tax year 2021 and beyond. The corporate income tax rate in Greece was 24% for 2020.

B. Movement in deferred tax balances

	GROUP				COMPANY			
	31/12/2021		31/12/2020		31/12/2021		31/12/2020	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment	447.683	513.182	471.306	710.404	188.981	(7.016)	193.555	(2.366)
Intangible assets	0	353.424	0	376.457	0	6.304	0	7.963
Receivables	198.565	(24.280)	199.197	(19.740)	0	0	0	0
Other assets	59.204	486.106	59.416	493.962	0	0	0	0
Employee benefits	300.755	0	282.075	0	30.630	0	26.479	0
Other liabilities	0	642.931	0	668.055	0	24.051	0	0
Inventories	40.170	0	7.170	0	0	0	0	0

Contract assets	0	16.492	0	10.694	0	0	0	0
Tax loss carry forwards	165.000	0	238.315	0	0	0	0	0
Deferred tax assets / liabilities)	**1.211.378**	**1.987.853**	**1.257.480**	**2.239.833**	**219.611**	**23.339**	**220.034**	**5.597**
Set - off tax	(1.013.226)	(1.013.226)	(983.219)	(983.219)	(23.339)	(23.339)	(5.597)	(5.597)
Net deferred tax assets / liabilities	**198.152**	**974.627**	**274.260**	**1.256.613**	**196.273**	**0**	**214.437**	**0**

C. Unrecognised deferred tax assets

In 2021, deferred tax assets have been formed for the Group and amounted to € 165.000 against part of the tax losses of previous years to the extent that it is expected to generate sufficient future taxable profits.

These future deferred tax assets, which were not recognized as deferred tax assets, for the Group for year 2021 amounted to € 183.969.

D. Current deferred tax assets - liabilities

	GROUP		**COMPANY**	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Current income tax assets	387.051	256.491	184.361	176.402
Current income tax liabilities	(159.174)	(241.946)	(19.425)	(85.746)

Current tax assets of the Group presented in the Finacial Position amounted to € 387.051 (2020: € 256.491) mainly concern withholding taxes or prepaid income taxes, and respectively for the Company € 184.361 (2020: € 176.402).

Assets

13. Property, Plant and Equipment

A. Reconcilliation of carrying amount

	GROUP				
	Land and buildings	**Plant and equipment**	**Fixtures and fittings**	**Under construction**	**Total**
Cost					
Balace at 1 January 2020	**52.275.308**	**52.654.934**	**6.525.639**	**112.535**	**111.568.416**
Additions	102.087	729.083	92.041	207.501	1.130.712
Disposals	0	(16.593)	(676.864)	(213.759)	(907.216)
Reclassifications	17.232	(19.081)	1.849	0	(0)
Revaluation	661.984	0	0	0	661.984
Transfers	0	1.849	0	(1.849)	0
Effect of movements in exchange rates	(354.076)	(268.075)	(6.636)	(1.503)	(630.290)
Balance at 31 December 2020	**52.702.534**	**53.082.117**	**5.936.029**	**102.925**	**111.823.605**
Balance at 1 January 2021	**52.702.534**	**53.082.117**	**5.936.029**	**102.925**	**111.823.605**
Additions	45.878	833.885	141.953	103.976	1.125.692
Disposals	0	(194.084)	(12.824)	(2.220)	(209.127)
Acquisitions through business combinations	0	296	0	0	296
Effect of movements in exchange rates	(298.477)	(214.866)	(2.875)	(1.139)	(517.357)
Balance at 31 December 2021	**52.449.935**	**53.507.348**	**6.062.283**	**203.543**	**112.223.109**
Accumulated depreciation and impairment losses					
Balance at 1 January 2020	**20.510.330**	**39.446.543**	**6.009.416**	**0**	**65.966.290**
Depreciation	524.164	2.282.805	144.394	0	2.951.362
Disposals	0	(4.636)	(676.864)	0	(681.500)
Reclassifications	10.248	(10.248)	0	0	0
Effect of movements in exchange rates	(37.545)	(173.106)	(4.315)	0	(214.966)
Balance at 31 December 2020	**21.007.197**	**41.541.358**	**5.472.631**	**0**	**68.021.186**
Balance at 1 January 2021	**21.007.197**	**41.541.358**	**5.472.631**	**0**	**68.021.186**
Depreciation	646.913	2.235.619	143.547	0	3.026.079
Acquisitions through business combinations	0	60	0	0	60
Disposals	0	(132.984)	(11.690)	0	(144.674)
Effect of movements in exchange rates	(34.833)	(148.598)	(2.030)	0	(185.462)
Balance at 31 December 2021	**21.619.277**	**43.495.454**	**5.602.458**	**0**	**70.717.188**
Carrying amounts					
Balance at 31 December 2020	**31.695.337**	**11.540.759**	**463.398**	**102.925**	**43.802.419**
Balance at 31 December 2021	**30.830.658**	**10.011.894**	**459.826**	**203.543**	**41.505.920**

	Land and buildings	**Plant and equipment**	**Fixtures and fittings**	**Total**
Cost				
Balance at 1 January 2020	**225.196**	**33.268**	**249.614**	**508.078**
Additions	0	28.429	0	28.429
Revaluation	(5.000)	0	0	(5.000)
Balance at 31 December 2020	**220.196**	**61.697**	**249.614**	**531.507**
Balance at 1 January 2021	**220.196**	**61.697**	**249.614**	**531.507**
Additions		48.683	1.200	49.883
Balance at 31 December 2021	**220.196**	**110.380**	**250.814**	**581.390**
Accumulated depreciation and impairment losses				
Balance at 1 January 2020	**183.478**	**10.198**	**248.333**	**442.008**
Depreciation	228	15.410	282	15.920
Balance at 31 December 2020	**183.706**	**25.608**	**248.615**	**457.928**
Balance at 1 January 2021	**183.706**	**25.608**	**248.615**	**457.928**

Depreciation	228	22.596	217	23.041
Balance at 31 December 2021	**183.934**	**48.204**	**248.832**	**480.969**
Carrying amounts				
Balance at 31 December 2020	**36.490**	**36.089**	**999**	**73.578**
Balance at 31 December 2021	**36.262**	**62.176**	**1.983**	**100.421**

B. Measurement of fair value

i. Fair value hierarchy

The fair value of land and buildings is determined by external independent valuers, who have recognized professional qualifications and recent experience in the location and category of property assessed. The independent appraisers provide or estimate the fair value of the Group's property. The frequency of revaluations depends upon the changes in the estimated fair value of properties in relation to the accounting. When the change is material is carried further adjustment.

Based on data taken into account in the valuation technique, the measurement of fair value for these properties is at Level 2 (see note 4(v)).

For the remaining fixed assets valued at cost less accumulated depreciation and accumulated impairment losses, there was no indication of impairment.

ii. Valuation technique and significant unobservable inputs

Land and buildings used for production in Greece

During fiscal year 2021, were not identified indicators that significant changes have occurred in the Fair Value of lands and buildings, therefore the latest revaluation study, which was carried out with a reference date of 31 December 2020 by an independent valuer, was used as a point of reference for the estimation of the fair value of these tangible assets. The study was based on market indications on similar properties, incorporating adjustments for factors specific to the property for revaluation, such as size of land and buildings, use, location and any encumbrances. The valuation basis for calculation depends on observable transactions for similar properties. The main input factors for the valuation are the fair value of land per square meter which was appraised at € 179 on average and the replacement cost per square meter which was appraised at € 309 on average.

Land and buildings used for production in Romania

For the valuation of the Group's properties in Romania the valuation technique used was the same as the one used and described for the properties in Greece. During fiscal year 2021, were not identified indicators that significant changes have occurred in the Fair Value of lands and buildings, therefore, the latest revaluation study, which was carried out with a reference date of 31 December 2020, was used as a point of reference. The main input factors for the valuation are the fair value of land per square meter which was appraised at € 145 on average and the replacement cost per square meter which was appraised at € 400 on average.The Group considers that the values presented above have not changed substantially up to the date of publication of the presented financial statements.

C. Leased machinery

The Group leases machinery in Greece and Romania with a value of € 2.197.596 (2020: € 3.201.305). The value of the leased equipment is a guarantee of the relevant leasing liabilities.

D. Assets with rights of use

The Group leases assets with the right of use (mainly means of transport) in Greece and Romania. Their value amounts to € 584.963 at 31/12/2021 and is a guarantee of the relevant leasing liabilities.

E. Guarantees

There are no encumbrances on the fixed assets of the Group companies as well as the parent Company.

14. Intangible assets and goodwill

A. Reconcialiation of carrying amount

			GROUP		
	Goodwill	**Software, Patents, licenses**	**Development costs**	**Customer Relationship**	**Total**
Cost					
Balance at 1 January 2020	**7.211.515**	**15.653.784**	**1.413.450**	**5.503.561**	**29.782.310**
Additions	0	450.647	0	0	**450.647**
Acquisitions - internally developed	0	187.717	247.595	0	**435.312**
Disposals	0	(2.306.580)	0	0	**(2.306.580)**
Effect of movements in exchange rates	(4.333)	(36.393)	(3.381)	(49.402)	**(93.509)**

Balance at 31 December 2020	**7.207.181**	**13.949.175**	**1.657.664**	**5.454.159**	**28.268.180**
Balance at 1 January 2021	**7.207.181**	**13.949.175**	**1.657.664**	**5.454.159**	**28.268.180**
Additions	0	1.269.370	0	(0)	**1.269.370**
Acquisitions through business combinations	841.803	271.000	0	107.856	**1.220.658**
Acquisitions - internally developed	0	274.835	140.448	0	**415.284**
Effect of movements in exchange rates	(3.656)	(34.259)	(4.384)	(41.679)	**(83.977)**
Balance at 31 December 2021	**8.045.329**	**15.730.121**	**1.793.728**	**5.520.336**	**31.089.514**
Accumulated amortisation and impairment losses					
Balance at 1 January 2020	**4.017.437**	**13.815.689**	**840.421**	**88.996**	**18.762.543**
Depreciation	0	614.783	209.816	398.995	**1.223.595**
Disposals	0	(2.306.580)	0	0	**(2.306.580)**
Effect of movements in exchange rates	0	(32.903)	(561)	(2.813)	**(36.278)**
Balance at 31 December 2020	**4.017.437**	**12.090.989**	**1.049.677**	**485.178**	**17.643.281**
Balance at 1 January 2021	**4.017.437**	**12.090.989**	**1.049.677**	**485.178**	**17.643.281**
Depreciation	0	779.340	222.559	404.257	**1.406.156**
Acquisitions through business combinations	0	93.733	0	0	**93.733**
Effect of movements in exchange rates	0	(30.299)	(1.306)	(5.136)	**(36.741)**
Balance at 31 December 2021	**4.017.437**	**12.933.762**	**1.270.930**	**884.300**	**19.106.428**
Carrying amounts					
Balance at 31 December 2020	**3.189.744**	**1.858.186**	**607.988**	**4.968.981**	**10.624.899**
Balance at 31 December 2021	**4.027.891**	**2.796.359**	**522.799**	**4.636.037**	**11.983.086**

COMPANY

	Software, Patents, licenses	**Total**
Cost		
Balance at 1 January 2020	**1.291.284**	**1.291.284**
Additions	11.500	**11.500**
Balance at 31 December 2020	**1.302.784**	**1.302.784**
Balance at 1 January 2021	**1.302.784**	**1.302.784**
Additions	1.462	**1.462**
Balance at 31 December 2021	**1.304.246**	**1.304.246**
Accumulated amortisation and impairment losses		
Balance at 1 January 2020	**1.152.946**	**1.152.946**
Depreciation	37.301	**37.301**
Balance at 31 December 2020	**1.190.247**	**1.190.247**
Balance at 1 January 2021	**1.190.247**	**1.190.247**
Depreciation	33.116	**33.116**
Balance at 31 December 2021	**1.223.363**	**1.223.363**
Carrying amounts		
Balance at 31 December 2020	**112.538**	**112.538**
Balance at 31 December 2021	**80.883**	**80.883**

B. Acquisition of subsidiary CLOUDFIN LTD

In the current year 2021 and specifically in February 2021, INFORM acquired the ownership and control of the Cypriot company CLOUDFIN LTD with a stake of 56.5% of the share capital (see note 26). The purchase price of 56.5% of CLOUDFIN LTD shares amounted to 1 million euros. During the merger of the said company, in the context of the application of the acquisition method (par. 4-7 of IFRS 3), the acquired identifiable assets were measured, as well as the liabilities and goodwill arose in the total amount of € 841,803 regarding the acquisition cost of the company which exceeded the value of the Group's participation in the measured fair values of the identifiable assets, liabilities and contingent liabilities of the acquired companies. Among the acquired assets, the Group also recognized customer relationships totaling € 107.856.
The elements taken into account in order to document that this asset meets the conditions for the recognition of the intangible asset (in accordance with paragraphs 11-13 and B31-B33 of IFRS 3) were the following:

(a) The transferred clientele of existing and potential customers. For the existing clientele, there were mainly relevant written and signed contracts in force.

(b) Lots of information related to customers such as history, geographical distribution, pricing data, discount - refund - commission policy, geographical distribution, estimated future sales and contract renewals, etc.

Note that the measurement of customer relationships was based on the fair value recognized by the income approach (income approach, in the particular multi-period excess earnings method). After initial recognition, the Group measures the above assets at cost less any accumulated depreciation and any impairment losses. The useful life of these customer relationships is set at 12 years.

Details regarding the net assets and liabilities acquired from the Group at 31/01/2021 and the customer contracts, goodwill recognized from the acquisition are presented below:

	Book Value 31/01/2021
Property, plant and equipment	217
Intangible assets	177.286
Trade receivables	43.468
Cash and cash equivalents	10.843
Current income tax liabilities	(1.302)
Trade payables	(6.832)
Other payables	(6.625)
Contract liabilities	(74.004)
Net Assets and Liabilities	**143.050**
Net Assets and Liabilities attributable to Group	**80.823**

Customer contracts	**107.856**
minus	
Deffered tax liabilities	(13.482)
Total Net Assets	**94.374**
Consideration of investments acquired	1.017.000
Goodwill	**841.803**

C. Amortisation

Intangible assets of the Group (excluding goodwill) have a limited useful life which is reviewed at least annually. This examination showed no significant change in the expected pattern of future economic benefits embodied in those assets.

Amortisation of software licenses charged to all functions (production, administration, distribution and research and development), while amortisation of capitalized development costs incurred in research and development function.

D. Impairment tests

In year 2021, there was no need to test impairment of intangible assets (software licenses, capitalized development costs and customer relationships), whose useful life is determined.

Following the relevant accounting policy, impairment tests in cash-generating units (CGU) that integrate acquisition goodwill and acquired in previous years were performed. These impairment tests did not indicate any need for impairment of these CGUs. Specifically, impairment tests were carried out for the production unit of printed information products in INFORM LYKOS S.A. ROMANIA, for NEXT DOCS and for INFORM ALBANIA Sh.p.k. and to which the following goodwill has been allocated:

Goodwill allocation	
Production unit of printed information products in Romania (INFORM LYKOS S.A.- ROMANIA)	2.233.467
Production unit of printed information products in Albania (INFORM ALBANIA Sh.p.k)	89.339
Goodwill arising from the acquisition of NEXT DOCS in Romania	873.457
Effect of movements in exchange rates	(6.519)
Goodwill arising from acquisitions of previous years	**3.189.744**
Goodwill arising from the acquisition of CLOUDFIN L.T.D in Cyprus	841.803
Effect of movements in exchange rates	(3.656)
Goodwill Total	**4.027.891**

Production unit of printed information products of INFORM LYKOS S.A.- ROMANIA

The goodwill allocated to this unit amounts to € 2.233.467 (2020: € 2.233.467). This goodwill arose during the acquisition of the Romanian subsidiary INFORM LYKOS S.A. - ROMANIA.

The recoverable amount of the unit was determined based on the calculations of the use value of the unit, as it results from an estimate of the future cash inflows and outflows arising from the continued use of the CGU and its final disposal. The estimated value also reflects the time value of money, represented by the current interest rate (free of market risk) and the cost of dealing with the uncertainty inherent in the CGU.

The key assumptions used to estimate the recoverable amount are presented in the following table. The values attributed to key assumptions represent management's estimate of future trends in similar enterprises and are based on historical data from external and internal sources.

	2021	**2020**
Discount rate	9,6%	8,2%
Residual value growth rate	1,5%	1,5%
EBITDA growth rate forecast (5-year average)	0,7%	0,2%

The discount rate is an estimate free of tax effects and based on the historical weighted average cost of capital of the unit to which the unit belongs.

Cash flow forecasts contain specific estimates for five years and an estimated growth rate in perpetuity for the following years. This growth rate in perpetuity was determined on the basis of management's estimate of the long-term compound annual growth rate of EBITDA which is reasonable based on market conditions.

Management's core assumptions include consistent profit margins based on past experience. The management of the Group considers that it is the best available information for the market forecast. Cash flow projections reflect profit margins based on historical period data. Prices and wages reflect the available inflation forecasts for the location of the unit.

Management has determined that a reasonably probable change in two key assumptions could result in such a change in the estimated recoverable amount of the two units that it becomes less than its carrying amount. These changes are as follows:

Sensitivity analysis	**Change required to equal the recoverable amount to the carrying amount of the unit**	
(percentage)	**2021**	**2020**
Discount rate	4,7	4
EBITDA growth rate forecast	(4,6)	(6,8)

Unit of document management services of NEXT DOCS

The goodwill allocated to this unit amounts to a total of € 873.457 (2020: € 873.457). This goodwill arose during the acquisition through the Romanian subsidiary of the company INFORM LYKOS S.A.-ROMANIA, owned and controlled by two new subsidiaries NEXT DOCS ECM EXPERT S.R.L. and NEXT DOCS CONFIDENTIAL S.R.L.

The recoverable amount of the unit was determined based on the calculations of the use value of the unit, as it results from an estimate of the future cash inflows and outflows arising from the continued use of the CGU and its final disposal. The estimated value also reflects the time value of money, represented by the current interest rate (free of market risk) and the cost of dealing with the uncertainty inherent in the CGU.

The key assumptions used to estimate the recoverable amount are presented in the following table. The values attributed to key assumptions represent management's estimate of future trends in similar enterprises and are based on historical data from external and internal sources.

NEXT DOCS ECM EXPERT S.R.L	**2021**	**2020**
Discount rate	8,3%	7,4%
Residual value growth rate	1.5%	1.5%
EBITDA growth rate forecast (5-year average)	-4,8%	5,9%

NEXT DOCS CONFIDENTIAL S.R.L	**2021**	**2020**
Discount rate	7,9%	7,4%
Residual value growth rate	1.5%	1.5%
EBITDA growth rate forecast (5-year average)	12,2%	6,7%

The discount rate is an estimate free of tax effects and based on the historical weighted average cost of capital of the unit to which the unit belongs.

Cash flow forecasts contain specific estimates for five years and an estimated growth rate in perpetuity for the following years. This growth rate in perpetuity was determined on the basis of management's estimate of the long-term compound annual growth rate of EBITDA which is reasonable based on market conditions.

Management's core assumptions include consistent profit margins based on past experience. The management of the Group considers that it is the best available information for the market forecast. Cash flow projections reflect profit margins based on historical period data. Prices and wages reflect the available inflation forecasts for the location of the unit.

Management has determined that a reasonably probable change in two key assumptions could result in such a change in the estimated recoverable amount of the two units that it becomes less than its carrying amount. These changes are as follows:

Sensitivity analysis NEXT DOCS ECM EXPERT S.R.L.	**Change required to equal the recoverable amount to the carrying amount of the unit**	
(percentage)	**2021**	**2020**
Discount rate	40,0	17,1
EBITDA growth rate forecast (5-year average)	-21,5	-15,0

Sensitivity analysis NEXT DOCS CONFIDENTIAL S.R.L.	**Change required to equal the recoverable amount to the carrying amount of the unit**	
(percentage)	**2021**	**2020**
Discount rate	5,3	2,6
EBITDA growth rate forecast (5-year average)	-17,3	-8,8

Production unit of printed information products in Albania (INFORM ALBANIA Sh.p.k)

In accordance with the above principles followed by the Group during the audit of any impairment of goodwill of units in Romania, it also examined the impairment of goodwill allocated to the unit in Albania amounting to 31/12/2021 € 89.339 (2020: 89.339).

The key assumptions are as follows:

	2021	**2020**
Discount rate	9,1%	8,4%
Residual value growth rate	1.5%	1.5%
EBITDA growth rate forecast (5-year average)	-6,0%	4,0%

The sensitivity analysis is as follows:

Sensitivity analysis *(percentage)*	**Change required to equal the recoverable amount to the carrying amount of the unit** 2021	2020
Discount rate	1,1	4,6
EBITDA growth rate forecast	-7,1	-4,7

E. Development Costs

Development costs are mainly staff payroll costs employed in software development tools that the Group uses to generate economic benefits, either providing services, or by incorporating the technical skills of software used by the Group to produce goods and services.

15. Inventory

	GROUP		COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Raw materials and consumables	3.863.342	3.830.345	0	0
Finished and semi-finished goods	76.060	203.654	0	0
Merchandise	552.923	532.322	0	0
Prepayments for inventory purchase	491.123	383.287	0	0
Total	**4.983.449**	**4.949.608**	**0**	**0**

In 2021, inventories of the Group amounts of € 20.467.188 (2020: € 20.651.233) were recognized as cost during the period and were included in "Cost of Sales" of the Group (see relevant note 7(B)).

During 2021, part of the Group's reserves was recorded at a net liquidation value lower than the cost of their acquisition or production, and consequently the results (other expenses) were charged in the amount of € 150.000 (2020: € 75.374).

16. Trade and other receivables

	GROUP		COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Trade receivables to third parties	13.806.887	12.851.612	0	0
Minus: Impairment of uncollected receivables	(1.240.023)	(1.194.714)	0	0
Total trade receivables	**12.566.864**	**11.656.898**	**0**	**0**
Receivables due from related parties	1.039.029	535.254	1.364.759	1.208.667
Receivables due from related parties	**1.039.029**	**535.254**	**1.364.759**	**1.208.667**
Debtors-Prepayments to creditors	130.677	94.829	0	0
Personnel prepayments and loans	93.373	84.502	0	581
VAT and other Tax related receivables	136.983	29.105	0	0
Deferred expenses	675.063	326.530	3.583	2.508
Other non-financial receivables and assets	67.762	40.519	0	0
Other receivables - non financial instruments	*1.103.858*	*575.486*	*3.583*	*3.089*
Accruals	187.507	141.130	0	0
Securities at fair value through profit & loss	248.228	0	248.228	0
FI - Other, other receivables	32.056	111.674	0	0
Other receivables - financial instruments	*467.791*	*252.804*	*248.228*	*0*
Other receivables	**1.571.650**	**828.290**	**251.811**	**3.089**
Total	**15.177.543**	**13.020.442**	**1.616.571**	**1.211.756**
Non-current	28.131	27.741	0	0
Current	15.149.411	12.992.701	1.616.571	1.211.756
	15.177.543	**13.020.442**	**1.616.571**	**1.211.756**

Information in relation to exposure to credit risk is included in note 25.

A. Transfer of trade receivables

The companies of the Group have concluded contracts with factoring companies **without recourse**, according to law 1905/90 as in force. During the fiscal year 2021, the amount of trade receivables assigned to the above factoring companies amounted to € 18.7 million and from this amount the company received a net amount of € 18.6 million. The uncollected amount was € 3.9 million as reflected in the accounts of the factoring companies.

17. Cash and cash equivelants

	GROUP		COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Cash at hand	7.600	30.626	2.673	23.849
Short term bank balances	1.534.020	5.009.119	147.007	710.734
Total	**1.541.620**	**5.039.745**	**149.681**	**734.583**

The Group does not hold deposits pledged to secure any obligation.

Equity and liabilities

18. Capital and reserves

A. Share capital and share premium

The Company's share capital is freely traded on the Athens Stock Exchange and in the sector of Industrial Goods & Services / Business Support Services.

The share capital consists exclusively of ordinary shares, fully paid up. In the Company's shares are not included shares with revoke right or preference shares. Moreover, the Company has not issued any bonds or other securities convertible into shares.

The share premium of the Group and the Company comes from previous issuing of shares for cash at a value higher than their nominal value.

The share capital and share premium of the Group and the Company as at December 31, 2021 were as follows:

	Value in Euro			
Number of shares	**Price/ share**	**Share capital**	**Share premium**	**Total**
20.578.374	**0,62**	**12.758.592**	**9.436.797**	**22.195.388**

B. Nature and purpose of reserves

The reserves of the Group and the Company are analyzed as follows:

	GROUP	
Reserves	**31/12/2021**	**31/12/2020**
Translation reserve	(3.091.962)	(2.815.570)
Revaluation reserve	15.428.306	16.446.306
Own shares reserve	447.000	0
IAS 19 reserve	(156.651)	(185.861)
Total	**12.626.693**	**13.444.876**

	COMPANY	
Reserves	**31/12/2021**	**31/12/2020**
IAS 19 reserve	(39.735)	(54.177)
Other reserve	13.521.144	13.074.144
Total	**13.481.409**	**13.019.968**

The revaluation reserve relates to prior years' revaluation surpluses of the value of the Group's properties at fair value. During the year 2021, part of this reserve amount of € 1.0 million, which corresponds to the depreciated value of buildings, was transferred to the profits in new.

Other reserves of the Company constitute reserves which formed from its realized profits according to the regulations of trade and tax legislation and analyzed as following:

i. Statutory reserve amount € 4.261.895

The statutory reserve is formed under the provisions of Greek Law (4548/2018) in which an amount at least equal to 5% of the profit (after tax) must be transferred to the reserve until it reaches one third of the paid share capital. The statutory reserve is used exclusively to cover losses before each dividend distribution.

ii. Spin-off reserve € 8.803.845

The above reserve was formed due to the spin-off of company's sector and can be used exclusively in accordance with the tax provisions of the Law 4172/2013 and the provisions of commercial Law 4548/2018. An extensive report on the subject is presented in the Information Memorandum of the Group published at 12/11/2019 (www.informlykos.com).

iii. Acquisition of own shares reserve amount € 447.000

The General Meeting of 18/06/2021 approved the free distribution of three hundred thousand (300,000) treasury shares to senior management staff of the Company as an incentive to achieve specific goals set by the decision of the Board of Directors dated in 08/01/2021. Following the certification by the Board of Directors of the achievement of The General Meeting of 18/06/2021 approved the free distribution of three hundred thousand (300,000) treasury shares to senior management staff of the Company as an incentive to achieve specific goals set by the decision of the Board of Directors dated in 08/01/2021. Following the certification by the Board of Directors of the achievement of these objectives, in the context of the implementation of the above decision, the acquisition of its own shares by the Company is in progress.

Free Distribution of Shares	
Number of owned shares released	300.000
Price per share	1,49
Exercise Period	01/01/2021 - 30/06/2021
Beneficiaries	1
Fair Value	447.000
Amount recognized in the income statement 2021	**447.000**
Cumulative amount recognized in Equity (reserves) on 31/12/2021	**447.000**

C. Dividends

According to the relevant proposal of the Board of Directors of the Company, the Ordinary General Meeting of the fiscal year 2021 that took place on 18/06/2021 decided to distribute dividend € 0,04 (after tax € 0,038) per share for the fiscal year 2020 for a total of € 823.134,96 before withholding tax. This amount was paid in full in December of the fiscal year 2021.

The Board of Directors of the Company on August 31, 2021 decided to distribute interim dividend for the FY 2021 based on the interim financial statements of the period 01/01/2021 - 30/06/2021. The interim dividend amounted to € 926.026,83 before withholding tax, corresponding to an amount of € 0,045 (after taxes € 0,043) per share. This amount was paid in full in December of the fiscal year 2021.

The Board of Directors of the Company intends to propose to the 40th Ordinary General Meeting of Shareholders, the distribution of dividend.

19. Capital management

The Group's policy is to maintain a strong capital base so as to maintain a high level of confidence of shareholders, creditors and the market, as well as to sustain future development of the business. Management monitors the return on capital and aims at a medium-term performance of dividends to shareholders.

The Board of Directors tries to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital base.

Consistent with others practices in the industry, the Group monitors capital using a leverage ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as "Total debt" (including "current and non-current borrowings" as shown in the Statement of Financial Position) minus" Cash and cash equivalents". Total capital employed is calculated as 'equity' as shown in the statement of financial position plus net debt.

The leverage ratios of 31/12/2021 and 31/12/2020 were as follows:

	GROUP	
	31/12/2021	**31/12/2020**
Total loan liabilities	23.197.461	23.639.352
Minus: Cash and cash equivalents	(1.541.620)	(5.039.745)
Adjusted net debt	**21.655.841**	**18.599.607**
Total equity	**35.039.957**	**37.869.655**
Adjusted net debt to adjusted equity ratio	**0,38**	**0,33**

20. Loans and borrowings

	GROUP		**COMPANY**	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Non-current liabilities				
Secured bank loans	2.867.122	3.658.993	0	0
Unsecured bank loans	2.000.000	3.300.000	0	0
Bonds	9.987.500	8.062.500	800.000	0
Finance lease liabilities	1.438.474	2.541.003	43.608	23.332
Total	**16.293.096**	**17.562.496**	**843.608**	**23.332**
Current liabilities				

Secured bank loans	4.285.281	1.399.743	0	0
Unsecured bank loans	0	2.022.404	0	0
Bonds	1.275.000	1.437.500	100.000	0
Finance lease liabilities	1.344.084	1.217.209	20.160	13.642
Total	**6.904.365**	**6.076.856**	**120.160**	**13.642**
Loans liabilities	**23.197.461**	**23.639.352**	**963.767**	**36.974**

	Secured bank loans	Unsecured bank loans	Bonds	Finance lease liabilities	Total
Balance 31/12/2020	**5.058.737**	**5.322.404**	**9.500.000**	**3.758.212**	**23.639.352**
Movements:					
Repayment of loans and borrowings	0	(1.022.399)	(1.437.500)	(1.242.786)	**(3.702.685)**
Proceeds from loans and borrowings	2.082.713	0	900.000	0	**2.982.713**
Reclassifications	0	(2.300.000)	2.300.000	0	**0**
Finance lease liabilities	0	0	0	273.747	**273.747**
Others	10.953	(5)	0	(6.614)	**4.333**
Total:	**2.093.666**	**(3.322.404)**	**1.762.500**	**(975.653)**	**(441.891)**
Balance 31/12/2021	**7.152.402**	**2.000.000**	**11.262.500**	**2.782.558**	**23.197.461**

The movement in the loan liabilities of the company concerns receipts from a bond loan of € 0.9 million.

As of December 31, 2021, all contractual terms stipulated in the loan agreements are met.

A. Terms and maturity

The terms and conditions of Group's loans at 31/12/2021 are as follows:

Lender/Bank	Currency	Nominal interest rate	Year of maturity	Pledge type	Carrying amount
Secured bank loans					**7.152.402**
	EUR	Robor 3m + 3%	2022	Pledge on receivables	2.545.194
	EUR	Euribor 3m + 2,9% - 3%	2024	Pledge on receivables	4.607.208
Unsecured bank loans					**2.000.000**
	EUR	Euribor 3m+3,85%	2023	-	2.000.000
Bonds					**11.262.500**
	EUR	Euribor 6m+3,6%	2023		2.300.000
	EUR	Euribor 6m+2,5%	2025		3.062.500
	EUR	Euribor 6m+3,2%	2025	Shares	900.000
	EUR	Euribor 3m+3,3%	2027		5.000.000
Finance lease liabilities					**2.782.559**
	EUR	6,0%	2022	Pledge on leased	156.105
	EUR	4% - 5%	2023	Pledge on leased	756.407
	EUR	1,5%	2024	Pledge on leased	455.755
	EUR	1Y Euribor + 3,5% > 3,99%	2024	Pledge on leased	12.197
	EUR	4,5%	2025	Pledge on leased	61.086

	EUR	1,8 - 5,2%	2026	Pledge on leased	756.046
	EUR	1,8%	2026	Pledge on leased	0
IFRS 16			Less than 1 year		223.800
			More than 1 year		361.162
					23.197.461

To cover the Group's loans, there are collateral on receivables, pledges for the equipment, as well as pledges on the shares of the subsidiary CLOUDFIN LTD worth € 0.9 million.

B. Finance lease liabilities

Finance lease liabilities are payable as follows:

	GROUP					
	Future minimum lease payments 2021	**Interest 2021**	**Present value of minimum lease payments 2021**	**Future minimum lease payments 2020**	**Interest 2020**	**Present value of minimum lease payments 2020**
Less than one year	1.441.896	97.812	1.344.084	1.330.211	113.002	1.217.209
Between one and five years	1.537.802	99.327	1.438.475	2.709.343	168.340	2.541.003
More than five years	0	0	0	0	0	0
	2.979.697	**197.139**	**2.782.558**	**4.039.554**	**281.342**	**3.758.212**

	COMPANY					
	Future minimum lease payments 2021	**Interest 2021**	**Present value of minimum lease payments 2021**	**Future minimum lease payments 2020**	**Interest 2020**	**Present value of minimum lease payments 2020**
Less than one year	22.234	2.074	20.160	14.785	1.143	13.642
Between one and five years	46.036	2.428	43.608	24.553	1.221	23.332
More than five years	0	0	0	0	0	0
	68.270	**4.503**	**63.767**	**39.338**	**2.364**	**36.974**

21. Trade and other payables

	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Trade payables to third parties	12.489.008	11.630.725	70.763	59.923
Accrued expenses	216.440	660.460	0	0
Trade payables	**12.705.448**	**12.291.185**	**70.763**	**59.923**
Liabilities due to related parties	1.963.377	361.496	0	216.530
Liabilities to related parties	**1.963.377**	**361.496**	**0**	**216.530**
Social security	437.315	410.212	34.257	25.615
Wages and salaries payable	191.584	159.169	0	0
Accruals - personnel related (holidays, overtime, bonus etc.)	78.267	106.187	0	0
VAT payable and other taxes	877.143	683.355	59.223	43.316
Other payables	95.508	38.963	85.236	38.976
Other payables - non financial instruments	***1.679.816***	***1.397.886***	***178.715***	***107.906***
Dividends payable	32.129	47.358	11.841	23.631
Accruals	324.174	221.999	0	0
Other payables	8.168	87.262	0	0
Other payables - financial instruments	***364.472***	***356.619***	***11.841***	***23.631***
Other payables	**2.044.288**	**1.754.505**	**190.557**	**131.538**
Total	**16.713.112**	**14.407.185**	**261.320**	**407.991**
Non-current	14.108	16.883	14.108	16.883
Current	16.699.005	14.390.302	247.212	391.108
	16.713.112	**14.407.185**	**261.320**	**407.991**

Information about the Group's exposure to currency and liquidity risk is included in note 25.

22. Contract assets

	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Contract assets	1.437.287	1.275.001	0	0
Total	**1.437.287**	**1.275.001**	**0**	**0**

In application of IFRS 15, the total contract assets of the Group amounting to € 1.437.287 represent uninvoiced amounts related to contracts of production of products, which are classified as products without alternative use (custom-made), as they are designed specifically for the customer such as personalized bank cards, bank account statements, telecommunication statements, personalized security forms and other similar products, as presented below:

	31/12/2021	31/12/2020
Personalised security forms	843.683	911.955
Personalised statements	398.683	290.935
Personalised cards	25.545	72.111
Cloudfin Services	169.376	0
	1.437.287	**1.275.001**

23. Contract liabilities

	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Contract liabilities	536.777	493.241	0	0
Total	**536.777**	**493.241**	**0**	**0**

The above contract liabilities concern advances of contracts with customers.

24. Provisions

	GROUP	
	Litigations costs	**Total**
Balance at 1 January 2021	**785.838**	**785.838**
Provisions	(773.340)	**(773.340)**
Exchange rate differences	(12.499)	**(12.499)**
Balance at 31 December 2021	**0**	**0**

	GROUP	
	Litigations costs	**Total**
Balance at 1 January 2020	**285.948**	**285.948**
Provisions	505.182	**505.182**
Exchange rate differences	(5.291)	**(5.291)**
Balance at 31 December 2020	**785.838**	**785.838**

In 2021 provision of € 785.838 were used based on the final court decision for the fine imposed by the Competition Council of Romania. The fine was imposed in 2016 on the subsidiary of the Inform Lykos S.A. based in Romania.

Financial instruments

25. Financial instruments – Fair values and risk management

A. Accounting classification and fair value

The following table shows the carrying amounts of the financial instruments of the Group. The specific financial assets and liabilities are not measured at fair value:

31/12/2021	GROUP Carrying amount Financial assets measured at amortised cost	Financial assets measured at amortised cost	Total
Financial assets not measured at fair values			
Trade and other receivables	14.073.684	0	**14.073.684**
Cash and cash equivalents	1.541.620	0	**1.541.620**
	15.615.304	**0**	**15.615.304**
Financial liabilities not measured at fair values			
Bank loans	0	20.414.902	**20.414.902**
Finance lease liabilities	0	2.782.558	**2.782.558**
Trade payables	0	15.019.411	**15.019.411**
	0	**38.216.872**	**38.216.872**

31/12/2020	Carrying amount Financial assets measured at amortised cost	Financial assets measured at amortised cost	Total
Financial assets not measured at fair values			
Trade and other receivables	12.444.956	0	12.444.956
Cash and cash equivalents	5.039.745	0	**5.039.745**
	17.484.702	**0**	**17.484.702**
Financial liabilities not measured at fair values			
Bank loans	0	19.881.140	**19.881.140**
Finance lease liabilities	0	3.758.212	**3.758.212**
Trade payables	0	13.009.300	**13.009.300**
	0	**36.648.652**	**36.648.652**

B. Risk management

The Group has exposure to various risks arising from financial instruments. Financial assets and financial liabilities of the Group by category are summarized in note 26 (A). The main types of these risks are the following:

- Credit Risk
- Liquidity Risk
- Market Risk

i. Risk management framework

Risk management is coordinated at group level, in close cooperation with the Board of Directors and is focused primarily on actively ensuring short and medium-term cash inflows by minimizing exposure to volatile financial markets.

The Group does not actively participate in the purchase or sale of financial instruments for profit. The major risks to which the Group is exposed are described below.

ii. Credit risk

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. Further details of revenue collection are included in note 5.

Trade receivables

In managing credit risk, the Board of Directors formulates the procedures and policies necessary for the effective prevention and management of credit risk.

The Board of Directors, in collaboration mainly with General, Finance and Commercial Division:
- Establish and apply credit control procedures in order to minimize credit risk and immediately covering claims with promissory notes.
- Assess the needs of the Group's equity for credit risk.
- Carry out the separation of assets and other exposure requirements overdue and doubtful debts (impaired).
- Check the requirements, either individually or by group, and incorporates this information to the controls of credit control.
- Determine the amounts of required impairments for doubtful debts.
- Identify policies and valuation procedures and management processes of any collaterals.
- Analyze the various categories of exposures based on their residual maturity.
- Evaluate the collateral provided for the Group.
- Check the integrity, reliability and accuracy of the data sources used and the procedure of such date version.
- Evaluate in cooperation with the Commercial Division, the creditworthiness of the counterparties clients.

To reduce credit risk, are taken into account the creditworthiness of the counterparty, the risk of the country and the economy of the area in which it operates, as well as qualitative and quantitative characteristics.

It is noted, that sales related to the vast majority and wholesale sales to customers with credit history and with great dispersion in their balances. The Group's policy is to work only with reputable clients.

Finally, the Group applies the simplified approach for customer receivables and contract assets for the calculation of expected credit losses. Therefore, in every reference date, the Group measures the provision for a financial instrument for an amount equal to the expected credit losses over the lifetime. For determining the expected credit losses, a chronological analysis and percentages table is applied using historical data and reasonable assumptions.

At 31 December 2021, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

Trade receivables per country	Gross amount 2021	Expected credit loss allowance (ECL)	Credit impaired	Total allowance	Net amount 2021
Romania	8.770.602	(7.296)	(265.950)	(273.245)	8.497.357
Greece	4.253.357	(396.267)	(559.773)	(956.040)	3.297.318
Austria	541.746	0	(10.738)	(10.738)	531.008
Morocco	92.905	0	0	0	92.905
Albania	59.407	0	0	0	59.407
Hungary	32.466	0	0	0	32.466
Bulgaria	21.288	0	0	0	21.288
France	19.801	0	0	0	19.801
Cyprus	15.314	0	0	0	15.314
Total	**13.806.887**	**(403.563)**	**(836.461)**	**(1.240.023)**	**12.566.864**

At 31 December 2021, the ageing of trade and other receivables that were not impaired was as follows:

	31/12/2021
Current - not past due	9.466.115
Past due 1 - 30 days	1.190.262
Past due 31-90 days	573.254
Past due 91-120 days	182.010
Past due more than 121 days	1.155.223
	12.566.864

The movement of the provisions of financial assets is as follows:

Balance at 31 December 2019	**(1.121.488)**
Provision for expected credit losses	(51.311)
Provision for uncollected receivables	(41.205)
Utilization of provision	19.290
Balance at 31 December 2020	**(1.194.714)**
Provision for expected credit losses	(47.413)
Provision for uncollected receivables	0
Utilization of provision	2.104
Balance at 31 December 2021	**(1.240.023)**

Based on the simplified approach in the context of estimating expected credit losses, the Group uses a relevant "provision matrix", in which all uncollected trade receivables of the Group are classified in:

- Seven (7) basic categories concerning areas of activity with common characteristics in terms of credit risk (e.g. degree of credit risk, existence of collateral, etc.) and
- Six (6) subcategories depending on the age of each receivable (1-30, 31-60,61-90,91-180, 180-360, 360+).

Then for each subcategory using the relevant percentages, the expected credit losses are calculated. These percentages are adjusted in each reporting period based on updated historical data of 5 years.

With the above mentioned methodology, the expected credit losses were calculated for each category and each reporting period as follows:

Client category (thousand of €)	**31/12/2021**	**31/12/2020**
Telecommunication sector	0	0
Financial sector	17	17
Public sector	113	112
Utilities sector	19	19
Private sector	157	158
Exports sector	27	26
Intercompany sector	70	53
Total	**403**	**385**

In addition to the above expected credit losses, some receivables have been impaired as they have become uncollectible. The total amount as at 31/12/2021 amounted to € 836 thousand (2020: 810 thousand).

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term, easy liquidated investments that are convertible into cash and are so near maturity, that present insignificant risk of changes to the valuation at the time of liquidation.

iii. Liquidity risk

The Group manages its liquidity needs by monitoring the contractual payments on the debt for the long-term financial liabilities, and the cash flow forecasts and outputs needed for daily operations. Liquidity needs are monitored in various time bands, on a daily and weekly basis and on the basis of a rolling projection of 30 days. Long-term liquidity needs are determined monthly for a period of 180 and 360 days. Net cash requirements are compared to available borrowing limits, to determine the maximum amount or any deficiencies. This analysis shows that available borrowing limits are expected to be adequate.

The Group aims to maintain cash and deposits to meet its liquidity needs for periods of 30 days at least. The objective is met for the reporting periods. Funding for long-term liquidity needs is ensured in addition by an adequate amount of committed credit facilities. Emphasis is given on proper management of inventories, receivables and liabilities in order to provide the maximum of liquidity to the Group.

Exposure to liquidity risk

At 31 December 2021, the Group's financial liabilities (not derivatives) have contractual maturities (including interest payments where applicable) as summarized below:

31 December 2021	Carrying amount	Total	2021	2022	2023	2024	2025	2026	2027 and later
Financial liabilities									
Secured bank loans	7.152.397	**7.526.507**	4.582.109	1.802.722	1.141.676	0	0	0	0
Unsecured bank loans	2.000.000	**2.140.000**	70.000	2.070.000	0	0	0	0	0
Bonds	11.262.500	**12.155.825**	1.587.294	4.109.719	1.829.944	1.843.069	1.067.100	1.718.700	0
Finance lease liabilities	2.782.558	**2.979.697**	1.441.896	768.488	471.591	258.881	38.842	0	0
Trade payables	12.705.448	**12.705.448**	12.705.448	0	0	0	0	0	0
Other payables - financial instruments	350.587	**350.587**	350.587	0	0	0	0	0	0
	36.253.490	**37.858.063**	**16.155.224**	**6.948.206**	**2.301.534**	**2.101.950**	**1.105.942**	**1.718.700**	**0**

iv. Market risk

In relation to the market risk arising from the general market conditions, the Group has reduced exposure to this risk due to the geographical dispersion of an equal allocation of sales between Greece, Romania and Other Countries with major exposure in Central and Eastern Europe. An important part of these sales is addressed to the financial sector, especially in Banks. The ongoing economic downturn makes the markets in which the Group operates more vulnerable. However, the products produced for the private and government organizations are essential both for their daily operations and for their development. In addition the Group has achieved significant reductions in operating costs. As a result Group is highly competitive and can provide the high level of products and services in competitive prices.

The Group is not using derivatives to manage market risks.

In relation to the risks arising from volatility in interest and exchange rates:

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currency of Group companies is primarily the Euro (EUR). The currencies in which these transactions are primarily denominated as shown in the following table are mainly RON.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

31 December 2021	EUR	RON	ALL	USD	Total
Trade receivables	5.119.736	8.484.146	2.011	0	13.605.893
Other receivables	1.250.652	314.364	6.634	0	1.571.650
Cash and cash equivalents	774.375	754.746	12.349	150	1.541.620
Bank loans	(20.652.267)	(2.545.194)	0	0	(23.197.461)
Trade payables	(7.271.950)	(7.394.854)	(2.067)	47	(14.668.824)
Other payables	(1.506.587)	(496.995)	(26.820)	0	(2.030.403)
Net statement of financial position exposure	**(22.286.042)**	**(883.788)**	**(7.894)**	**198**	**(23.177.525)**

Exposure to currency fluctuations is mainly in the exchange differences arising on the incorporation in the consolidated financial statements of the financial statements of the Group's subsidiaries in Romania and their conversion from functional currency RON to presentation currency EUR.

Sensitivity analysis

A reasonable change of the Romanian RON against the Euro would result about the following changes:

RON (10% increase)	2021
Earnings before taxes	(281.937)
Equity	(1.886.657)

RON (10% decrease)	2021
Earnings before taxes	344.589
Equity	2.305.914

Interest rate risk

Interest rate risk is the risk of the results from the fluctuation of interest rates.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

	2021
Variable - rate instruments	
Cash and cash equivalent	1.541.620
Loans	23.197.461
	24.739.081

Sensitivity analysis

A reasonable change in interest rates in the range of +/- 100bp would result the following changes in the income before taxes and equity of the Group:

Profit or loss	2021
100bp increase	231.975
100bp decrease	(231.975)
Equity, net of tax	
100bp increase	180.940
100bp decrease	(180.940)

Group composition

26. List of subsidiaries

Set out below is a list of all subsidiaries of the Group as at 31/12/2021:

Company	Country	Participation Percentage 31.12.2021	Participation Percentage 31.12.2020	Consolidation method	Participation relationship
INFORM P. LYKOS HOLDINGS S.A.	Greece	Parent	Parent	-	Parent
LYKOS PAPERLESS SOLUTIONS A.E.	Greece	-	99,91%	Full	Direct
INFORM LYKOS (HELLAS) S.A.	Greece	100,00%	100,00%	Full	Direct
CLOUDFIN LTD	Cyprus	61,50%	0,00%	Full	Direct
CLOUDFIN SINGLE MEMBER S.A.	Greece	61,50%	0,00%	Full	Indirect
INFORM ALBANIA Sh.p.k	Albania	75,50%	75,50%	Full	Direct
TERRANE LTD	Cyprus	100,00%	100,00%	Full	Άμεση
S.C. INFORM LYKOS S.A.	Romania	99,99%	99,99%	Full	Indirect
COMPAPER CONVERTING S.A.	Romania	-	97,44%	Full	Indirect
NEXT DOCS ECM EXPERT S.R.L.	Romania	80,59%	65,07%	Full	Indirect
NEXT DOCS CONFIDENTIAL S.R.L.	Romania	80,00%	65,44%	Full	Indirect

The investments in subsidiaries are analyzed as follows:

Investments in subsidiaries	31/12/2021	31/12/2020
TERRANE LTD	20.402.500	20.402.500
INFORM LYKOS (HELLAS) S.A.	14.295.632	14.295.632
CLOUDFIN LTD	1.157.000	0
INFORM ALBANIA Sh.p.k	317.000	317.000
	36.172.132	**35.015.132**

For each reporting period of the financial statements (as defined in paragraph 9 IAS 36), the Group assesses whether and to what extent any indication of asset impairment is present. If any such indication arises, a relevant assessment of the recoverable amount of the asset shall be made. During the above assessment of investments in subsidiaries, in the context of the preparation of the consolidated financial statements of 31/12/2021, no indication of material impairment arose.

Changes in subsidiary holdings

Acquisition of ClOUDFIN SINGLE MEMBER S.A.

On February 10, 2021, INFORM P. LYKOS SA HOLDINGS signed an agreement for the acquisition of a majority stake of 56.5% of the share capital and at the same time the acquisition of control of the Cypriot company CLOUDFIN LTD at a price of 1 million euro. With this investment, INFORM expands the range of services provided to its existing customers and the ability to reach new customers, providing management, automatic identification and registration services (Process Automation), all types of invoices and other documents (purchase documents, expenses, contracts, etc.) using Machine Learning (ML) and connection with ERP systems. In addition, through the investment, INFORM will provide Document Management services, including electronic archiving, as well as document recognition products for Know Your Customer / Business (KYC / KYB) processes, with authentication control and extraction of data from identification documents (IDs, passports, driving licenses), tax, corporate and utility documents.

The services as mentioned above are fully connected and complementary to the INFORM Group's existing activities in terms of automation of all business processes in collaboration with the solutions Digital Onboarding, digitization and document storage, Robotic Process Automation and Intelligent Chatbot Journeys.

CLOUDFIN has been active in Greece and Cyprus's markets for the last (3) years with continuous business development and is a recognized service provider in the sector in which it operates. Among its main customers, PwC, Mazars and WTS are mentioned from the field of Auditing and Outsourcing, as well as many other large companies such as the PHC Franchised Restaurants Public Ltd group (Pizza Hut, Burger King, KFC, TACO BELL, Wagamama etc.), Shipping Neptune Shipping Agencies, HotelBrain and other Private sector companies.

On December 2021, INFORM P. LYKOS SA HOLDINGS increased its stake of CLOUDFIN'S share capital by 5.0%, and therefore holds the 61.5% of the share capital of the Cypriot company CLOUDFIN LTD. The price of this acquicition amounted to € 150 thousand. . The above additional acquisition is a change of ownership rights to an existing subsidiary and was recognized as an equity transaction. The difference between the amount by which the minority participation was adjusted and the fair value of the consideration for the acquisition of the additional participation amounted to € 132 thousand and was recognized directly in the equity attributed to the owners of the parent company.

Additional acquisition of a participation in the companies DOCS ECM EXPERT S.R.L. and NEXT DOCS CONFIDENTIAL S.R.L.

In the same month, INFORM LYKOS Romania (INFORM LYKOS S.A.), a subsidiary of INFORM P. LYKOS SA HOLDINGS, increased its majority stake in the share capital of NEXT DOCS ECM EXPERT S.R.L. and NEXT DOCS CONFIDENTIAL S.R.L., who are already members of the Group. Specifically, INFORM LYKOS Romania now owns 80.59% of NEXT DOCS ECM EXPERT S.R.L. and 80% of NEXT DOCS CONFIDENTIAL S.R.L. The purchase price of 15.52% and 14.55% respectively of the above mentioned companies amounted to 1.3 million euros. The activities of NEXT DOCS companies are related to the provision of document management services (including electronic archiving, workflow and business process development, scanning, internal form creation, indexing, process control and access), as well as physical archiving and certified secure document shredding.

The above additional acquisitions are changes of ownership rights to existing subsidiaries and were recognized as equity transactions. The difference between the amount by which the minority participations were adjusted and the fair value of the consideration for the acquisition of the additional participations amounted to € € 1.262 thousand and was recognized directly in the equity attributable to the owners of the parent company.

Liquidation and cessation of consolidation of COMPAPER CONVERTING SA

During the fiscal year 2021, the previous 97% subsidiary in Romania COMPAPER CONVERTING SA was dissolved and liquidated. The company was idle, with no significant assets or liabilities and therefore the above corporate transaction did not have a material impact on the Group's financial position.

Absorption of LYKOS PAPERLESS SOLUTIONS SA

At the end of the previous year, the parent company and the previous subsidiary LYKOS PAPERLESS SOLUTIONS A.E. were merged by absorption of the second from the first according to the provisions of Law 4601/2019, Law 4548/2018 and Law 4172/2013

27. Non - controlling interests (NCI)

The Group does not include subsidiary with material non-controlling interests.

Other disclosures

28. Operating leases

Leases are classified as finance lease, when the terms of the relevant contracts transfer substantially all the risks and benefits of the object which is rented to the lessee. Leases where substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases (net of any incentives received from the lessor) and are charged to the income statement on a straight line basis over the term of the lease.

Group does not lease important contracts in terms of duration or value except those relating to property leases with related companies.

At December 31st, the future minimum finance lease payments are set out in note 21 (B).

29. Commitments

The Group has not entered into important commitments apart from those mentioned in subsections (loans, finance lease contracts etc.).

30. Contingencies

There are no other judicial or legal claims that are expected to affect significantly the financial position of the company as at 31/12/2021.

For the Greek companies of the Group, for the years 2011-2020, an unqualified conclusion formed from the conducted tax audits, in accordance with the provisions of Article 82, par. 5, of Law 2238/1994 and Article 65a of Law 4174/2013.Tax audit regarding fiscal year 2021 is in progress although the Group Management does not expect a significant tax burden when the audit is completed and for this reason has not recognized a relevant provision.

Regarding subsidiaries and related companies, they have not been tax inspected by tax authorities for the years, presented below, and therefore, their tax liabilities in respect of these years have not been finalized:

Company	Domicile	Tax unaudited years
INFORM P. LYKOS S.A. HOLDINGS	Greece	2021
INFORM LYKOS (HELLAS) S.A.	Greece	2021
INFORM ALBANIA Sh.p.k	Albania	2015-2021
TERRANE L.T.D	Cyprus	2015-2021
CLOUDFIN SINGLE MEMBER S.A.	Greece	2021
CLOUDFIN LTD	Cyprus	2017-2021
S.C. INFORM LYKOS S.A.	Romania	2005-2021
COMPAPER CONVERTING S.A.	Romania	2005-2021
NEXT DOCS ECM EXPERT S.R.L.	Romania	2008-2021
NEXT DOCS CONFIDENTIAL S.R.L.	Romania	2010-2021

Apart from the aforementioned, there are no other cases of contingent liabilities or contingent receivables which could significantly affect the Group or the Company's financial position or operation.

Encumbrances

There are no encumbrances on the fixed assets of the Group's companies and the parent company.

31. Audit fees

Auditors' fees for the independent external audit of the Group's financial statements for the year 2021 amounted to € 152 thousand. Also, fees related to non-audit services amounted to € 27 thousand.

32. Related parties

Within the framework of the operational and investment activity of the Group, certain earnings, assets or liabilities concern other than others, related companies or individuals persons. These transactions are realised in commercial base and according to the laws of market. The Group did not participate in any transaction of uncommon nature or content that is material to the Group, or the companies and the individuals closely connected with it, and does not aim to participate in such kind of transactions in the future.

The table below presents analytically all the transactions between the Company and the related parties during the fiscal years 2021 and 2020 as well as the balances arising from these transactions as at 31/12/2021 and 31/12/2020 respectively:

Sales of goods or services

	GROUP		COMPANY	
	2021	**2020**	**2021**	**2020**
Subsidiaries	0	0	1.269.829	1.157.984
Other related parties	2.312.241	1.570.846	0	0
Total	**2.312.241**	**1.570.846**	**1.269.829**	**1.157.984**

Purchases of goods or services

	GROUP		COMPANY	
	2021	**2020**	**2021**	**2020**
Subsidiaries	0	0	0	0
Other related parties	3.616.964	4.888.905	0	0
Total	**3.616.964**	**4.888.905**	**0**	**0**

Granted loans

	GROUP		COMPANY	
	2021	**2020**	**2021**	**2020**
Subsidiaries	0	0	254.958	0
Total	**0**	**0**	**254.958**	**0**

Balances of receivables from sales of goods or services

	GROUP		COMPANY	
	2021	**2020**	**2021**	**2020**
Subsidiaries	0	0	1.364.759	1.208.667
Other related parties	1.039.029	535.254	0	0
Total	**1.039.029**	**535.254**	**1.364.759**	**1.208.667**

Balances of liabilities from purchases of goods or services

	GROUP		COMPANY	
	2021	**2020**	**2021**	**2020**
Subsidiaries	0	0	0	216.530
Other related parties	1.963.376	361.496	0	0
Total	**1.963.376**	**361.496**	**0**	**216.530**

Income from dividends

	GROUP		COMPANY	
	2021	**2020**	**2021**	**2020**
Subsidiaries	0	0	2.070.045	2.500.000
Other related parties	45	11	45	11
Total	**45**	**11**	**2.070.091**	**2.500.011**

Balances of receivables from key executives

	GROUP		COMPANY	
	2021	**2020**	**2021**	**2020**
Key executives	0	0	0	0
Total	**0**	**0**	**0**	**0**

Balances of liabilities to key executives

	GROUP		COMPANY	
	2021	2020	2021	2020
Key executives	0	0	0	0
Total	**0**	**0**	**0**	**0**

Remuneration of key executives

	GROUP		COMPANY	
	2021	2020	2021	2020
Key executives	852.289	758.722	438.004	450.882
Total	**852.289**	**758.722**	**438.004**	**450.882**

Remuneration of non-executive members of the Board of Directors

	GROUP		COMPANY	
	2021	2020	2021	2020
Non-executive members of the Board of Directors	212.180	216.740	212.180	216.740
Total	**212.180**	**216.740**	**212.180**	**216.740**

Some prior year amounts were reformed for comparability reasons of the presented fiscal years.

33. Subsequent events

The Russian invasion in Ukraine and the instability of the international economic environment are expected to decelerate growth and increase inflasion. The longer the war lasts, the worse will be the economic consequences for inflasion and economic growth.
The Group does not have operations in Ukraine, Russia or other geographical areas directly affected by the invansion. However, it is effected from factors that can lead to a further increase in inflasion. Energy prices are expected to remain in higher levels and to cause increases on raw material prices, and to significantly affect the supply chain and financial markets. Although the effects of the aforementioned international crisis cannot be adequately predicted, the Group's Management have already taken measures in order to decrease business risk, by monitoring events, circumastanses and intends to modify its business plan if necessary.

Within the year 2022, INFORM undertakes the supply of ballot papers for the elections in KENYA. Specifically, the duration of the project is set at three years, the total budget is estimated at € 28 million and is expected to produce more than 120 million ballot papers.
The participation to this public tender, is aligned with Group's strategy to expand their range of activities to new markets, by utilizing its know-how and infrastructure on printing sector.
The ballot paper's production will meet the requirements of all contemporary security standards,specifically, watermark paper will be used and ballot papers will be accompanied by a special package per constituency.The production of the aforementioned ballot papers is within the spectrum of security forms, in which INFORM has extensive experience and know-how. Therefore, after the performance of a technical inspection, the Group undertook the project among competitors with international presence and remarkable know-how.

On March 31st, 2022, the subsidiary company of INFORM LYKOS Romania acquired additional participations of 19.41% and 20% of the share capital of the existing subsidiaries NEXT DOCS ECM EXPERT S.R.L. and NEXT DOCS CONFIDENTIAL S.R.L., respectively, resulting in the Group now owning the entire share capital of these companies. (note 26).

Apart from the aforementioned events, there are no other events subsequent to 31/12/2021 that could have a significant impact on the financial statements of the Group.

Accounting Policies

34. Basis of measurement

The attached separate and consolidated financial statements have been prepared on the historical cost basis except for the assets, which are measured on fair values and are described in the relevant note 4(v).

35. Changes in accounting policies

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

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2021.

- Amendments to IFRS 4 "Insurance Contracts" – deferral of IFRS 9 (effective for annual periods starting on or after 01/01/2021)

In June 2020, the IASB issued amendments that declare deferral of the date of initial application of IFRS 17 by two years, to annual periods beginning on or after January 1, 2023. As a consequence, the IASB also extended the fixed expiry date for the temporary exemption from applying IFRS 9 "Financial Instruments" in IFRS 4 "Insurance Contracts", so that the entities are required to apply IFRS 9 for annual periods beginning on or after January 1, 2023. **The amendments do not affect the consolidated and separate Financial Statements.**

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: "Interest Rate Benchmark Reform – Phase 2" (effective for annual periods starting on or after 01/01/2021)

In August 2020, the IASB has finalized its response to the ongoing reform of IBOR and other interest benchmarks by issuing a package of amendments to IFRS Standards. The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark 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 contractual cash flows of financial instruments, how it will account for a change in its hedging relationships as a result of the reform, as well as relevant information required to be disclosed. **The amendments do not affect the consolidated and separate Financial Statements.**

- Amendments to IFRS 16 "Leases": Covid-19 – Related Rent Concessions beyond 30 June 2021 (effective for annual periods starting on or after 01/04/2021)

In March 2021, the IASB issued amendments to the practical expedient of IFRS 16, that extend the application period by one year to cover Covid-19-related rent concessions that reduce only lease payments due on or before 30 June 2022. **The amendments do not affect the consolidated and separate Financial Statements.**

36. Significant accounting principles

Except for the changes explained in note 36, the Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

A. Basis of Consolidation

i. Business Combination

The Group accounts for business combinations using the acquisition method when control is transferred to the Group (see (A) (ii)). At the date of acquisition the Group recognizes separately from goodwill, the recognized assets acquired, the liabilities incurred and any non-controlling participations to the merged subsidiary. The recognized assets and the liabilities incurred should satisfy the definitions of assets and liabilities in the framework of preparation and presentation of Financial Statements at the date of acquisition, in order to fulfil the criteria of recognition by the purchase method. The Group measures the acquired recognized assets and the liabilities incurred at fair values at the date of acquisition. The amount paid in return for the acquisition is measured at fair value, which is estimated as the sum of fair value at the date of acquisition of the assets by the Group, the liabilities incurred if any to the previous owners and non-controlling interests of the Group.

A cash element, receivable by or payable to a foreign activity, whose settlement has not been programmed or expected to be in the near future, consists, practically, a part of the net investment of the Group in this activity. Long-term receivables or loans and borrowings are included in such cash elements. These elements do not include trade receivables or payable accounts.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as net equity, then it is not remeasured and settlement is accounted for within net equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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.

The financial statements of the parent company and its subsidiaries, used for the preparation of consolidated financial statements, are prepared at the same reference date.

Consolidated financial statements are prepared based on uniform accounting policies for similar transactions and other events, under similar conditions. Accounting principles of subsidiaries are modified, if required, in order to be uniform to those adopted by the Group.

In its separate financial statements, the Company accounts for investments in subsidiaries at acquisition cost less potential impairment.

ii. Non-controlling interests

NCI are measured at their proportionate share of the acquiree's identifiable fair value of net assets at the date of acquisition.

Changes in the Group's rights in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii. Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. A potential gain or loss is recognized in profit or loss.

iv. Participations in net equity of companies

The Group does not include participations in associates or joint ventures, therefore it does not include equity participations in other companies.

v. Intra-group transactions eliminated on consolidation

Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions, are eliminated.

B. Foreign currency

The elements of financial statements of the Group companies are measured using the currency of the economic environment in which every entity operates (the functional currency). The financial statements are presented in Euro € which is the functional and presentation currency of the parent. The functional currency of subsidiaries is also the Euro €, except for the subsidiary in Romania, where the functional currency is the Romanian RON and the subsidiary in Albania, where the functional currency is the ALL.

i. Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary assets that are measured based on historical cost in a foreign currency are not translated.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- Available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective.
- Qualifying cash flow hedges to the extent that the hedges are effective.

ii. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

iii. Hedge of a net investment in foreign currency

The Group does not use risk hedging for foreign currency differences arising between the functional currency of the foreign operation and the Company's functional currency.

C. Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations
- is a subsidiary acquired exclusively with a view to re-sale

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI are re-presented as if the operation had been discontinued from the start of the comparative year.

D. Revenue

Revenue: Revenues comprise the fair value of sale of goods and render of services, net of value added tax, rebates and discounts. Revenues within the Group are eliminated fully.
The Group recognizes revenue when (or as) satisfies the obligation to execute a contract by transferring a promised good or services to a client. A promised good or services are transferred when (or as) the customer acquires control of that item. The customer acquires control of the good or service when it can direct its use and take substantially all the remaining benefits from the good or service. Control is passed over a period or at a specific time.
The recognition of revenues is as follows:
Sales of goods: Revenue from the sale of goods is recognized when the control of the good is transferred to the customer and there is no unfulfilled obligation that could affect the acceptance of the good by the customer.
Revenue from services: Revenue from services is accounted for in the period in which the services are rendered, based on the stage of completion of the service rendered in relation to all the services provided.
The customer requirement is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the customer.
A contract asset is recognized when the Group executes its contractual obligations by transferring goods or services to a customer before the client pays the consideration or before the payment is due.
The contract liability is recognized when the Group receives a consideration from the customer or when it reserves the right to a price that is unconditional (deferred income) before the performance of the contract's obligations and the transfer of the goods or services. The Group ceases to recognize the contractual obligation (and recognizes revenue) when it transfers the goods or services in question and thus fulfills the obligation to execute.
Interest income: Interest income is recognized on a time proportion basis using the effective interest rate.
Dividends: Dividends are recognized as income when is established the right to receive them.

E. Employee benefits

i. Short-term benefits

Short-term employee benefits include:

- Wages, salaries and social security contributions
- Short term compensated absences, such as annual paid leave and sick paid leave when the absences are expected to happen in the next 12 months, after the end of the year in which the employees offer the relevant service.
- Profit appropriation and exceptional benefits paid in the next 12 months after the end of the year, in which the employees offer the relevant service
- Non-monetary benefits (like medical care, residence, cars and free or subsided goods or services) for current employees.

Short-term employee benefits (except for termination of employment benefits) monetary and in kind are recognized as an expense when they accrue. Any unpaid amount is recorded as a liability, while in the case where the amount paid exceeds the amount of services rendered, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepaid expense will lead to a reduction of future payments or to reimbursement.

ii. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in potential, future payments is available.

iii. Defined benefit plan

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That future benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

v. Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

F. Government Grants

Government Grant is a financial aid provided by the State in a form of a fund transfer to a company, in return to its direct compliance by certain conditions regarding its operations. Government grants which cannot be evaluated because of their form, are not included to the above concept and the same applies to the transactions with the State which cannot be separated from the usual transactions of the company.

Grants regarding assets are government grants with a basic condition that in order for a company to be entitled for it, must buy, construct or acquire by any other way, usefully long lived assets.

Grants regarding income are government grants not related to the acquisition of assets.

The Group recognizes government grants which satisfy cumulative the following criteria: a) there is a concluded certainty that the company complies or is about to comply with the conditions of the grant and b) the amount of the grant has been received or is thought possible to be received. Grants are recorded at fair value and recognized systematically as income, based on the principle of relating grants to the respective costs that they finance.

Grants regarding assets are included in the long-term liabilities as income of following years and systematically recognized as income during the useful life of the fixed asset.

G. Income Tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

i. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years.

Current tax assets and liabilities are offset only if certain criteria are met.

ii. Deffered Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.
- Temporary differences related to investments in subsidiaries, associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not be reversed in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that will arise from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

H. Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average method. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity of the unit. Cost of inventories does not include any financial expenses.

I. Property, plant and equipment

i. Recognition and measurement

Property, plant & equipment used for production, disposal of goods or services, or for cover of needs of administrative services of Company, are presented in the balance sheet at their readjusted values, less their accumulated depreciation and potential impairment. The management decides on readjustments of value of these assets at intervals, so that the balances in the statement of Financial Position do not essentially differ from fair values as at reporting date.

When the carrying amount of property, plant & equipment is increased by a re-adjustment, this increase will be recorded in the statement of comprehensive income and then accumulated to equity as a readjustment surplus. In case the accounting value of buildings or land is reduced in the future following a readjustment, this reduction will be recorded in the statement of comprehensive income up to the amount of the existing credit balance of readjustment surplus. Any excess of impairment loss over this surplus will be recorded in the income statement.

The remaining categories of tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will inflow to the Group.

iii. Depreciation

Depreciation is calculated to write off the acquisition cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.
The estimated useful lives of property, plant and equipment for current and comparative years are as follows:

	Years
Buildings	20-50
Plant and machinery	3-20
Means of transport	10
Other equipment	3-20

The residual values and useful economic lives of tangible fixed assets are subject to reassessment at every date of balance sheet. When an asset's carrying amount is higher than its estimated recoverable amount, the difference (devaluation) is carried directly to the income statement as an expense.

iv. Reclassification from investment property to owner-occupied property

For a transfer from investment property carried at fair value to owner-occupied property or inventories, the property's deemed cost for subsequent accounting shall be its fair value at the date of change in use.

J. Intangible assets and Goodwill

i. Recognition and measurement

Element	Measurement
Goodwill	Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.
Research and development expenses	Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.
Customer relationships	Customer relationships are part of assets acquired through Group's business combinations. Fair value was recognized by the income approach (in the particular multi-period excess earnings method). After the initial recognition, the Group measures the above assets at cost minus any accumulated depreciation and any impairment losses.
Other intangible assets	Other intangible assets, which are mainly software licenses when acquired by the Group and have a limited useful life are measured at acquisition cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Goodwill is not amortised but tested (at least) annually for impairment according to IAS 36.

The estimated useful lives for current and comparative years are as follows:

	Years
Development costs	2-5
Software licenses	5-10
Customer Relations	10-15

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

K. Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. For a transfer from investment property carried at fair value to owner-occupied property or inventories, the property's deemed cost for subsequent accounting shall be its fair value at the date of change in use.

L. Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

M. Financial instruments

i. Financial assets-initial recognition, classification and subsequent measurement

A financial asset is recognized in the Group's statement of financial position when it occurs or when the Group becomes a party of the contractual provisions of the instrument.

The Group initially evaluates financial assets or financial liability at fair value plus transaction costs, in the case of a financial asset or financial liability not at fair value through profit or loss. Trade receivables are valued at the transaction price.

Financial assets are classified at initial recognition and subsequently measured at fair value through profit or loss or at fair value through other comprehensive income.

The classification is based on two criteria: (a) the Group's business model for managing the asset and the business model for managing the financial asset, ie whether the objective is to hold for the purpose of collecting contractual cash flows or to collect contractual cash flows and the sale of financial assets; and (b) assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ("SPPI" criterion).

Financial assets measured at amortized cost include the financial instruments that are retained under the business model for the purpose of holding and collecting contractual cash flows that meet the "SPPI" criterion. All financial assets of the Group are included in this category.

The Group does not hold financial assets that are measured at fair value through profit or loss or other comprehensive income at the reporting date.

Financial assets at amortized cost are subsequently measured using the effective interest method and are tested for impairment. Profits and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

ii. Financial assets - impairment

The Group applies the simplified approach for trade receivables and contingent assets for the calculation of expected credit losses. Therefore, at each reporting date, the Group measures the provision for a financial instrument for an amount equal to the expected credit losses over the lifetime. For determining the expected credit losses, a chronological analysis and rates table is used using historical data and reasonable assumptions.

iii. Financial assets - derecognition

The Group derecognizes a financial asset when:

- the contractual rights to receive the cash flows from the assets have expired
- the contractual rights to receive the cash flows from the assets have been transferred or the Group has an obligation to remit any cash it collects from the assets without material delay and either (a) the Group transfers substantially all the risks and rewards of ownership, or (b) the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

Financial liabilities - Measurement

Financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

N. Share capital

Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

O. Impairment

i. Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer will not enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

ii. Non – financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

P. Provisions

Provisions are calculated by discounting expected future cash flows with a pre-tax rate that reflects current market estimates for the time value of money and the risks specific to the liability. Reversal of discount is recognized as finance cost.

Categories	Accounting Principle
Warranties	A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.
Restructuring	A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Onerous contracts	A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Q. Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.
At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

ii. Leased assets

Assets held by the Group under leases that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognized in the statement of financial position of the Group.

iii. Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

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

• Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements 2018-2020" (effective for annual periods starting on or after 01/01/2022)

In May 2020, the IASB issued a package of amendments which includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards. More specifically:

- Amendments to IFRS 3 Business Combinations update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- Amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs a company includes when assessing whether a contract will be loss-making
- Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. **The above have been adopted by the European Union with effective date of 01/01/2022.**

- IFRS 17 "Insurance Contracts" (effective for annual periods starting on after 01/01/2023)

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. **The above have been adopted by the European Union with effective date of 01/01/2023.**

- Amendments to IAS 1 "Presentation of Financial Statements" (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any.
The above have been adopted by the European Union with effective date of 01/01/2023.

- Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. **The above have been adopted by the European Union with effective date of 01/01/2023.**

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2023)

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- Amendments to IAS 12 "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction" (effective for annual periods starting on or after 01/01/2023)

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- Amendments to IFRS 17 "Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information" (effective for annual periods starting on or after 01/01/2023)

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements in IFRS 17 to address an important issue related to temporary accounting mismatches between insurance contract liabilities and financial assets in the comparative information presented when applying IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" for the first time. The amendment aims to improve the usefulness of comparative information for the users of the financial statements. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any .The above have not been adopted by the European Union.

38. Effect of adjustment due to the change in International Accounting Standard (IAS) 19 "Employee benefits"

The International Financial Reporting Interpretations Committee issued,in May 2021, the final agenda decision, under the title "Attributing Benefits to Periods of Service" (IAS 19), which includes explanatory material regarding the way of distribution of benefits in periods of service following a specific defined benefit plan proportionate to that defined in Article 8 of Law 3198/1955 regarding provision of compensation due to retirement (the "Labor Law Defined Benefit Plan").

This decision differentiates the way in which the basic principles and regulations of IAS 19 have been applied in Greece in the previous years, and therefore, according to what is defined in the "IASB Due Process Handbook (par 8.6)", entities that prepare their financial statements in accordance with IFRS are required to amend their Accounting Policy accordingly.

Prior to the issuance of the agenda decision, the Group applied IAS 19 attributing the benefits defined under Article 8, Law 3198/1955, Law 2112/1920, and its amendment by Law 4093/2012 in the period from hiring until the employee retirement date.

The application of this final agenda decision in the accompanying consolidated financial statements has led to attributing benefits in the last 16 years until the date of employee retirement following the scale recorded in Law 4093/2012.
Based on the above, the aforementioned final decision of the Committee's agenda has been will be treated as a Change in Accounting Policy, applying the change retrospectively from the beginning of the first comparative period, in accordance with paragraphs 19-22 of IAS 8.

The following tables present the effect of implementing the final agenda decision regarding every affected specific item of the financial statements. The table does not include the items non-affected by the change in accounting policy:

Extract Statement of Financial Position 31/12/2019

		GROUP	
	Published 31/12/2019	**Effect of IAS 19**	**Restated 1/1/2020**
Equity			
Reserves	13.358.696	(17.982)	13.340.714
Retained profits	3.716.990	486.144	4.203.134
Liabilities			
Employee benefits	1.112.245	(600.208)	512.037
Deferred tax liabilities	1.278.546	132.046	1.410.592

		COMPANY	
	Published 31/12/2019	**Effect of IAS 19**	**Restated 1/1/2020**
Equity			
Reserves	13.074.144	(1.286)	13.072.859
Retained profits	1.309.009	5.845	1.314.854
Liabilities			0
Employee benefits	42.002	(5.845)	36.157
Deferred tax liabilities	0	1.286	1.286

Extract Statement of Financial Position 31/12/2020

	GROUP		
	Published 31/12/2020	Effect of IAS 19	Restated 31/12/2020
Assets			
Deffered tax assets	275.864	(1.604)	274.260
Equity			
Reserves	13.396.360	48.516	13.444.876
Retained profits	1.546.529	452.328	1.998.857
Liabilities			
Employee benefits	1.193.128	(644.093)	549.035
Deferred tax liabilities	1.114.968	141.645	1.256.613

	COMPANY		
	Published 31/12/2020	Effect of IAS 19	Restated 31/12/2020
Assets			
Deffered tax assets	216.041	(1.604)	214.437
Equity			
Reserves	13.021.296	(1.329)	13.019.967
Retained profits	1.675.623	7.015	1.682.639
Liabilities			
Employee benefits	117.012	(7.291)	109.721

Extract Statement of Comprehensive Income 31/12/2020

	GROUP		
	Published 31/12/2020	Effect of IAS 19	Restated 31/12/2020
Other Comprehensive Income			
Remeasurements of defined benefit liability	(38.138)	77.701	39.563
Related tax	9.153	(11.203)	(2.050)

	COMPANY		
Other Comprehensive Income	Published 31/12/2020	Effect of IAS 19	Restated 31/12/2020
Remeasurements of defined benefit liability	(69.538)	276	(69.262)
Related tax	16.689	(318)	16.371

Extract Income Statement 31/12/2020

	GROUP		
	Published 31/12/2020	Effect of IAS 19	Restated 31/12/2020
Administrative expenses	(4.697.046)	(33.816)	(4.730.862)
EBT	(53.420)	(33.816)	(87.236)

	COMPANY		
	Published 31/12/2020	Effect of IAS 19	Restated 31/12/2020
Administrative expenses	(1.358.181)	1.170	(1.357.011)
EBT	2.292.077	1.170	2.293.247

Koropi Attica, 26th April 2022

CHAIRMAN of the Board of Directors & Group CEO	VICE CHAIRMAN of the Board of Directors
PANAGIOTIS SPYROPOULOS ID No AI 579288	ILIAS KARANTZALIS ID No AN 644777
MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER
EMMANOUIL KONTOS ID No AK 093427	ALEXANDRA ADAM ID No AE 118025
HEAD OF ACCOUNTING DEPARTMENT	
ANASTASIOS TATOS ID No AM 556006 Registr. No of E.C. A' CLASS 9657	